

**Bangladesh National Report**

**On**

**Istanbul Programme of Action (IPoA)**

**2011-2020**



**Economic Relations Division**  
**Ministry of Finance**  
**Government of Bangladesh**  
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## Acronyms

ADP	Annual Development Programme	TFR	Total Fertility Rate
LDC	Least Developed countries	MMR	Maternal Mortality Rate
OECD	Organization of Economic Cooperation And Development	UN DESA	United Nations Department of Economic and Social Affairs
DAC	Development Assistance Committee	NBR	National Board of Revenue
BPoA	Brussels Programme of Action	CPI	Consumer Price Index
FYP	Five Year Plan	RHD	Roads and Highways Department
MTBF	Mid term budgetary framework	MRT	Mass rapid Transit
ECNEC	Executive Committee for National Economic Council	ECOSOC	Economic and Social Commission
GPEDC	Global Partnership for Effective Development Cooperation	ERD	Economic Relations Division
ODA	Official Development Assistance	BAPEX	Bangladesh Petroleum Exploration
IPoA	Istanbul Programme of Action ( IPoA)	SHS	Solar Home System
CDP	Committee for Development Policy	LIBOR	London interbank Offer rate
ODC	Other Developing Countries	SEATO	South East Asia Treaty Organization
GDP	Gross Domestic Product	BAEC	Bangladesh Atomic Energy Commission
FDI	Foreign Direct Investment	BCSIR	Bangladesh Council of Scientific and Industrial Research
FY	Financial Year	WIPO	World Intellectual Property Organization
BEZA	Bangladesh Economic Zone Authority	SDG	Sustainable Development Goals
BIDA	Bangladesh Investment Development Authority	BDHS	Bangladesh Demographic and Health Survey
SEZ	Special Economic Zones	VGD	Vulnerable group Development
ICT	Information and Communication Technology	MHMF	My Home My Farm
LNG	Liquefied Natural Gas	DFQF	Duty free Quota Free
BBS	Bangladesh Bureau of Statistics	EU	European Union
SIDS	Statistics and Informatics Division	RMG	Ready Made Garments
LGED	Local Government Engineering Department	EPZ	Export Processing Zones
REB	Rural; Electrification Board	HAI	Human Asset Index
DPHE	Department of Public Health Engineering	WTO	World Trade Organization
PKSF	Palli Karma Shangsthan Fund	UNCTAD	United Nations Conference on Trade and Development
EVI	Economic Vulnerability Index	UNWTO	United Nations World Tourism Organization
OHRLLS	Office of the High Representative for the LDCs and Land Locked Developing Countries and Small Island Developing States		

# **I. Executive Summary**

Bangladesh achieved independence in 1971 and had joined the United Nations group of Least Development Countries (LDCs) in 1975. As a member of the LDCs, a high level distinguished delegations led by the Honorable Prime Minister, Sheikh Hasina attended the 4th UN-LDC Conference at Istanbul, Turkey in May 2011. Since then, the country is striving hard under the able and visionary leadership of the Hon'ble Prime Minister to meet the commitment through successful implementation of the Istanbul Programme of Action (IPoA) 2011-2020. The government has taken pragmatic initiatives to implement the Program with due diligence to overcome the trap of structural impediments and enable the country to be graduated within the stipulated span of time. A high level 'Coordination and Monitoring Committee' was constituted under the Cabinet Division to oversee implementation status of the IPoA. Besides, a sub-committee was formed by the Cabinet Division under the Economic Relations Division (ERD), Ministry of Finance for regular monitoring progress of the Program being implemented by 48 ministries relevant to the eight priority areas of the IPoA.

The government has been pursuing a comprehensive and ambitious policy direction the 'Vision 2021' in order to achieve accelerated growth in the socio-economic and all other sectors of sustainable development. With a view to attaining the goals of 'Vision 2021' the government formulated a Perspective Plan 2010-2021 and two Five Year Plans (FYP); namely 6th FYP (2011-2015) and 7th FYP (2016-2020). It is worth mentioning that from the very outset, Bangladesh is privileged to integrate all the priority areas of IPoA in its National Plans due to the fact that the implementation period of IPoA coincides with the Perspective Plan as well as the 6th and 7th FYPs.

During the implementation period, Bangladesh achieved commendable success in each of the eight priority areas of IPoA. The country has been able to maintain the continuity and stability of the economic growth by tackling the adverse effect of the global and domestic front. GDP growth for FY2018-19 reached 8.15 percent, significantly higher than the growth of 7.86 percent in the previous fiscal year. The per capita national income reached US\$1,909 in FY2018-19 from US\$ 1,751 a year earlier and US\$ 928 in 2010-2011. The revenue collection remained at a satisfactory level with a growth rate of 8.88 percent in tax revenue during the current fiscal year. Export sector remittance also gained momentum over the years. The main growth strategy (pro-poor and inclusiveness) was to transform from a predominantly agrarian economy towards a manufacturing and service-oriented economy since implementation of the 6th FYP (2011-2015). Structural change in economy is moving forward with augmentation of industry in pace with declining agriculture's contribution to GDP while the share of services remains steady or rise moderately.

The quality of infrastructure is a prerequisite for efficient utilization of resources in promoting and sustaining economic growth as well as enhancing external competitiveness. Bangladesh made remarkable progress in power and infrastructure development during the implementation of IPoA. It aimed to adopt a strong and comprehensive reform program to increase generation and supply of electricity involving substantial investment, sector reforms and regional power trade. At present, 93 percent people of the country are under electricity coverage. To bring 100 percent population under electricity coverage by 2021, the government is continuing development, reform and reconstruction activities in the power sector. Implementation of different projects on transport and communication sector is also ongoing on priority basis. There has been notable progress in construction and reconstruction of roads and bridges during this period. The Padma Multipurpose Bridge, Dhaka Elevated Express Way and some other flagship projects are being implemented to boost the economy.

Infrastructure facilities are being created to carry container goods and inland waterways and so on. About 92% international trade is taking place through Chittagong seaport. At the same time, new seaports are also in progress for widening future scopes. Various measures have been undertaken for modernizing, developing and expanding ICT and telecommunication system of the country. The total number of mobile phone subscribers is recorded approximately 151 million in 2019. Currently, the tele-density of the country is 97.28, which is highest among South Asian countries.

In persuasion of an export-growth led trade policy, various policy and supports are being provided for increasing exports. During FY11-FY19, the percentage of export growth stood around 177%. The increased exports particularly, in the Readymade Garments (RMG) sector generated remarkable employment opportunity, most of whom are women. With a view to attracting private sector investment, the government has taken various laudable initiatives for infrastructure development, uninterrupted supply of electricity and also created an enabling environment for private investment. In FY 2018-19, the total investment of GDP was 31.57 percent, out of which 23.54 percent was from the private sector investment both from local and foreign investors.

Alongside economic growth, the government has included Human Resource Development (HRD) as one of the main goals of its development agenda. To achieve this goal, 22.09 percent of the current budget has been allocated to HRD related sectors. It embraces several sectors such as Education and Technology, Health, Youth and Sports, Gender and so on. Various programmes including adoption of the 'National Education Policy, 2010' have been undertaken to create skilled and competent Human Resources for the country by ensuring admission to all tiers of education. Bangladesh has achieved Millennium Development Goals (MDGs) related to health sector ahead of the stipulated time due to carrying out several priority based programs in health, nutrition and population sector. In recognition of this attainment, Bangladesh has won 'UN South-South Award' twice. Both fertility and mortality rates have decreased. Remarkable progress has been made in reducing child and maternal mortality and in increasing average life expectancy. Malnutrition has also been reduced significantly.

In order to ensure the desired development of women and their participation in the national development activities, the government has legislated 'National Women Development Policy 2011'. Furthermore, 'Domestic Violence (Prevention and Protection) Act 2010' has been enacted to prevent violence against women and children. As a result of implementing various development programs, Bangladesh is gradually improving in the Human Development Index (HDI). The country made outstanding progress in poverty alleviation during last decade. In 2010, it was 31.5% which reduced to 24.3% in 2016. Poverty rate in 2018 reached at 21.8%. According to 7th FYP, the target is to reduce poverty at 18.6% by 2020. To attain the desired target, the government provides special priority in social safety-net programs. Bangladesh follows the life-cycle approach of social safety-net. To this end, it has already formulated 'National Social Security Strategy (NSSS).

Despite various environmental problems, the country is working relentlessly to create a pollution free and eco-friendly country. 'Bangladesh Climate Change Strategy and Action Plan, 2009' is being implemented to address the impact of climate change where both adaptation and mitigation activities have been considered. Bangladesh is one of the countries likely to be adversely affected by the climate change. The country may face intense challenges as a result of withdrawing financing from GEF and LDCF due to graduation from LDCs. A number of policy reform programmes to implement critical and institutional reform in the governance and public management sector has been implemented. All these are aimed at combating corruption ensuring transparency and improving efficiency of public service. The critical areas of intervention include public administration capacity, judiciary, financial sector and local government.

Bangladesh is currently encountering challenges in hosting more than 1.1 million Rohingyas. The government in assistance with UN is continuing all out humanitarian support services to them. Despite attempts to repatriate the refugees, it could not be materialized due to non-conducive environment prevailing in Myanmar. It may pose severe threats to security, health, habitat and environmental degradation if the repatriation is not duly settled with appropriate international interventions. This is indeed a matter of great concern for Bangladesh.

Through successful implementation of the IPoA and other national development plans, Bangladesh is now on the path of graduation from LDC category. The Committee for Development Policy (CDP) of United Nations, in the Triennial Review Meeting held in March 2018, has declared Bangladesh eligible in the first round of graduation through fulfilling the required three criteria. If Bangladesh meets the benchmarks again in 2021, which is most likely, the country will be graduated in 2024 after enjoying three year grace period. However, since Bangladesh has been able to make best use of many International Support Measures (ISM), including the ones under the WTO system, the country will face some challenges after graduation due to loss of those ISMs. Among various ISMs, Duty Free & Quota-Free (DFQF) market access is the most important one, as Bangladesh is currently enjoying such market access in almost all developed countries, except USA and Russia, for almost all products, and also in many developing countries for certain range of products. The country is now assessing the probable impacts of the loss of ISMs after graduation so that appropriate strategy can be undertaken and implemented for smooth sustainable graduation.

The report intends to provide the information and a brief analysis of targets, progress, challenges in implementation of the IPoA in Bangladesh country context. The report incorporates seven chapters as per the guidelines of UN-OHRLLS. The first chapter presents executive summary of the report, the second chapter reflects introduction while the following chapters refers the country's development planning process. Chapter IV contains the main part of the report and discusses progress and challenges in implementation process of IPoA. Chapter V describes coherence and linkages with the 2030 agenda, chapter VI highlights issues towards the next LDC agenda, and chapter VII contains statistical annex.

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## II. Introduction

In continuation of a four decades long UN led global process, the Fourth United Nations Conference on Least Developed Countries (LDC IV) was held in Istanbul in May 2011 under a different global context yet with much stronger commitment and messages for the LDCs as well as for their counterparts among multilateral stakeholders belonging to International Development establishments comprising of UN, OECD - DAC and the World Bank. The conference was held when the International Development Cooperation was gradually recovering from the global economic meltdown and financial crisis in 2007-08 and the international development consortium voiced their concern on the dismal rate of progress of countries graduating from LDC groupings since 1971.

Istanbul Programme of Action (IPoA 2011-2020) as the outcome of the fourth UN conference on LDCs is the continuation of its predecessor namely the Brussels Programme of Action (BPoA) with several reinforced and renewed commitment for a number of overarching goals and objectives towards LDCs and their well-being. It was opined from several quarters participating in Istanbul LDC IV conference that IPoA could not achieve its desired outcome and perhaps was not implemented well for several shortcomings.

Hence the outcome of the LDC IV in Istanbul was to reiterate its three major goals with a much stronger voice and determination. Guided by the outcome document to the UN Secretary General and shaped by the national governments efforts and international support measures, the overall objective of the Istanbul conference are:

- ❖ Support and facilitate the speedy graduation of LDCs with momentum;
- ❖ Ascertain that graduation process doesn't reverse and be sustained;
- ❖ Build capacity of LDCs to overcome their structural constraints for self-sustaining growth &
- ❖ LDCs attain sustained, inclusive and equitable economic growth of 7 % annually.

As a result of the discourse and negotiations in the above convention, the outcome document, IPoA vowed that at least half of all LDCs will be graduated by 2020 and maintain their graduation threshold with momentum. With this end in view, the programme detailed activities under the purview of eight (8) priority areas for LDCs to be implemented by them to rapidly graduate from the group of 47 LDCs in close cooperation with development partners. While undertaking a national endeavour towards a comprehensive review of the implementation of the IPoA coming out of LDC IV in 2011 in the face of LDC V in Doha, it was reckoned with a sense of triumph that Doha round may very well be the last UN LDC conference Bangladesh will be attending and representing its self and other co-graduates as LDC.

As part of that dictum, the IPoA articulated the following guiding principles to be adhered to while implementing the Istanbul Programme of Actions. These principles were deemed fundamental in light of the lackluster performance of LDCs in carrying out BPoA and the apparent sluggishness regarding the collective vision and effort between LDCs and the development partners. It was agreed upon by all the stakeholders of IPoA that by adhering to the following principles, LDCs national government and development partners under the auspices of United Nations and OECD – DAC will be bonded by a shared partnership tied together with a collective accountability pertained to the implementation of the IPoA and the overarching goals enshrined in the outcome document of the fourth LDC conference. These principles are as follows:

## **1. Country Ownership and Leadership**

Nearly half a century long saga of development cooperation has affirmatively demonstrated that no country can achieve sustained economic progress and graduate from LDCs unless their development effort is spearheaded by potent national leadership and ownership. The vibrant participation of the Hon'ble Prime Minister Sheikh Hasina leading the Bangladeshi delegation comprising national executives and experts in the 4th UN conference on LDCs at Istanbul in May 2011 and the subsequent execution of the Istanbul Programme of Action into national development process was the justification of this cardinal axiom of national ownership and leadership. Since Istanbul declaration, the country embarked upon a determined effort to come out from the LDC grouping at the quickest possible time by implementing IPoA in its national developmental programme banking on its past success, experience and tapping opportunities within its limited natural resources and physical endowments against several global economic downturns. From the very beginning, the government constituted a High level Inter-Ministerial Committee Chaired by the Cabinet Secretary comprising Secretaries of the relevant ministries and several sub-committees for monitoring the implementation of the IPoA at the sectoral level. This was instrumental in keeping constant vigil on the IPoA agenda by the government on its incorporation, implementation and monitoring in the development impact and outcome.

## **2. An Integrated Approach**

During this past half a century of developmental cooperation between LDCs and DPs, it has been reasonably ascertained that sustainable development is attained only through a comprehensive and holistic approach. As poverty, deprivation and underdevelopment is a broad front which needs to be addressed through an integrated approach and with instrumental coherence. Bangladesh since its induction in LDC grouping has been nurturing this principle in its development journey through the past four and a half decades along with several twist and turns in its contours. The outcome of past seven 5 year plans (6th FYP and 7th FYP) provides ample evidence of reflection of this axiom along with results. All the eight (8) pillars have been included in the 6th FYP and the 7th FYP with the aim to implement IPoA at the national level. The mechanism to ensure bi-directional and cross sectional integration in the approach towards growth and development reducing poverty with social inclusion and equity were contemplated through two primary instruments. First one is the national developmental planning process steered by the Executive Committee of National Economic Council (ECNEC), which serves as the apex body of all developmental vision, programme and approval. The second one is the national budgetary process and instruments that formulate budgetary resource into mainly two types of set under Medium Term Budgetary Framework (MTBF). First the revenue budget that primarily funds government routine tasks, recurrent expenses for public goods provision for the well-being of the general public like maintenance of public security, primary health, municipality, informational duties and vital infrastructure. Second, the development budget that is undertaken to address impending needs in case of emergency, and for long term developmental objective to build capacity facing rising population, growing demand for services like infrastructure, education, health, local government, river erosion, embankment, energy and power and road and transport communication or for restoration for capital depreciation.

## **3. Genuine partnership with result orientation**

Bangladesh has maintained a formidable track record in the international development cooperation and partnership augmenting tangible results for its national well-being over the past four decades. This is evident in the recent tentative graduation from the LDC category in 2018 and keeping the development progress within momentum as required by the graduation criteria. The principle of partnership and result orientation was reckoned important from the guiding principles of Global Partnership of Effective Development Cooperation (GPEDC) due to their long experience of Aid and ODA disbursement for development under the auspices of OECD secretariat



#### **4. Peace and Security, Development and Human Rights**

Half a century of progress since our nation and statehood has vindicated that there can be no development without peace, security, development and human rights which are the cardinal maxim of UN charter of engagement and equally enshrined in Bangladesh's Constitution, the cornerstone of our national ethos and principles. These principles have been followed by successive governments that assisted to preserve the country's stability and security despite several recurrent internal unrests. Since Istanbul 2011, Bangladesh government undertook several steps in strengthening the status of internal security in light of global challenge of violent extremism. The country was unique in the sense that it was determined to keep its territory impermeable to extremist groups carrying out dissident activities as a proxy from global networks of extremist groups. On one hand, it preserved the country's sovereignty, security and tranquility for peace and development internally and at the same time kept the country externally outside the flashpoints of some global or regional conflicts.

Economic progress and growth has been continued during last decade which is outcome of democratic practices. Government is determined to uphold equal rights for all citizens irrespective of religious, ethnic and cultural ethos. Keeping a stable law and order situation, effective protection of boarder and coast, prevention of smuggling of illegal drugs are the major initiatives taken by the Ministry of Home Affairs which ensure peaceful life of the citizen those are precondition of good governance. The government has been combating terrorism and drugs with zero tolerance for keeping peaceful environment and running economic activities in the country. The MoHA has also been playing a vital role in keeping nonviolent environment for smooth democratic practices which is supportive to ensure good governance.

#### **5. Equity Voice and Representation**

The emergence of Bangladesh as an independent sovereign country and its war of independence in 1971 was the result of refuting the above principle. Hence, the afore-said principle is inherently ingrained in its national history and culture that has moderated our development struggle and experience over the past five decades. The equity principle is deeply embedded not only in our national ethos but also as a constitutional obligation in the public policy enacted by the public and development administration. This is also reflected in the priority given in the budgetary allocations to the pro poor and equity enhancing sectors under the auspices of public provisions of public goods.

#### **6. Balanced role of the State and Markets**

Since the early years of its economic emancipation, successive governments were compelled to maintain three major macro-economic balances in the economy: a fiscal balance between government revenue and expenditure, a monetary balance between savings and investment, and an external balance between import and export. These three balances were challenging to achieve price stability, stable interest rate for financial sector stability and remained as the basic macro-economic policy objective for the government in the early years. At the dawn of the new century, new promise and optimism engulfed around its economic prospect. What was dubbed as a test case of development in mid 70s by the international experts emerged as a development surprise for many and soon found its place in the respectable quarters around the opinion circle of global development establishment.

However, the oft ignored puzzle in the day to day economic and public policy management in LDCs was that these three balances aimed at several fiscal and monetary objectives which were pursued under a macro social balance between the state and the private sector. As technology and market

developed and the private capital flourished, there was a gradual transition from a state led development process to a private sector driven industrialization overtaking states' area of work in front line service sectors, manufacturing and information sector deep-seated with public good in nature. Over the years, since Istanbul declaration, as the country began to embark on the highway of economic growth, development and participatory globalization, the policy gradually felt the importance of market driven solutions in the economic programming as the new and emerging technologies also facilitated the process without compromising the role and the mandate of the state. So Bangladesh's path towards LDC graduation was a steady continuum from state to market clearing resolution and arriving at a steady state equilibrium of a balanced preponderance of state and market in their respective areas based on their comparative advantages.

Thus private sector was invited into this open terrain of opportunity for investments, markets and entrepreneurships through appropriate public policy realm which at the same time assisted state to divert attention and resources more towards its appropriate regulatory role of supervision, monitoring, and governance. Inculcating these above principle and their robust adherence in Bangladesh's development planning and programming during LDC years is a vindication of a stylized truism and may also propagate the overall framework of IPoA including its goals, targets and indicators. These are essentially a reflection of Bangladesh's development experiences drawn from past four and a half decades. In other words, it may not be an exaggeration to disseminate that a significant portion of IPoA was built upon by taking a stock of Bangladesh's development success, lessons and experience.

### **III. The National Development Planning Process**

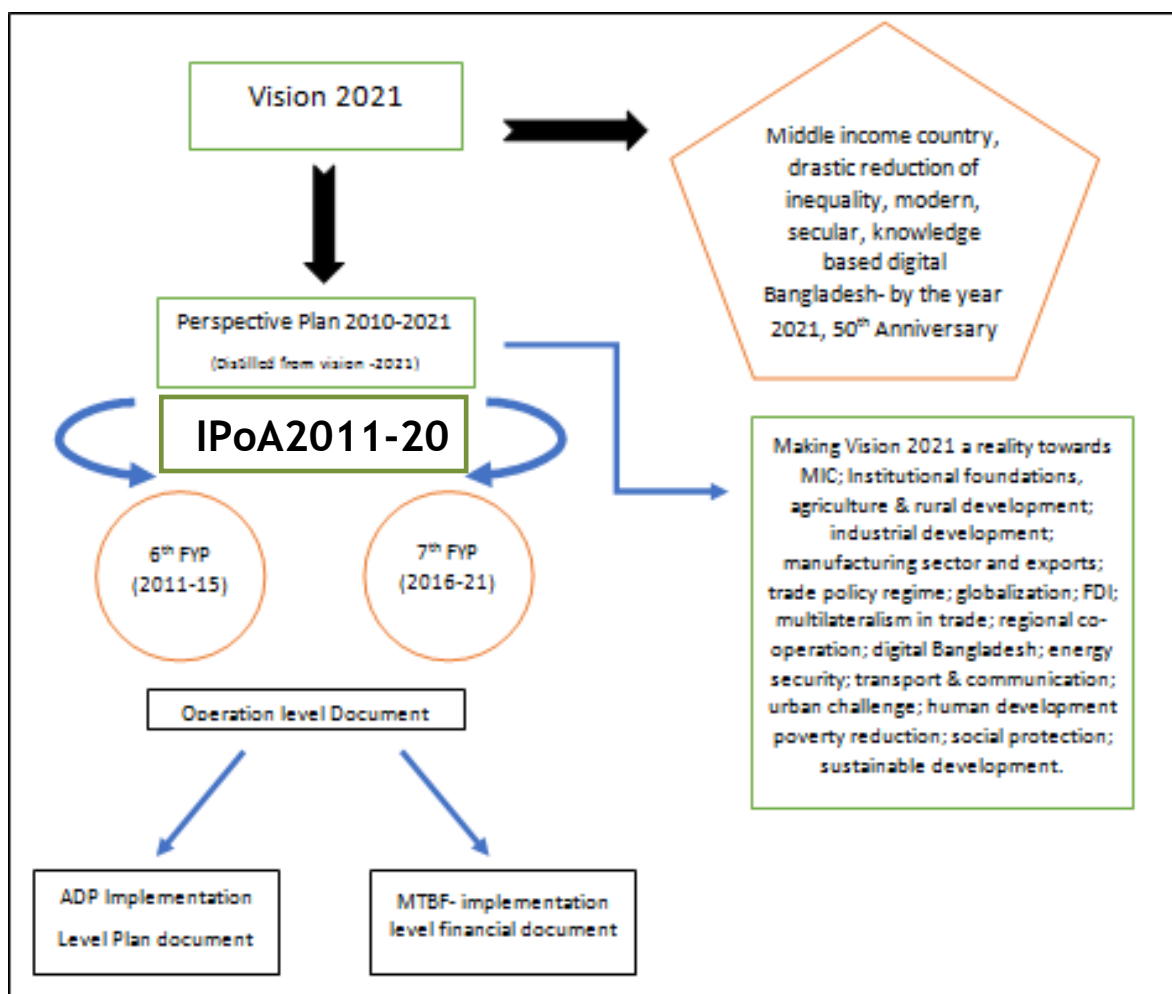
Bangladesh has made remarkable progress in increasing incomes, reducing poverty and improving social indicators in the recent years. The growth of GDP averaged 8.15 percent in the reporting period despite global economic down turn. This impressive performance was possible due to government's pro-poor and inclusive growth strategy. Poverty headcount ratio reduced to 20.5% by 2019 from 24.8% in 2015 and per capita national income has increased from US\$ 1,314 in 2015 to US\$ 1909 in 2019. Moreover, Bangladesh had been classified by the World Bank as a lower middle income country in 2015 and graduated in first round triennial review meeting conducted by the United Nations Committee for Development Policy (CDP) in March 2018 through successful implementation of the national plans including IPoA.

#### **National Development Planning Process**

The development programmes and projects of the country are carried out in light of the "Perspective Plan of Bangladesh (2010-2020): Making Vision 2021 a Reality"-a strategic articulation of the development vision and goals of the government in achieving a prosperous Bangladesh. The Perspective Plan 2010-2021 was formulated to be achieved through the implementation of two successive Five Year Plans; Sixth Five Year Plan (6th FYP) and Seventh Five Year Plan (7th FYP). These five year plans are to be executed in line with two operational level documents namely Annual Development Plan (ADP) and Medium Term Budgetary Framework (MTBF). ADP refers to the development plans of the government for any specific year including the estimated cost of future projects and revised cost of ongoing projects. MTBF depicts the probable source, mode, agenda, execution process of the development expenditures and serves as guidelines for implementing the projects of ADP.

Bangladesh's development plans and programmes have significant link with the internationally agreed goals. For instance, 6th FYP had mainstreamed with the targets of Millennium Development Goals (MDGs) whereas 7th FYP had been prepared in line with Sustainable Development Goals (SDGs). At the same time, the above mentioned development plans and strategies are also contributing towards achieving the targets of IPoA. It is worth mentioning that duration of the two five year plans coincides with IPoA and the development targets of the plans have significant resemblances with eight priority areas of IPoA.

## The National Development Planning Process: The Interface between Vision 2021 and IPoA



As noted above, the eight priorities of the IPoA had strategic synergy with the seven core targets of the 6th FYP, which were:

Income and Poverty

- Human Resource Development (Education, Health, Population, etc.)
- Water and Sanitation
- Energy and Infrastructure
- Gender Equality and Empowerment of Women
- Environmental Sustainability
- Information and communication Technology

Since, the 6th FYP has left a solid footprint of progress for the next one to pick up and carry out the remaining agenda; the 7th FYP therefore reflects a continuance of the major policy goals articulated in the 6th FYP and the legacy of relevance with the IPoA. The core targets of the 7th FYP set in accordance with the vision and goals of the Perspective Plan may be divided into ten broad categories arising from the fourteen sectoral strategic sectors and have strong alignment with the eight priority areas of the IPoA as compared in the following table:

## Inducting IPoA Pillars with 7th Five year Plan goals and targets

Broad categories of goals of 7th FYP	Specific development targets	Alignment with IPOA targets
Income and Poverty	<ul style="list-style-type: none"> <li>Attaining average real GDP growth rate of 7.4% per year over the plan period</li> <li>Reduction in the head-count poverty ratio by 6.2 percentage points</li> <li>Reduction in extreme poverty by about 4.0 percentage points</li> <li>Creating good jobs for the large pool of under employed and new labour force entrants by increasing the share of employment in the manufacturing sector from 15 per cent to 20 per cent</li> </ul>	Productive Capacity & Human Development
Sectors Development	<ul style="list-style-type: none"> <li>Significant growth of the agriculture, industry and service sectors</li> <li>Increase the contribution of the manufacturing sector to 21% of Capacity &amp; Trade</li> <li>Substantial improvement of exports to \$54.1 billion by FY20</li> <li>Achieving a trade-GDP ratio of 50% of GDP</li> </ul>	Productive Capacity & trade
Macroeconomic Development	<ul style="list-style-type: none"> <li>Total revenue to be raised from 10.7% of GDP to 16.1% by FY20</li> <li>Maintain the current fiscal deficit of 5% of GDP</li> <li>Government spending to be increased to 21.1% of GDP by FY20</li> <li>FID to be increased substantially to \$9.6 billion by FY20</li> </ul>	Productive Capacity, domestic resource mobilization, and FDI
Urban Development	<ul style="list-style-type: none"> <li>Infrastructural investment and civic facilities in peri-urban growth centres especially around Special Economic Zones</li> <li>Inclusive housing and other civic services for urban inhabitants including for people living in informal settlements and slums</li> <li>Inclusive urban planning based on sustainable land use planning and zoning</li> <li>Increased productivity, access to finance, and policy support for urban micro-small and medium enterprises</li> </ul>	
Human Resource Development (Education Health and Population)	<ul style="list-style-type: none"> <li>Achieving 100 percent enrolment rate for primary and Secondary education</li> <li>Percentage of cohort reaching grade 5 to be increased to 100 from current 80 percent</li> </ul>	Human Development

	<ul style="list-style-type: none"> <li>• Under 5 mortality rate to be reduced to 37 per 1000 live births</li> <li>• Maternal mortality Ratio to be reduced to 105 per 100,000 live births</li> <li>• Reduce proportion of underweight children among under – five children to 20 percent</li> <li>• Births attended by skilled health staff to be increased of 65 percent</li> <li>• Reduction of Total Fertility Rate to 2.</li> <li>• Increasing Contraceptive prevalence Rate to 75 percent</li> </ul>	
Water and Sanitation	<ul style="list-style-type: none"> <li>• Safe drinking water for all</li> <li>• Proportion of urban population with access to sanitary latrines to Development be increased to 100 percent</li> <li>• Proportion of rural population with access to sanitary latrines to be raised to 90 percent</li> </ul>	Human Development (Water and Sanitation)
Energy and Infrastructure	<ul style="list-style-type: none"> <li>• Installed Generation Capacity of electricity to be increased to 23,000 MW by 2020 productive Capacity (power &amp; energy)</li> <li>• Ensure energy mix for energy security</li> <li>• Electricity coverage to be increased to 96 per cent with uninterrupted supply to industries</li> <li>• Reduces system loss from 13% to 9% improve energy efficiency &amp; conservation</li> <li>• Construction of 6.15 km long Padma Multipurpose Bridge at Maqa-janjira</li> <li>• Construction of about 26 km long Dhaka Elevated Expressway Construction of Dhaka Chittagong expressway and up gradation of Dhaka-Chittagong highway to 4-6 lane.</li> <li>• Improve the multimodal transport network with a significant increase in the share of rail and water ways traffic</li> <li>• Reduce urban traffic congestion with focus on Dhaka and Chittagong cities</li> <li>• Reduce the incidence of road accidents</li> <li>• Completion of the following high priority Mega projects: <ul style="list-style-type: none"> <li>• Padma Bridge Deep Sea port project; LNG terminal project; Payra port project; Rooppur</li> <li>• nuclear power plant project; Rampal coal power project; Matarbari coal power project</li> </ul> </li> </ul>	Productive Capacity (Power & Energy)
ICT Development	<ul style="list-style-type: none"> <li>• Improve tele-density to 100% internet penetration to 100% and Productive Broadband coverage to 50% capacity (ICT)</li> <li>• All primary schools to have at least 1 and all</li> </ul>	Productive Capacity (ICT)

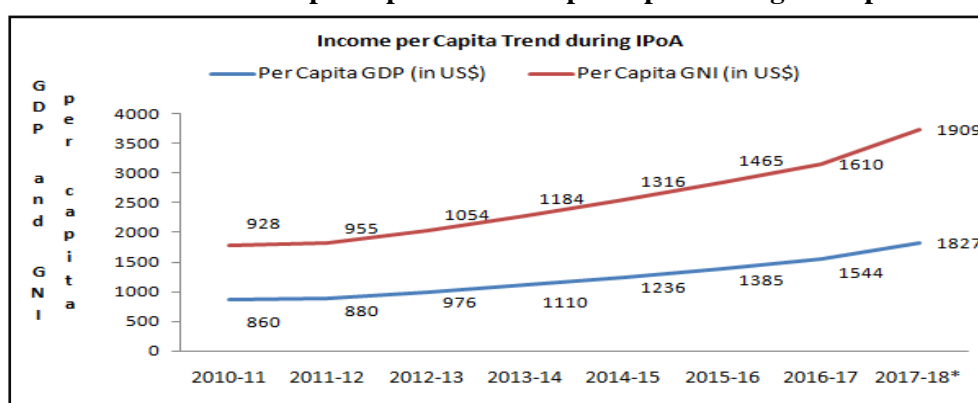
	<ul style="list-style-type: none"> <li>secondary schools to have at least 3 multimedia classrooms;30% of primary schools and 100%of all secondary schools to have an ICT laboratory</li> <li>25% of Community Health clinics provide tele-consultation with specialist in urban areas</li> <li>Most vital government services are made available at all Digital Centres, through the national portal and over mobile devices;</li> <li>Social media is regularly used for communication with various demand and supply sides stakeholders</li> <li>Open government data and big data analysis are regularly used in public decision support, Increase domestic ICT earnings to \$2billion and export earnings to \$2 billion, 1 million trained HR for the ICT industry</li> <li>Spending on Research and Development to constitute 1% of GDP</li> <li>Robust cyber security measures are institutionalized</li> </ul>	
Gender Equality Income Inequality & Social Protection	<ul style="list-style-type: none"> <li>Female to male ration tertiary education to be raised from 70 per Human cent to 100 per cent</li> <li>Development</li> <li>The ratio of literate female to male forage group 20-24 to be raised(Gender</li> <li>To 100 per cent form the current 86 per cent Equality &amp; empowerment to women)</li> <li>Encourage female enrolment in technical and vocational education</li> <li>Reduce or maintain the current income inequality of0.45</li> <li>Spending on Social protection as a share of GDP to be increased to 2.3%</li> </ul>	Human Development (Gender Equality & empowerment of women)
Environmental Sustainability	<ul style="list-style-type: none"> <li>Increase productive forest coverage to20 percent</li> <li>Reduction of</li> <li>Improve air quality in Dhaka and other large cities and enact Clean Vulnerability</li> <li>Air Act toward natural Shock (Multiple Crises &amp;emerging</li> <li>Promote Zero discharge of industrial effluents</li> <li>Urban wetlands are restored and protected in line with wetland</li> </ul>	Reduction of vulnerability toward natural shock (multiple crises& emerging challenges)

#### IV. Assessment of Progress and Challenges in the Implementation of the Istanbul Programme of Action for the Decades (2011- 2020)

Bangladesh has made significant strides in various socio economic indicators since its Istanbul declaration. The first rounds of successes were increasing agriculture output to reach the country near self-sufficiency with high yield per hectare with varieties of crops. This was done with intensification of inputs and also better management of natural capital like water and land and reducing loss from catastrophes along with protection and preservation of livelihoods. The next round of gains included rapid and sustained improvement in human development index primarily through primary health care, family planning and secondary education that drastically reduced child mortality, increased life expectancy, reduced fertility and increased literacy including young girls. These two victories provided the basic condition inculcating the foundation for fostering economic and social modernization in tandem with a multi-dimensional structural transformation.

On the macro economic front, it has persistently achieved a GDP growth of 6% since Istanbul 2011 and the reaching to 7 % and above since 2016, one prime target of IPoA. The GDP growth in current fiscal year rose to 8.15 percent, significantly higher than the growth of 7.86 percent in the preceding fiscal year.

**Growth in income per capita and GDP per capita during IPoA period**



Source: Bangladesh Bureau of Statistics 2019

The growth accompanied sustained poverty reduction to 20.5% as of 2019 from 31 % in 2011 and with the simultaneous rise of manufacturing output and modern services and declining contribution of agriculture. High growth in the manufacturing sector of the large industrial sector has played an important role in achieving this high growth. Among the broad 3 sectors of GDP, the growth of agriculture sector has reached to 3.92 percent in the FY2018-19, which was 4.19 percent in FY2017-18. Overall productivity of agriculture sector is less than the industrial sector, and the contribution of agriculture sector to GDP indicates decreasing trend. The industry sector grew by 12.67 percent in FY2018-19, which was 12.06 percent in previous year. The contribution of industrial sector to GDP stood at 35.0 percent which was 33.66 percent in the previous fiscal year. The service sector grew by 6.78 percent in current fiscal year compared to 6.39 percent in the previous year.

As a result, national savings rose to 29.5% and private investment peaked to 23.54% since Istanbul 2011. Its export and remittances are in strong foothold giving macro-economy a comfort zone to pursue prudent expansionary fiscal policy maintaining five macroeconomic objectives: income, output, employment, growth and price stability.

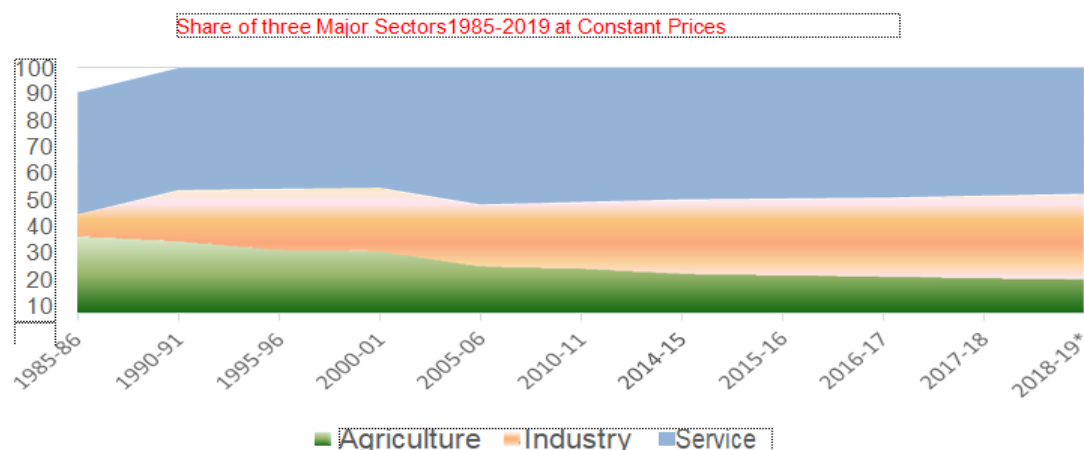


## Structural Features and Transformations

Over the last several decades and since Istanbul declaration in 2011, Bangladesh has witnessed modest progress in the mainstream indicators of economic structural transformation. The agriculture sector continues to absorb a large share of the labour force with low productivity although the share of agriculture in GDP has been steadily declining. The share of labour force in agriculture was 60% in 2010-11 and remains at 40.6% in 2016-17 though its contribution to GDP declined. Moreover, there have been limited changes in sectoral productivity and movement of labour across sectors which indicate that the pace of structural transformation is not adequate. A disaggregated analysis of productivity reveals that majority of growth in labour productivity occurred “with in” the sector rather than “between the sector”. Structural change from 1985 to 2015 has an average value of 0.2 over past 30 years. Export diversification, which is another indicator of structural transformation has made improvement but not at the desired pace in comparison to selected export competing countries like India, Indonesia, Pakistan, Vietnam, Cambodia and most recently Myanmar. Bangladesh export concentration saw a steady rise of the value from 0.33 in 1995 to 0.4 in 2015, although it’s export volume and share in the GDP as well as participation in global value chain saw steady improvement. However, export concentration still remains high because of little diversification. Although the trend of present labour force in service sector shows possibilities, it is not adequate enough to signal structural transformation. There is considerable growth of modern services but productivity growth in service sector is not indicating between sector movements. While there is no set level of structural economic transformation required for achieving smooth transition after graduation both in IPoA framework or LDC graduation paradigm, an analysis of Bangladesh’s performance in structural change when it comes to position and direction is less than the desired level as compared to those of emerging economies regardless of LDC status. The Linear forecasting of “ between sector productivity “ growth in Bangladesh is almost flat line indicating no growth or limited structural change although scope for further improvement in this is still open.

### Benchmark Situation:

Over the last several decades and since Istanbul declaration in 2011, Bangladesh has witnessed modest progress in the mainstream indicators of economic structural transformation. The agriculture sector continues to absorb a large share of the labour force with low productivity although the share of agriculture in GDP has been steadily declining. The share of labour force in agriculture was 60% in 2010-11 and remains at 40.6% in 2016-17 though its contribution to GDP fell. Moreover, there have been limited changes in sectoral productivity and movement of labour across sectors which indicate that the pace of structural transformation is not adequate.



## **Structural Transformation of Gross Value Added**

A disaggregated analysis of productivity reveals that majority of growth in labour productivity occurred “with in” the sector rather than “between the sector”. Structural change from 1985 to 2015 has an average value of 0.2 over past 30 years.

Several transformations have occurred in Bangladesh’s economic and developmental landscape since Istanbul Declaration in 2011. They have important implication in the development trajectory and horizon in the coming decades. These transformations has not only contributed to Bangladesh’s graduation process from LDC group in 2018 but also provided a strong hold for the achievement of 2030 agenda of SDGs in the country over the period. Keeping the core principle of IPoA, its implementation inculcated that “Development” is a continuous journey and transcends beyond the threshold level of LDC graduation. With this hindsight, IPoA is built upon the following eight (8) priority areas with several sub-components that would trigger as catalyst for the desired structural transformations. Many of them are endogenous and exogenous.

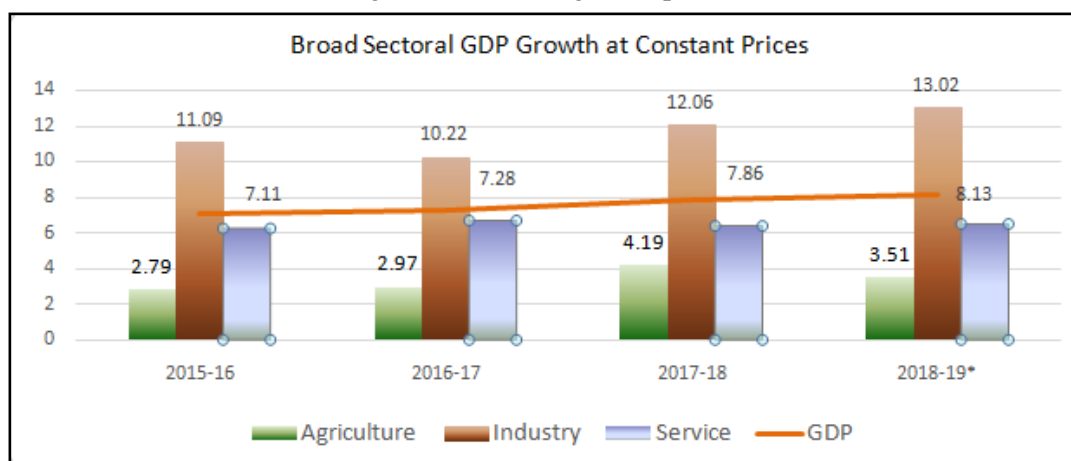
The strategy after Istanbul declaration was to bring about rapid improvement in agriculture output, universal primary health care with rural coverage, massive skill building programme among the youth, special economic zone to attract foreign direct investment and massive expansion in modern infrastructure and industrialization. As a result of this intervention, there are now changes in household fertility preference, gender behavior, consumption and savings behavior and asset formation and accumulation. With the passage of four decades, enormous vertical and horizontal mobility among youth, women and migrants occurred. A large number of prime age youth are now internal and international migrants sending remittances. Micro credit and small scale cottage enterprises for rural women has transformed the mindset of women’s role in society and their contribution to rural and peri-urban economies. A huge number of migrant women are now engaged as full time wage employee in modern manufacturing apparel sector and service sector. A puzzling lure in this dynamics is the heterogeneous nature of the pockets and depth of poverty and its geographic distribution which is not readily captured in the national average poverty estimate. Remote areas with weak growth poles and low density of remittance receipts seem to be more poverty prone than areas blessed with standard growth drivers. Recognizing this paradox, government kept this conundrum in its sight under the planning process and mobilized resources through standard fiscal measure and instruments to ascertain that the reduction of poverty and national welfare is distributed smooth and balanced across the country by addressing geographic inequality and inequity.

## Eight (8) Priority areas of Istanbul Programme of Action (IPoA )

### a. Productive Capacity

The state of the economic condition, capacity and the structure were the factorial dimensions determining Bangladesh's status as a Least Developed Country (LDC) in 1972. Bulk of the GDP and employment came from agriculture or farm related sectors. Despite the shortcomings, Bangladesh moved its economy that now accounts a larger GDP amounting approximately US \$303 billion from US \$129 billion in 2011. Country's per capita income is presently US \$ 1909 and poverty declined to 20.5%. The driving force behind such phenomenal changes was improving agriculture productivity and expanding manufacturing and industrial output beyond country internal capacity backed by rapidly improving human and social development. It was contended that the basic impediment was economic structural features and the technical solution to approach this phenomenon was structural transformation in the IPoA principles. Since its admission in the LDC group in 1975, the country's economic condition, capacity and structure has progressed with momentum and dynamism though perhaps not in the desired pace or direction all the time during past 47 years. However, since Istanbul 2011, there was a structural break in the policy direction towards building productive capacity of the economy by strengthening both macro and micro foundations. Infrastructure investment deemed as a crucial bottleneck for ascending to higher trajectory of growth was broadened and deepened that prompted private capital complementing public investment. The country has seen an unprecedented magnitude of investment in the expansion of energy, power and transport sector that till then was one of the crucial tailbacks in expanding the productive capacity especially in industrial and modern service sector.

GDP sectoral growth rate during IPoA period (2011-2020)



Source: Bangladesh Economic Review 2018, Ministry of Finance

Manufacturing output in our export basket augmenting in global value chain has been increasing since then. Our per capita income and Export-GDP ratio began to pick up rapidly though still in the middle income category as per the World Bank classification. So by transcending to international market for manufacturing production, the local productivity capacity grew and labour shifted from farm to firm. Share of agriculture in GDP was 18.38% in 2010 that now accounts 13.65% in 2018-19. Manufacturing and Industrial output increased from 27.38% to 35.00%. About 86 % of total exports are now manufacturing output in global value chain. With large number migrant workers sending remittances, balance of payment status is manageable. With the sustained and concurrent structural

change, country's fiscal stance improved and financial sector flourished. With the increase in income per capita and simultaneous change in economic structure, more people now have access to modern financial service. Although the tax GDP ratio has not improved as desired, tax collection is much larger now in proportion to expansion of economic and population size.

Our service sector still accounts for more than 50 % of the GDP as in 1981 during the first LDC summit. But there has been a qualitative shift in the composition of this sector. Since the country's journey into the highway of globalization from 90's, it triggered a structural change of output between the sectors as well as within the sector, especially service. To access information through broad band internet services for Information technology with low cost, the private sector could tap into the global reservoir of modern services, products and technology. These enabled private entrepreneurs to offer modern services with low transaction cost and broadened their market for modern services along with scale economies for a populace characterized by high demographic and economic density.

The country's productive capacity was enhanced during the Istanbul action period as government undertook all necessary measures to step up the main driver of building productive capacity that is investment. Gross investment maintained around 28.51 % for nearly a decade and was aimed to raise it up to 32% by substantially increasing public investment in the following sectors. This was consciously undertaken as a priority to improve the investment climate for private sector and their share of investment in the expenditure side. Among the thrust sectors of infrastructure development was expanding power generation capacity, energy diversification, extension, roads and railway networks, waterways, land ports, sea ports, transit facilities to improve regional connectivity.

## **1. Infrastructure**

### **1.1 Roads:**

The transport and communication system is a vital physical infrastructure which acts as a prerequisite of the socio-economic development of Bangladesh. The share of contribution of the "Transport, Storage and Communication" sector to Gross Domestic Product (GDP) is 11.01 percent and the rate of growth is 7.19 percent during FY 2018-19 as per Bangladesh Bureau of Statistics (BBS). The share of road transport in carriage of freight and passenger traffic by mechanized surface transport is highest compared to other modes like railway and waterway. The paramount importance of connectivity with the regional and international road network is unanimously acknowledged in the context of globalization and modern market economy.

With a view to achieving "Vision 2021", the government formulated Perspective Plan 2010-2021, two five year plan; namely 6th Five Year Plan (2011-2015) and 7th Five Year Plan (2016-2020). It is worth mentioning that the duration for IPoA almost coincides with the Perspective Plan and so does the duration of 6th Five Year Plan and 7th Five Year Plan.

During 6th Five Year Plan, 923 kilometer road was constructed, 5355 kilometer road was improved and rehabilitated, 39048 meter bridge/culvert/flyover/overpass was constructed and 21205 meter bridge/culvert was reconstructed under Roads and Highways Department. During the first 4 years of 7th Five Year Plan, 393 kilometer road was upgraded to 4 lane or over 4 lane with a provision of separate lane for slow moving vehicle against the target 952 kilometer, 440 kilometer road was reconstructed against the target 2726 kilometer, 4228 kilometer road was strengthened and widened

against the target 9793 kilometer, 16663 meter bridge/culverts was constructed against the target 39048 meter and 5652 meter bridge/culverts were reconstructed against the target 21205 meter. However, 6109 meter flyover and overpass were constructed against the target 8894 meter.

### **PPP Project**

There are 18 projects under the Roads and Highways Department which will be implemented on PPP basis through participation of the public sector as well as private sector for the development of road network.

#### **i) Improvement of Joydebpur-Debgram-Bhulta-Madanpur (Bypass Bypass) Highway with separate Service Lane on both sides (N-105)**

The PPP agreement was signed with the SRBG\_SEL\_UDC consortium on 06 December 2018 and it is now under implementation.

#### **ii) Construction of Dhaka-Chittagong Expressway (217.5 km)**

The possible implementation period of the project is from 2020 to 2024. Besides, a support project is in progress to meet the current project's cost of land acquisition, rehabilitation and other government expenditure under RHD.

#### **iii) Improvement of Hatirjheel-Rampura-Banasree Ideal School and College-SheikherJayga-Amulia-Demra Highway with separate Service Lane on both sides (including Chittagong road Mour and Tarabo link highway)**

5 fund providing organizations have been short listed and the Request for Proposals have been issued to them. The project investors are expected to be selected by 2019.

#### **iv) Improvement of Gabtoli-Nabinagar Highway on PPP basis with separate Service Lane on both sides (22 km)**

The project got approval of the Ministerial Committee of the Economic Affairs on 11 July 2018. The feasibility study for implementing the project on the basis of PPP is in process.

#### **v) Improvement of Chittagong-Cox's Bazar Access Controlled Highway with separate Service Lane on both sides (136 km)**

Appointment of transaction advisor is under process in the office of the PPP Authority. Apart from these projects, a number of projects (18) have been selected by RHD to implement on the basis of PPP.

### **Regional/Sub-regional Connectivity**

The Government of Bangladesh has attached highest priority on regional connectivity in development of road network taking into account the particular needs and problems of landlocked developing countries. The Government has been making relentless efforts to improve the road connectivity with neighboring countries through various regional cooperation forums such as UNESCAP, SAARC, SASEC, BBIN, BIMSTEC and BCIM. The Motor Vehicle Agreement (MVA) was signed on 15 June 2015 in Thimpu, Bhutan for the regulation of passenger, personal and cargo vehicular traffic between Bangladesh, Bhutan, India, and Nepal under BBIN initiative. The draft protocol for movement of

passenger has been finalized and the draft protocol for cargo vehicle with reference to MVA between Bangladesh, India and Nepal under BIN initiative is underway. A substantial progress has been attained to develop regional/sub-regional road connectivity by this time. 190 kilometer long the Dhaka-Chattogram Highway has already been upgraded to 4 lane. 54 kilometer long Padma Bridge connecting road (Jatrabari- Mawa and Pacchar-Bhanga) is going to be upgraded. Moreover, upgrading 70 kilometer long Joydevpur-Chandra-Tangail-Elenga Highway and 190.40 kilometer long Elenga-Hatikamrul-Rangpur Highways are being undertaken under SASEC Road Connectivity Project. Upgradation of Ashuganj River port- Sarail-Dharkhar-Akhaura Land Port Highway into 4 lane National Highways is being carried on.

Moreover, the feasibility study and detailed engineering designs of 1752 kilometer road sections of regional and sub-regional significance has been completed under Technical Assistance for Sub-regional Road Transport Project Preparatory Facility (SRTPPF) with ADB finance. The feasibility study and detailed engineering designs of 590 kilometer road is being carried on under SRPPF-2 to implement last mile and missing link connectivity.

### **Challenges:**

- Serious damages on road network are created due to monsoon climate, natural calamities and vehicle overloading. Thus road maintenance needs a higher priority, better management and better quality standard. Apart from regular routine maintenance, more emphasis should be on the major maintenance activities like reconstruction, overlay and other improvement works on the existing network rather expansion of network.
- Implementation of Road Fund to ensure timely and adequate investment for road maintenance is required
- Implementation of Toll Policy 2014 for generating revenue for ensuring maintenance provision of roads and highways.
- The operation of the highway network is severely hampered by congestion caused by traffic mix, encroachment and poor traffic management
- Vehicle overloading has been contributing significantly to the road deterioration.
- Road safety is critical as such initiatives has been taken to address in road design, traffic enforcement and public awareness
- Zilla road network is not fulfilling its due role in rural connectivity because it is partly incomplete and has suffered due to lack of maintenance
- High traffic growth over the next twenty years considering regional traffic leading for implementation of 4/8laning of National Highways and construction of second bridge over big rivers
- Government's role for minimizing the risk of huge investment and ensuring quick return to attract the private sector for successful implementation of PPP based road projects
- Address the problem related to land acquisition, utility shifting, encroachment, consultant appointment, matching fund etc. for successful implementation of mega projects within stipulated time frame in road sector.
- Furthermore, LDC graduation will create new challenges in foreign financing, particularly in funding the foreign aided projects.

## **1.2 Multipurpose Bridges:**

### **Padma Bridge**

The present government has shown highest priority for constructing 6.15 kilometer long Padma Multipurpose Bridge at Mawa-Janjira point for establishing an integrated communication network among all regions of the country. The implementation work of this project is progressing in full swing and 66% of work has already been completed.

The Padma Bridge will connect 19 districts of south-western region of the country with the eastern part and the capital Dhaka. Moreover, this bridge will bring revolutionary changes in the communication system in the South Asian regions as well as in the internal communication system due to its alignment in the Asian Highway (AH-1). Apart from contributing to the communication network, the bridge will also help in the economic development through increasing production, employment, income and alleviating poverty. This bridge will play a significant role in the socio-economic development by raising GDP by 1.20% and reducing poverty by 0.84% approximately. (Source: Feasibility Study Report of Padma Bridge Project).

### **Construction of Tunnel under the river Karnaphuli**

For reducing traffic congestion in Chattagram city, establishing direct road communication among Dhaka- Chattagram-Cox's Bazar and easing the transportation of goods from Chattagram sea port and proposed deep sea port, the implementation work of 3.40 kilometer long tunnel under the river Karnaphuli is progressing and 48% of physical work has already been completed. Hon'ble Prime Minister has inaugurated the Tunnel Boring Machine (TBM) on 24 February 2019. This tunnel will contribute to GDP growth about 0.16% (Source: Feasibility Study Report of Karnaphuli Tunnel Project).

### **Dhaka Elevated Expressway**

To reduce traffic congestion in Dhaka city, steps have been taken to construct 46.73 kilometer (with ramp) long Dhaka elevated expressway from Hazrat Shah Jalal (R) international airport to Kutubkhali on the Dhaka-Chattagram highway on PPP basis. Construction work of the expressway is progressing. Meanwhile, 1333 nos. piles have been driven. Besides, 309 pile cap, 96 cross beam, 206 column and 186 I-girder has already been constructed. About 47 kilometer new roads will be added to Dhaka city after completion of this elevated expressway.

### **Construction of BRT Lane (Elevated Section)**

Steps have been taken to construct of 20 kilometer long Bus Rapid Transit (BRT) lane from Gazipur to Shah Jalal international (R) Airport. Bangladesh Bridges Authority (BBA) is responsible for implementation of 4.5 kilometer elevated section. The implementation work is progressing and 18.20 % of physical work has already been completed. The construction work is expected to be completed in time.

### **Construction of Dhaka-Ashulia Elevated Expressway:**

To reduce traffic congestion in and around Dhaka city, measures have been undertaken to construct about 24 kilometer long Dhaka-Ashulia Elevated Expressway from Hazrat Shah Jalal (R) International Airport to Savar EPZ through Ashulia. To construct the expressway on G2G basis, commercial agreement has been signed with a Chinese Government nominated company. It is expected to start the construction work after signing of loan agreement with the China EXIM Bank.

This expressway will connect Asian Highway Network and almost all National Highways. This expressway will increase GDP by 0.217%. (Source: Feasibility Study Report of Dhaka-Ashulia Elevated Expressway Project).

### **Feasibility study for construction of subway (underground Metro) in Dhaka city**

Initiative has been taken to construct subway in order to reduce traffic jam in Dhaka city. Feasibility study is progressing. The implementation work is expected to commence in time after finalization of route alignment through feasibility study. The steps taken by Bridges Division play an important role in poverty alleviation and socio-economic development of the country by establishing coordinated communication system.

## **1.3 Railways:**

Bangladesh Railway (BR), being a state-owned organization, aspires to provide safe, affordable and environment-friendly transportation services through its expansion and modernization as well. Accordingly, its motto could be streamlined with the aspirations of IPoA like infrastructure development and maintenance, development of modern ICT infrastructure and Internet access, e-connectivity, Promotion of PPPs and improving connectivity by removing infrastructure bottlenecks. Bangladesh Railway has been undertaking different programs/projects to materialize its aspirations. The present government is supportive enough to realize the motto Bangladesh Railway has configured.

### **Sector wise Progress**

Bangladesh Railway has broadly been focused on building and enhancing productive capacity pertaining to infrastructure and associated asset acquisition with a view to providing safe, affordable and eco-friendly transportation services. For this, a number of IPoA targets have been set as guidelines that could be portrayed as follows:

Develop and implement comprehensive national policies and plans for infrastructure development and maintenance encompassing all modes of transportation and ports, communication and energy:

Bangladesh Railway, since 2009, constructed 401 km new rail track, converted 248.50 km Meter Gauge track into Dual Gauge, completed 125 km track doubling, rehabilitated 1163 km rail track, constructed 362 Railway Bridges, 98 station buildings, 229 level crossing gates, modernized 111 station signaling, procured 46 locomotives, 06 relief cranes, 20 set MG DEMU, 412 passenger coaches, 516 wagons and 30 brake vans; rehabilitated 460 passenger coaches, 45 locomotives, 277 wagons and 02 locomotive simulator. Besides, procurement is in process for 558 passenger coaches, 140 locomotives, 125 luggage van and 1000 wagons. Moreover, a number of projects for new track construction are on progress including two first track projects namely "Construction of Dohajari-Ramu-Cox's Bazar and Ramu-Ghundhum single line dual gauge railway track" and "Padma bridge railway link".

(b) Develop modern ICT infrastructure and Internet access, including expansion into rural and remote areas, through mobile broadband and satellite connections: Bangladesh Railway has its own optical fiber network for effective tele-communication. In addition, another 575 km optical fiber network is in process of installation and commissioning under the project. On the other hand, BR has provided its



officials with internet modems and introduced a help line to provide desired train information to the passengers. BR recently has launched a mobile APP to help passengers get train information and procuring travel tickets.

(c) Build and expand broadband connectivity, e-networking and e-connectivity in relevant areas, including education, banking, health and governance:

Bangladesh Railway has provided Wi-Fi internet service in its headquarters at Railbhaban, Dhaka. BR has also established technical facilities for video conferencing at different locations of its premises. Free Wi-Fi internet service has been provided at a number of railway stations.

d) Promote PPPs for the development and maintenance of transport and ICT infrastructure and their sustainability:

Bangladesh Railway has taken up 12 projects to be implemented under PPP scheme. These projects are meant for construction of ICD, hospital, medical college, multi-modal transport hub, five star hotel etc.

(e) Promote bilateral, sub-regional and regional approaches to improve connectivity by removing infrastructure bottlenecks:

Bangladesh, endowed with the geographical location, could act as a transport hub in the South-Asian region which in turn, might be conducive to explore economic and regional integration in the region. In order to gratify this natural endowment, Bangladesh Railway has already re-established the lost connectivity at different points with India. A number of projects are on progress to re-establish remaining lost connectivity as well as establish new connectivity with India that might lead to further connectivity with neighboring countries.

### **Challenges:**

- In realizing its aspirations, BR has been experiencing some challenges that may include:
- Lack of reliable and affordable infrastructure
- Shortage of Manpower
- Scarcity of Land
- Attracting suitable investments
- Rail track gauge unification
- Promoting regional integration
- Resettlement
- Weak Signal of internet connectivity
- Land acquisition
- Resettlement`
- Inadequate coordination among relevant ministry/ division/ agencies

## 1.4 Information and Communication Technology (ICT)

It has been trying to building 'Digital Bangladesh' a featured programme of vision 2021 making Bangladesh graduate as a middle income country. The objective of the ICT strategy is to provide better, faster and more secure digital services to the people of Bangladesh to build a Sonar Bangladesh (Golden Bangladesh). ICT as a driving force has significant effect in all areas of economy including government services, transport, energy, education, health, finance & banking, manufacturing industry, trade and investment, frontier technologies like IoT, Big Data, AI etc. ICT Division has adopted development and regulatory frameworks that promotes technology based industries and a knowledge economy. The initiatives of ICT Division based on four key point indicators (KPIs). The four pillars are:

- Establishing Connectivity and Enhancement of Infrastructure ;
- Human Resource Development on ICT Sector ;
- Industry promotion;
- Strengthening e Government framework.

These four pillars also aligned with the priority areas of the IPoA, particularly in productive\ capacity, Human & social development and good governance at all level.

### Sector wise latest progress

In the area of productive capacity the target is to build and expand broadband capacity, e-networking and e-connectivity in relevant areas, including education, banking, health and governance. ICT Division has been achieving this target by developing infrastructure. The objective is expansion of existing broadband network coverage up to Union level to provide high speed internet connectivity as well as easy delivery of e-service.

Remarkable Achievements in ICT sector of Bangladesh
<ul style="list-style-type: none"><li>• Best practices in e-Governance</li><li>• e-nothi Implementation</li><li>• e-GP system</li><li>• World Largest Government Web Portal</li><li>• One Stop Service Centre Installation (UDC)</li><li>• Farmers Window (Krishok-Janala)</li><li>• Service Process Simplification (SPS) for reducing citizen's hassle</li></ul>
<ul style="list-style-type: none"><li>• Best practices in education</li><li>• Teachers Portal</li><li>• Mukto Path (e-Learning)</li><li>• Empowering women through ICT: "She power project".</li><li>• Improving Quality Education through ICT: "Sheikh Russel Digital Lab".</li></ul>

Broadband internet connection provide low cost and high speed internet. So it is necessary to provide broadband internet connection facilities to marginal people for their economic and social development. ICT Division is trying to install fiber optic/broadband connectivity upto each union Parishad (total of 4500+). Targeting that installation work of 3700+ Union Parishad are nearly connected. Another project name Establishing Digital Connectivity (EDC) is taken to cover the rest of Union Parishads to achieve 100% internet connectivity. Along with national data center-3, National Tier IV Data Center will provide low cost data hosting facilities with high security of the data. All these efforts will contribute to low cost and high speed internet facilities to our citizens including people of rural areas.

ICT Division has also been increasing Productive capacity through addressing the Goal of industrial development. It has been promoting Internet content, products and services, creating an innovation ecosystem and tech entrepreneurship culture in Bangladesh. 200 startup companies will be provided with fund, mentoring and also with working space through a project named Innovation Design and Entrepreneurship Academy Project (iDEA) to this end. Hi-Tech Park(s)/ Software Technology Park(s) are being established for ensuring business environment with the aim of more investment both foreign and local. There are 14 numbers of Special Fiscal Incentives Packages for IT companies interested to invest in Hi-Tech parks. In addition, two shuttle train service have been arranged between Dhaka and Kaliakoir. A total of 104 private firms have been allotted space for investment in Hi-tech Park. Besides, Digital Innovation Fair is held every year to promote innovation in ICT sector.

The developed world is now looking forward to driving into the era of Fourth Industrial Revolution (IR:4.0). Here Digital Connectivity will play a pivotal role in economic development. On behalf of the Government, Posts and Telecommunications Division (PTD) has taken different initiatives to facilitate the digital connectivity. Various departments like BTCL, BSCCL, BCCSCL etc. under PTD is working to cope with the IR: 4.0. The Government of Bangladesh is pledged to transform the country into upper middle income country within 2030 including achieving targets of SDGs. The Government is committed to ensure universal Post, Telecommunication and ICT services to the door-steps of the citizens. To become an upper middle income country by 2030, the government has taken different steps to implement the SDGs, five year plans along with IPOA targets.

### **Achievements:**

# Bangladesh has successfully launched Bangabandhu Satellite- 1, the first geo-stationary communication satellite of the country on 11th May 2018. The location of the satellite is 119.1°E longitude orbital position. It will provide broadcasting and telecommunication services along with others up to rural areas in Bangladesh even in time of natural disaster. It will also introduce profitable services, including direct-to-home (DTH) services.

# Bangladesh is the part of SEA-ME-WE-4 (South East Asia-Middle East-Western Europe-4) submarine cable and newly formed SMW-5 Consortium. SMW-5 will provide more capacity i.e 2300 Gbps and redundancy for Bangladesh. BSCCL has started operation as IIG (International Internet Gateway) which will help the people to get broadband Internet with cheaper rate and better quality of service.

# The Post and Telecommunication Division (PTD) has successfully completed project under which fibre optic cable installation work achieved the total target of 16900 kilometer in 340 upazilas with

1110 Unions.

# Transformation from old terrestrial cable technology to high capacity and speed optical fiber technology by introduction of GPON. Present power of optical fiber transmission is increased from 40 GBPS to 240 GBPS.

# Bangladesh has already transformed from 3G to 4G technology and 5G is in pipeline. Country's 64% of population and 48% of geographical area is under 3G/ 4G network.

# The number of internet subscriber increased from 40 lakh to 9.62 crore during 2008 to June 2019. Internet density increased from 2.67% to 58.91%. The number of mobile subscriber increased from 4.6 crore to 16.18 crore during 2008 to June 2019. Tele density increased from 34.5% to 99.56%. During this period, usage of international bandwidth increased from 7.5 Gbps to 1050 Gbps.

# Bangladesh Post Office (BPO) has introduced Electronic Money Transfer System(EMTS) which is operated by mobile handset.

# Mobile money transfer system 'NOGOD' has been introduced and operated by BPO.

# Bangladesh Post Office (BPO) has converted 8,500 post offices to Post-e-centers. Rural People and every community people will have an easy access to ICT at nearby Post Offices.

#### **Means of implementation/achievement:**

The ongoing projects led towards the achievement of IPOA target are:

1. Modernization of Telecommunications Network for Digital Connectivity
2. Cyber Threat and Response Project
3. Introduction of 3G Technology and expansion of 2.5G technology in Telecommunication Sector (2nd Phase) for Teletalk.
4. Establishment of Solar based Base Stations in hard-to-reach areas for strengthening Teletalk Network Coverage.
5. Establishment of Optical fiber network to all government's college, University and poly technical institution.

#### **Future Plans of Posts and Telecommunications Division to achieve IPOA targets are as below:**

1. Development of Central Data and Transmission Network Management System for Strengthening Digital Connectivity
2. Optical Fiber Cable Network Development and installation of Ring-type OFC Networks
3. Upgradation and Capacity Enhancement of IP Network to Increase Broadband Internet Penetration up to Rural Areas
4. Expansion of Teletalk 3G/4G network Technology up to Union level and readiness for 5G technology..
5. Establishment of Wireless broadband network in rural level.
6. Increase the capacity of optical fiber plant by Bangladesh Cable Shilpa Limited.
7. To form institutional, legal and technical framework for the growth of e-commerce, cyber protection to ensure the Internet Safety and to build expert human resource in this sector.

8. Launching 2nd Satellite and getting prepared for the 3rd one.
9. Establish 3rd Submarine cable of the country and getting prepared for the 4th one.
10. To formulate guideline for Satellite Landing Rights, Unified Licensing, ISP, Telecom Tower Sharing.
11. Digital Broadcasting Switchover.
12. Up gradation and Extension of Spectrum Monitoring System.
13. Render services of Bangabandhu Satellite.
14. Installation of high capacity DWDM Optical fiber transmission network.

**The main challenges to achieve these IPOA targets were:**

- Lack of adequate human resources with technical know-how.
- Difficulties to offering technology to the remote areas
- Balancing three dimensions (economic, social and environmental)
- Natural calamity
- Gender inequality in technology usage etc.
- Rapid change of technology in telecom sector.

## **1.5 Air and Maritime Transport**

The central knob of the shipping transport are Inland Water Transport Authority (BIWTA) and the several port authorities like Bangladesh Shipping Corporation, Chattogram, Mongla, Payra, Ashuganj and several land ports. The Chattogram port still handles 95% of country's seaborne export and import trade. As country's volume international trade is rapidly increasing along with regional trade and connectivity, Government embarked upon building a new sea port in Payra at the Southern tip of near Sundarban forest and Ashuganj inland container terminal port for regional trade and shipping.

The Ministry of Civil Aviation and Tourism carries out regulatory and development functions in maintaining air traffic discipline and expansion of tourism in the country. As the international migration, foreign direct investment and trade have expanded since 2011, the government took several measures in expanding the national capacity of the civil aviation and tourism sector. Some key features are: strengthening the runway taxi and operational control tower, enhanced capacity in passenger embarkation and disembarkation and cargo facilities, new and better airports in and international carrier outside Dhaka and new addition of fleets to the national carrier, Biman for carrying more passengers in major destinations. Since Istanbul 2001, the country has added several new aircraft carrier both for national carrier and in private sector with more companies operating fleet in larger number of destinations in Middle East, South and East Asia. Furthermore, Hazrat Shah Jalal (R) Airport, domestic routes are smoother for developed airport in Chattogram, Cox's Bazar, Sylhet, Rajshahi, Rangpur and Jashore.

These two modes of transport also have gone through enormous changes. With government opening the sector for private airlines, the country has more provision of air travel reaching travelers to all parts of the country.

In consultation with World Tourism Organization (UNWTO) and under the auspices of National

Tourism Policy, government is contemplating three specific strategies: i) eco-tourism and community based tourism, ii) quality service, iii) boosting and inviting private investment under PPP.

Substantial investment and progress have been made in building resorts and recreational facilities at lucrative tourist spots close to water front areas like Cox's bazar, Jaflong, Kuakata, Sundarban mangrove forest and some oxbow lakes (Haor areas) as well as in the Chittagong Hill Tracts. The Government is also gradually establishing Exclusive Tourist Zones for foreign tourists and expatriates in some specific locations. Tourism promotion is also being carried out by Parjatan Corporation in various media outlet as well as through foreign missions abroad to attract more tourist in Bangladesh especially tapping 10 million expatriate resident living abroad.

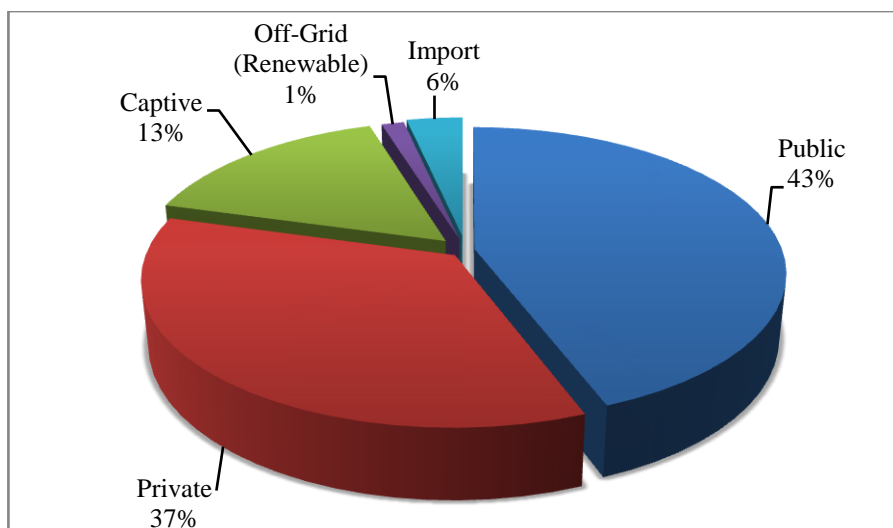
## **1.6 Energy and Power**

### **Power:**

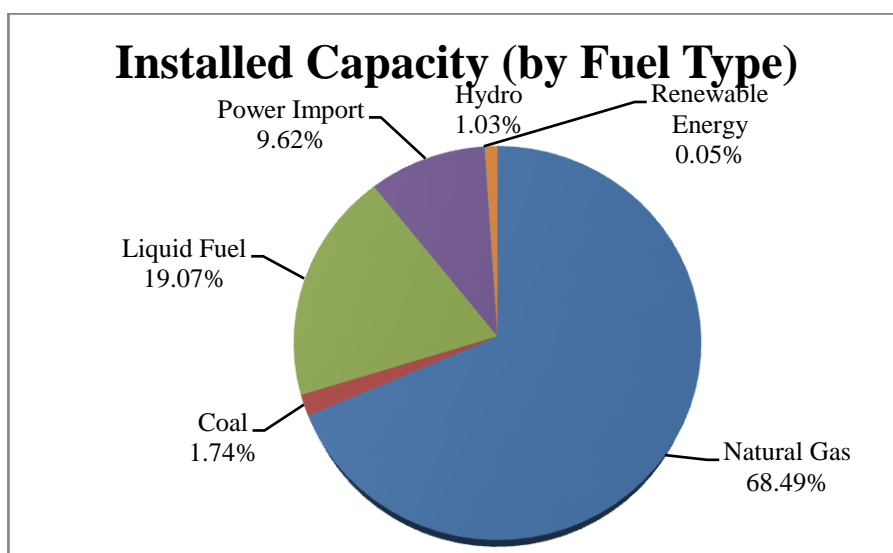
Recognizing that uninterrupted power supply is an important determinant for drawing private investment in industrialization, a crucial route for development, the government adopted a well-rounded power sector reform programme to increase the supply of electricity involving substantial investment, sector reforms and regional trade of power. The key elements driving the electricity generation and transmission were mobilizing private power producers, enhancing the availability of primary fuel, reforming power pricing policy and inefficiency, exploring power trade with neighboring countries to expand markets for power.

Achievements in the power sector had been quite satisfactory over the last ten years. During this period, around 95percent people have been covered under electricity access through the pragmatic initiatives such as immediate, short, medium and long term planning of the government. As of November, 2019, total grid based installed capacity was 19,428 MW including 9237 MW in public sector, 8508 MW in private sector and 1,160 MW from import. Total installed capacity accounted for 22,562 MW including captive and renewable energy. The Government has undertaken a number of initiatives such as reform, construction, reconstruction, and so forth to bring 100 percent population under electricity coverage as envisaged in Vision 2021. Installed capacity of power generation by fuel type and ownership is indicated in the following figures.

Installed Capacity (Sector-wise)



Source: Power Division November, 2019



Source: Power Division November, 2019

### Future Plan and Target

To implement government's long term plan to generate 24,000 MW by 2021, 40,000 MW by 2030 and 60,000 MW by 2041, The Power System Master Plan 2016 (PSMP) has been prepared on the basis of availability of primary fuel supply. The purpose is to mitigate the growing demand of electricity and to provide electricity for all by 2021.

### Power Sector Development and Future Plan

SL	Description	2019 (October)	2021 (PSMP 2010)	2030 (PSMP 2010)	2041 (PSMP 2016)
1.	Installed Capacity (MW)	19428	24000	40000	60000
2.	Transmission Line (Ckt. KM)	11894	12000	27300	34850
3.	Substation Capacity (MVA)	42190	46450	120000	261000
4.	Distribution Line (KM)	5,46,000	515000	526000	530000

5.	Per Capita Power Generation (KWh)	510	700	815	1475
6.	Access to Electricity (%)	95%	100%	100%	100%

Source: Power Division November, 2019

## Power Generation Projects

Bangladesh has drawn up a program to install new power plants as per the schedule below:

Year	2019	2020	2021	2022	2023	Total
Public Sector (MW)	1463	1953	2217	870	2890	9393
Private Sector (MW)	2090	553	0	1942	1490	6075
Import (MW)	0	0	340	1496	0	1836
Total (MW)	3553	2506	2557	4308	4380	17304

Source: Power Division November, 2019

## Power Transmission

The Government has recognized that for a sustainable grid system, the transmission capacity should be more than double of the generation capacity in order to ensure reliable power. Bottleneck in transmission system is already identified and a massive programme for smooth evacuation of electricity has been taken up. Power Grid Company of Bangladesh Ltd. (PGCBL) is responsible for operation, maintenance and development of transmission system across Bangladesh. At present, power plants are transmitted to the national grid through 400 kV, 230 kV and 132 kV transmission lines. Currently, the total length of installed transmission line is 11,894 Ckt-KM. Combining all the grid substations of different organizations of Power Division and other private organizations there are total capacity of 42,190 MVA and 2 HVDC sub-stations with total capacity of 1000MW.

## Power Distribution

Six organizations: Bangladesh Power Development Board, Bangladesh Rural Electrification Board, Dhaka Power Distribution Company Ltd., Dhaka Electric Supply Company Ltd., West Zone Power Distribution Company Ltd. and Northern Electricity Supply Company Ltd. are responsible for electricity distribution in Bangladesh. An integrated power distribution programme has been undertaken to expand the distribution network in order to bring 100 percent population under electricity coverage by 2020 as well as to improve the customer service. Up till October 2019, about 35.50 million consumers have so far been connected with the grid through construction of 0.55 million km distribution lines.

## Smart Pre-Paid Meter

To improve customer service, reduce system loss, ensuring revenue collection and adopting advance technology Smart Pre-paid Metering program is being implemented by the Govt. Till November 2019, 1.63.2 million Pre-paid/Smart Pre-paid meters have been installed by different entities. In addition, installation of 20 million Smart Pre-paid meters is underway. Power Division has set a target to bring all large and medium consumers under Smart Pre-paid Metering System. Due to introduction of Pre-paid/Smart Pre-paid meters, system loss has been reduced significantly and also electricity consumption pattern has also been changed. Also electricity saving attitude has developed among the customers. Scope has been created to implement Demand Management Program.



## Renewable Energy

The Government has planned to produce electricity through coal, dual fuel and nuclear power to reduce the dependence on natural gas. Apart from this, government has taken various steps to produce environment friendly electricity from renewable energy. The Renewable Energy Policy is being implemented since 2009 with a target to generate 10% electricity with RE sources. At present, 572.63606 MW electricity is being generated from renewable sources. Following are the status of the major RE used in Bangladesh:

Type	Quantity	Capacity (MW)
Solar Home System	5.8 million	248
Solar Irrigation System	1377	30.34
Solar Mini Grid (IPP)	4	38.4 MW
Net Energy Metering	639	11 MW
Hydro	01	230

Source: SREDA November, 2019

Furthermore, 11 PPAs has been signed with a total capacity of 685 MW. LOI for 13 projects of 810.77 MW have been issued.

## Energy Efficiency (EE) and Energy Conservation (EC)

The Government has undertaken a number of initiatives to ensure efficient use of energy. ‘Energy Efficiency and Conservation Master Plan up to 2030’ and ‘Energy Efficiency and Conservation Rules and Action Plan’ have been formulated to this end. The target to improve energy efficiency has been set in 7th Five Year Plan. The target is to save 15 percent primary energy per GDP by 2021 and 20 percent primary energy per GDP by 2030. Some of the recent achievements in energy improvement are as follows:

- ‘Energy Efficiency and Conservation Rules 2016’ has been formulated
- ‘Energy Audit Regulation 2018’ has been formulated
- ‘Energy Efficiency and Conservation Promotion Financing Project’ has been operating to promote energy efficiency in industries as well as in residential sector
- Credit facilities have been created in Bangladesh Bank for environment-friendly and green industries
- Provision of Energy Efficiency and Energy Conservation has been included in Bangladesh National Building Code
- Preparation and implementation of Country Action Plan for Clean Cook Stove

### To promote EE&C in the country the following activities have been undertaken:

- Demand side management by staggering holidays in different industrial hubs and commercial establishments in the cities
- Energy Star rating program of different home appliances has been undertaken
- Energy Auditing program is underway for designated industrial consumers
- Promotion of Improved Cook Stoves (ICS)
- Improved Rice Parboiling System
- Energy Efficiency & Conservation Promotion Financing Project

### **Rooppur Nuclear Power Plant**

Rooppur Nuclear Power Plant is one of the priority projects of the government. Considering geological, geophysical and meteorological data of Rooppur Nuclear Power Plant site, different feasibility studies have been conducted by Bangladesh Atomic Energy Commission. To meet the growing electricity demand of the country, the First Concrete Pouring of Unit 1 and Unit 2 were done to get 2×1200 MW energy from this nuclear power plant by 2023 and 2024 respectively.

### **Challenges**

- Despite the Government's best efforts, few challenges in Power Sector development are as follows:
- Bangladesh has taken some big projects to increase transmission and distribution network. These require funding from DPs, multilateral aid together with Foreign Direct Investment (FDI) and domestic financing. Furthermore a total of 148,000 crore BDT (14 billion US\$) in public sector is required up to FY 2020-21. As per the SDGs Needs Assessment and Financing Strategy 2017 published by the General Economic Division (GED), Power Sector will require additional 827,348 crore BDT (89.92 billion US\$) to attain SDG targets during 2017 to 2030.
- Bangladesh, earlier being an LDC, used to receive these financial supports as soft loans. These types of soft loans are withering away as Bangladesh graduates from LDC. Thus, borrowing cost will significantly rise as Bangladesh will have to borrow hard term loans to implement power projects. Hence the cost of capital and the project cost will rise significantly. With increased cost of capital, some power projects may become financially and economically challenging that would lead to increase in cost of power generation and transmission. As a result, tariff will have to be increased to make the projects viable, which will add as burden of the consumers.
- The country is in the process of graduation to middle income country. It will increasingly affect, especially in the power sector when it comes to renewable energy and energy efficiency. Because these are still emerging areas for Bangladesh and not yet developed technically and commercially. There is lack of technical knowhow and skilled manpower in these sectors. In creating skilled manpower, Bangladesh usually depends on technology transfer, expert service, information dissemination, exposure visits to/from developed countries. Given the decrease of technical assistance, the scope for human recourse development, expert service and technology transfer through grant will be reduced. Hence, fund management for renewable energy development, research and piloting will be one of the biggest challenges.
- In previous years, power sector was mostly dependent on natural gas. More than 90% of the generation capacity was based on gas-based power plant. Due to depleting gas reserve and the difficulties of domestic coal development, Bangladesh is moving towards imported fuel for power generation. As a result, keeping the generation cost at marginal level is a major challenge.
- At present, there is a substantial gap between peak and off-peak electricity demand. Almost half of the capacity is not being utilized during off-peak. This implies that utility is not being

able to ensure the utilization of full electricity. Huge gap has been arisen between peak and off-peak electricity demand. There is need for identifying innovative solutions such as regional electricity trade because of existing seasonal demand disparity in the region to minimize the peak and off-peak electricity demand gap.

## **Two Success Stories of Bangladesh Power Sector**

### **1. Significant Increase of Electricity Coverage**

During January 2009, the power generation capacity was only 4,942 MW which was far below to meet the demand. The transmission and distribution line lengths were 8,000 Ckt-KM and 15870 KM respectively. Only 47% of the total population had access to electricity and per capita generation was 220 kWh. Load shedding was a regular phenomenon for that consumers had to suffer due to power shortage. The distribution loss was over 14% which indicates a delicate power system for the consumers.

The scenario has drastically changed when the government has taken the initiative recognizing the impact of electricity to expedite the country's development right from its election manifesto. The power sector has been developed significantly over the last decade with the government's proper planning and incessant efforts. Now the power generation capacity has increased to 22,727MW. The number of power plants is 137 where it was only 27 during 2009. The highest generation of electricity has attained to 12,893MW. Till now, the transmission line length is 11,905 Ckt-KM and distribution line is 550,000 km. The substation capacity has increased to 42,625MVA from 15,870 MVA in 2009. Government has taken several strategies to increase the electricity connection through construction of transmission and distribution lines and increasing substation capacities and installation of Solar Home System, Solar Mini-grid for off-grid isolated areas where grid electricity is costly or difficult to reach. Therefore, 3,905 Ckt-KM transmission line and 2,90,000KM distribution line has constructed during 2009-2019 in grid areas for increasing electricity coverage and 5.8 million Solar Home System and 26 Mini-grids have installed within a shortest time which have remarkably increased the electricity coverage across the country.

As a result, per capita power generation has increased to 510 kWh. The distribution loss has reduced to 9.35%. With this all relentless effort, total electricity coverage of the country is now 95% from 47% in a decade which is a significant achievement of Power Sector of Bangladesh.

### **2. Reduction of System Loss**

System loss is one of the key performance indicators of the power sector entities. In recent years, system loss has been reduced significantly. The distribution system loss in FY 2007-08 was 15.56%, which reduced to 9.35 % in FY 2018-19. Approximately 6% system loss reduced during the above mentioned short span of time. Due to reduction of system loss approximately 3000 crore taka has been saved per year. Also, reduction of system loss saved Government from investing for another 1000 MW power plant.

Government has taken numerous measures to reduce this system loss into single digit. In order to achieve the desired target to reduce system loss, the following measures have been taken:

- Consumers are brought into 100% metering system
- Implementation of AMI and smart prepaid meter for electricity consumers

- Inter-phase metering for utilities for purchasing bulk power
- standardization and renovation of distribution and transmission line
- Upgradation of network, substation, feeders and implementation of GIS
- continuous performance monitoring of utilities through KPI
- Improvement of power factor
- Replacement of overload transformers
- Improvement of billing & collection efficiency of utilities
- Controlling theft and conducting mobile court
- Introducing SCADA/DSM system
- Installing underground cables and underground substation
- Reforms and target oriented measures, etc.
- To achieve desired performance and viability of the sector, system loss needed to be further reduced. The distribution system loss from 2007-08 to 2018-19 is shown in table below:

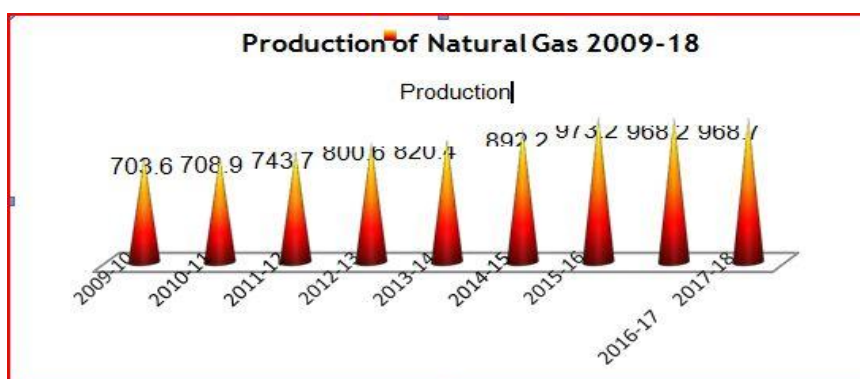
Table: Historical System Loss Data

FY	Distribution	Total Loss (T&D)
2007-08	15.56%	18.45%
2008-09	14.33%	16.85%
2009-10	13.49%	15.73%
2010-11	12.75%	14.73%
2011-12	12.26%	14.61%
2012-13	12.03%	14.36%
2013-14	11.96%	14.13%
2014-15	11.34%	13.54%
2015-16	10.96%	13.10%
2016-17	9.98%	12.19%
2017-18	9.60%	11.87%
2018-19	9.35%	11.96%

Power Division is continuously trying to reduce system loss and maintain international standard. This remarkable success has been achieved during the last 10 years due to continuous monitoring and utilization of modern and state-of-the-art technology.

## Energy:

The main aim of this sector is to reduce extreme dependence on natural gas through diversification of energy-mix and alternative/renewable energy resource usage, balanced and synchronized



development of gas production, transmission and distribution activities, encourage participation of

private entrepreneurs in oil and gas exploration, production and distribution.

Among the primary energy sources, Bangladesh is gifted with natural gas, coal, and although our natural resource base is limited and the economy is not resource rent driven, the energy intensity and dependency cannot be overruled as energy security is the primary condition for building productive capacity. Presently, Bangladesh has diversified its energy sources by tapping local reserves and importing new technology energy products like LNG and LPG. The openings of renewable energy sources in remote areas have enabled more people's access to energy.

Natural gas is the major primary energy source of Bangladesh. It is regarded as main driving force of the economy of the country. Presently, 20 gas fields are producing about 2750 million cubic feet gas per day (MMCFD) and about 500 MMCFD LNG is being added to the national gas grid.

The government has taken several steps in exploring new gas fields with the national company BAPEX as well as IOCs to increase the supply of gas as the demand for it as primarily fuel was high, although now declining to government reform effort. In addition, it began its infrastructural investment for opening the market for Liquefied Natural Gas (LNG) to manage the demand and supply gap. Two floating storage and regasification units (FSRUs) having storage capacity of 138000 cubic meter LNG and regasification capacity of 500 MMCFD each have already been installed at Moheshkhali, Cox'sBazar.

### **Successes in Gas and Mineral Sector during last 10 years of IPoA**

- During the last decade, 4 (four) new gas fields were discovered in the onshore area by BAPEX.
- To strengthen BAPEX, 4 (four) new rigs (2 drilling rigs, 2 work over rigs) have been procured.
- In January 2009, the gas production was 1,744 MMCFD, which has been increased to about 2,750 MMCFD at present.
- 862 km gas transmission pipeline has been constructed from 2009afterward.
- LNG is being added to the national gas grid to meet the ongoing gas demand from August 19, 2018. Addition of LNG is 500MMCFD.
- Daily 4,500-5,000 million tonnes of coal is being produced from Barapukuria Coal mine, whereas in 2009 the daily coal production was 2,800-3,000tonnes.
- Daily 4,500 tonnes of hard rock is being extracted from Maddhapara Granite Mine. Those hard rocks are used in construction of rail line, roads and bridges.
- So far, 120,862 and 60,000 domestic pre-paid meters have been installed by two gas distribution companies namely Titas Gas Transmission and Distribution Company Ltd. (TGTDCL) and Karnaphuli Gas Distribution Company Limited (KGDCL) to prevent misuse of gas.
- To supply corrected volume of gas, Up to March 2019, a total of 2031 Electronic Volume Corrector (EVC) meter have been installed in CNG and Industrial sectors by gas distribution companies.

### **Sector wise latest progress:**

- Oil and Gas Exploration and Production in both Onshore and Offshore areas: Steps have been

taken to intensify oil and gas exploration activities by BAPEX in potential onshore areas of the country. To explore oil and gas in the offshore areas, production sharing contracts have been signed with some International Oil Companies (IOCs) for 4 offshore blocks namely SS-04, SS-09, SS-11 and DS-12.

- **Gas Transmission Capacity Enhancement:** For enhancing transmission capacity and for evacuation of upcoming LNG, some major gas transmission pipelines are implemented/under implementation by Gas Transmission Company Ltd. (GTCL). These are Moheshkhali-Anowara Pipeline (30" dia, 91 km) (Completed) Anowara-Foujdarhat Pipeline (42" dia, 30 km) (Completed), Moheshkhali-Anowara Parallel (42" dia, 79 km), Moheshkhali Zero Point (Kaladiar Char)-CTMS (Dholghat Para) Pipeline (42" dia, 7 km), Chittagong-Feni-Bakhrabad (36" dia, 181 km), Dhanua-Elenga (30" dia, 52 km) and West Bank of Jamuna river-Nalka (24" dia, 14km).
- **Import of LNG:** To meet the increasing gas demand, Bangladesh has already installed and commissioned a Floating Storage and Re-gasification Unit (FSRU) based LNG terminal at Moheshkhali named as Moheshkhali LNG Terminal on 19th August 2018 operated by Excelerate Energy Bangladesh Limited (EEBL). The installed capacity of Moheshkhali LNG terminal is 500 MMCFD. Another FSRU based LNG terminal is under construction at Moheshkhali named as Summit LNG Terminal which may be commissioned in April 2019. The capacity of Summit LNG Terminal is 500 MMCFD. Moreover, construction of land based LNG Terminal at Matarbari, Cox's Bazar is under active consideration of Bangladesh Government. A long term (15 years) contract has been signed with Qatar gas (1.8-2.5 MMTA) and another long term (10 years) contract has been signed with Oman Trading International (OTI), Oman (1.0 MMTA) on G to G basis for LNG procurement.
- **Development of Coal Fields:** 5 (five) coal fields have been discovered in the north-west zone of the country which can play significant role to meet the demand of energy. Barapukuria coal mine is the only producing coal mine in the country. Annual production capacity of this mine is 1 million metric ton. The produced coal is being used in Barapukuria thermal power plant. A feasibility study project for extension of existing underground Barapukuria coal mine has already been completed. It is expected that within next 3/4 years production capacity will be increased up to 1.5 million metric ton per year. Another feasibility study project is also under implementation to develop Dighipara coal field. It is expected that about 3 million metric ton of coal per year will be produced upon successful development of this coalfield.
- **Bangladesh Energy Regulatory Commission (BERC)**
- **Bangladesh Energy Regulatory Commission (BERC)** has been established to create an atmosphere conducive to private investment in the generation of electricity, and transmission, transportation and marketing of gas resources and petroleum products, to ensure transparency in the management, operation and tariff determination in these sectors; to protect consumers' interest and to promote the creation of competitiveness market. Determining tariff, issuing license, framing codes and standards and enforcing those compulsory with a view to ensuring quality of service, resolving disputes between the licensees and consumers and referring those to arbitration if considered necessary are the three functions of the Commission.

**Challenges:**

- Meeting the rapidly growing demand of energy.
- Inadequate exploration due to technical and financial capabilities.
- Adaptation to new technology and improving gas utilization efficiency.
- Ensure sustainable operation of energy utilities and a rational use of total energy resources.
- Energy metering, close monitoring and transparency in the system.
- Assessment of sustainable gas tariff.

## **1.7 Science Technology and Innovation**

Although the country's development expedition began primarily from a rural agrarian setting, its scientific and technological base was quite sound due to investment in building public institutions in Science and Technology in collaboration with scientifically advanced countries. The journey began with the establishment of SEATO Cholera laboratory (later transformed into International Center for Diarrheal Diseases and Research (ICDDR) in Dhaka in mid 60s that laid the foundation for contemplating modern scientific research, especially in the areas of health, water, disease surveillance, vaccine and vectors. As a result, the nation had an inbuilt capacity to produce endogenous repository of Scientist and Technicians in thrust areas of modern science and industrial technology. The national hierarchy of this area is Ministry of Science and Technology (MoST), Bangladesh Council of Scientific and Industrial Research (BCSIR), Bangladesh Atomic Energy Commission (BAEC), Bangladesh Oceanographic Research Organization, Bangladesh Agriculture Research Council (BARC), Jute Research Council, Water Modeling Institute WARPO, National Meteorological Department, scientific branches of several ministries and directorates and all the Universities of Science and Technology. These institutions basically constitute the national organs of scientific development capacity which is reflected in scientific breakthrough and innovations in the areas of agriculture, polytechnic advancement in engineering, water, public health, environmental health, aquaculture, fisheries, vector borne disease, renewable energy, mineral resources mining, hydrology, and nuclear medicine etc. There has been ground breaking research in developing salinity resistance crops in the face of growing salinity intrusion in coastal belt due to global climate change as well as monsoon instability due to hydro meteorological change. We have made tremendous success in mitigating arsenic contaminated water in southern part of country.

### **Some notable achievements in Science and Technology**

- Bangladesh has advanced its capacity in research and development in nuclear science and has established Nuclear Power that will produce 2400 MW of electric power by 2023/24. It is a suitable option for climate change mitigation and protection of ecosystem. Given the right support, Nuclear Power could provide affordable electricity for development. Rooppur Nuclear Power Plant (RNPP) could offer the access to affordable, reliable & clean energy.
- Bangladesh Atomic Energy Commission (BAEC) under the Ministry of Science and Technology (MoST) is playing important role in providing essential health services in some areas through the National Institute of Nuclear Medicine and Allied Science (NINMAS), and other 14 existing Institute of Nuclear Medicine and allied Science (INMAS), situated in the

campus of different Medical College Hospitals throughout the country. At present, about 124 doctors and scientists, 68 technical and other officers and about 360 technical and non-technical staffs are working in these institutions. During last 5 years, about 1.8 million patients received nuclear medicinal treatment/services from these institutions. MoST is now implementing development projects to modernize 7 old INMASs with latest/advanced equipment and expanding other physical facilities. At the same time, MoST is going to establish 8 more INMASs in different area of the country. Our plan is to establish INMASs in each and every Medical College Hospitals of Bangladesh and to extend the nuclear medical services/treatment to the common people with minimum charges.

- Under the MoST, many laboratories are run by Bangladesh Atomic Energy Commission (BAEC), Bangladesh Council of Scientific and Industrial Research (BCSIR), National Institute of Biotechnology (NIB) and Bangladesh Oceanographic Research Institute (BORI) in Dhaka, Chittogram, Rajshahi, Savar, Joypurhat and Cox's Bazar. Scientists of respective laboratories/organizations are conducting research in different fields at the same time through providing testing services to the exporters they are contributing to increase the quality and quantity of our export goods day by day. There are three Radiation Testing and Monitoring Laboratories (RTML) in Dhaka, Chittogram and Mongla under BAEC. They are playing a vital role in testing the radiation level of our import items to protect health hazards.
- National Institute of Biotechnology (NIB) as a new research institute has been conducting research in relevant fields with close collaboration of different universities for the last couple of years. NIB is now implementing a project to establish National Gene Bank. Very recently, Bangladesh Oceanographic Research Institute (BORI) has been established near the coastal city of Cox's Bazar with a scope to conduct research especially in the field of Blue Economy.
- The LDC Technology Bank has already been established with Headquarters in Turkey. Bangladesh, as Chair of the LDCs for 2015-2018, provided leadership to the entire process starting from inception till operationalization of the Bank from June 2018. It drew regular acknowledgement from the LDC group members and the UN Secretariat. Bangladesh has contributed USD 50,000.00 to establish the Technology Bank. The bank has been in the process of starting its operation with the Government of Bangladesh which would help improve scientific research and innovation base, promote networking among researchers and research institutions, help access and utilize critical technologies, and draw together bilateral initiatives and support by multilateral institutions and the private sector, building on the existing international initiatives.

## Success Stories in Productive Capacity

### **1. Special Economic Zones:**

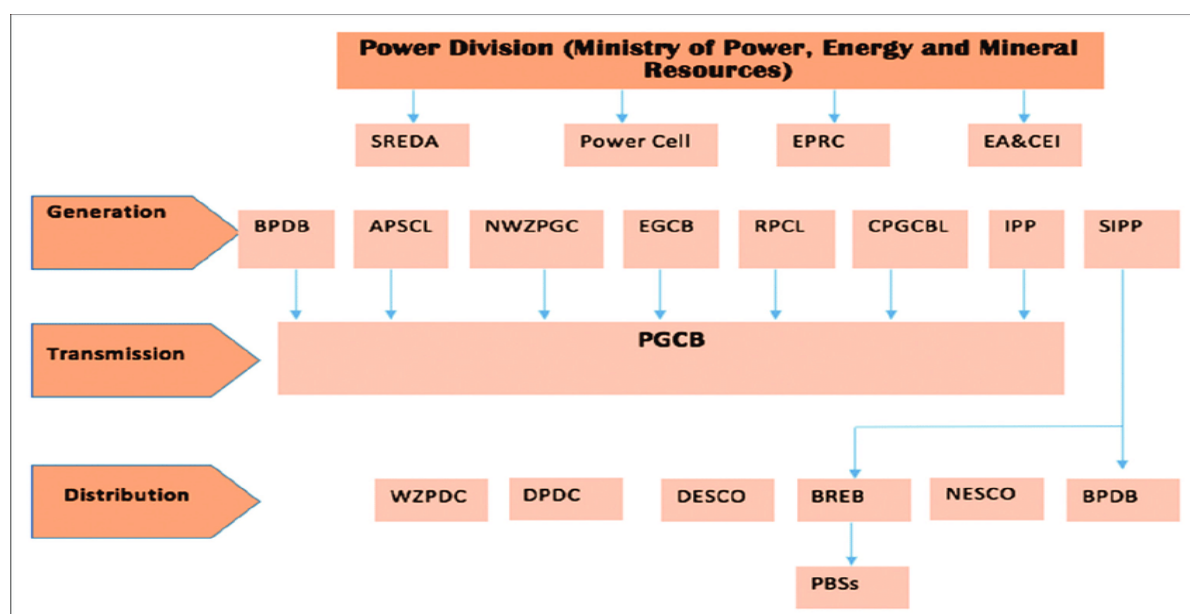
The Bangladesh Economic Zone Act and Hi-Tech Park Act of 2010 led to the creation of two semi-autonomous agencies—Bangladesh Economic Zone Authority (BEZA) and the Bangladesh Hi-Tech Park Authority (BHTPA). With overlapping mandates, these two authorities have been tasked with overseeing the expansion of special





economic zones and hi-tech parks respectively. They operate under different regulations from that of BEPZA and promote production that is aimed both at domestic and foreign markets. BEZA has been tasked with overseeing the establishment of 100 economic zones by 2025. BEZA also differs from BEPZA in terms of its ownership structure. Whereas EPZs are owned publicly, BEZA and BHTPA would rely primarily on private capital and expertise to both build and operate these new zones.

## 2. Independent Power producers:



Government's bold initiative and policy direction to promote independent power producers in the power sector is a success case in building and indirectly contributing productive capacity. Private sector power generation witnessed a substantial growth due to a favourable investment policy offered by the government over the last one decade. The private sector has started dominating Bangladesh's power generation, contributing 54.35% of the total electricity against 45.65% produced by state-owned power plants.

According to the latest statistics prepared by the Power Division, the country's total power generation capacity reached 20,343 MW of which 11,057 MW came from private sector producers, while 9,286 MW came from public entities. Captive power generation of about 3,000 MW are also included in the private sector generation, while about 250 MW of renewable energy came from solar home systems included in the public sector generation.

According to Bangladesh Independent Power Producers Association (BIPPA), the private sector has invested about \$12 billion over the last 10 years by setting up more than 50 power plants. BIPPA leaders said they have now planned to invest \$50 billion in the next 12 years to keep up the private sector's participation in power sector development.

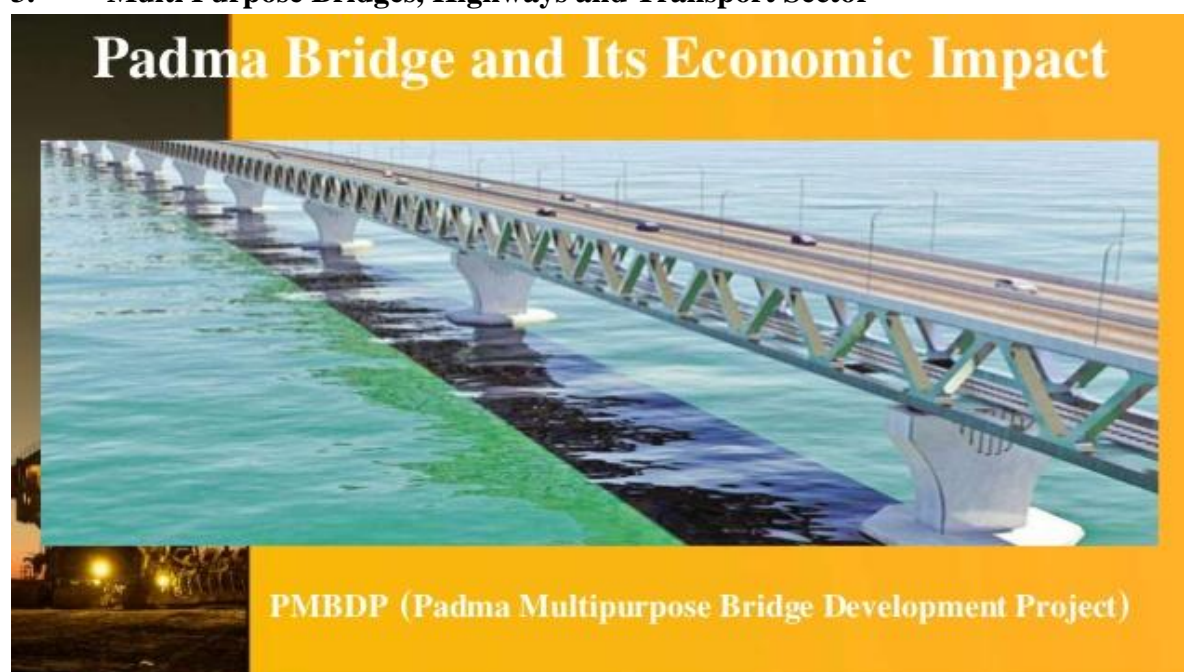
The private investors want to invest as independent power producers (IPPs) as well as private partners via the public-private partnership (PPP) initiative to set up at least 55 plants to generate some 12,000 MW of power or more. The Power Division of the government is now preparing a policy guideline to encourage more private sector investment in power transmission and distribution segments beside the current trend of investment in generation segment.

BIPPA also vows that if they are given the opportunity to invest in the generation sector to achieve

the target of 40,000 MW by 2030, it will create 40,000 more direct jobs and another 300,000 indirect ones across the country. So far, more than 10,000 jobs have already been created by the private power generation plants in the last 10 years.

The Power Division statistics reveal that once the country's installed power generation capacity was 4,942 MW, but now the average daily power generation is 21,300 MW. According to the Power Division officials, people's access to electricity also increased to 92% with the rise in power production. The number of electricity consumers increased to 31.2 million in 2018 from 18 million in 2009.

### 3. Multi Purpose Bridges, Highways and Transport Sector



The Padma Bridge is a multipurpose road-rail bridge across the Padma River to be constructed in Bangladesh. Padma Bridge is the most challenging construction project in the history of Bangladesh. The two-level steel truss bridge will carry a four-lane highway on the upper level and a single track railway on a lower level. With 150 m span, 6150 m total length and 18.10 m width it is going to be the largest bridge in the Ganges-Brahmaputra-Meghna river basins of country in terms of both span and the total length. The project covers three districts—Munshiganj (Mawa Point/North bank), Shariatpur and Madaripur (Janjira/South bank). After the decision of Bangladesh Govt. that we will construct the bridge by own fund, China proposed building the bridge on the build-own transfer (BOT) basis by investing \$2 billion or 70 percent of the project cost. Chinese company submitted their financial proposal on 24 April 2014. The state-owned company has constructed structures like the famous 36 km Hangzhou Bay Bridge, the longest sea crossing bridge in the world. Work on the Padma Bridge is broadly divided into five parts—the main bridge, river training, two link roads and infrastructure (service area) construction. Benefits of building road and rail transportation across the river would come from three main sources: decreased vehicle operating costs, increased time savings, and a boost in GDP by 1.5% due to increased economic activities in 21 districts of two South western division namely Khulna and Barisal. It will augment greater utilization Mongla and Payra sea port in trade, commerce, investment and tourism.

In addition to this mega project, Government also built 2nd Kanchpur Bridge, 2nd Mehgna Bridge, 2nd Gumti Bridge, Lalon Shah bridge , Karnaphuly bridge , Karna phuly tunnel ( in progress), Rupsha rail bridge, Khan jahan Ali bridge in Khulna, Y shaped bridge in Bancharampur in Brahman baria, Dhaka Elevated express highway and several flyovers and bypass connection that has improved the communication network and logistic performance and mobility of people , goods and services drastically improving productive capacity.

## **b. Agriculture, Food Security and Rural Development**

### **Agriculture:**

Agriculture is one of the leading driving forces of the Bangladesh's economy. Contribution of agriculture to our national GDP is 13.65% in 2018-19 and it was 14.77% in 2015-16. On the other hand, total value of GDP in agriculture rose from 28.80 billion USD in 2015-16 to 38.15 billion USD in 2018-19. To establish hunger and poverty free Bangladesh, government has formulated National Agriculture Policy-2018, 7th Five Years Planning, SDG, Delta Plan-2100 and different pragmatic policies and effective measures based on Vision 2021 and Vision 2041. Subsistence agriculture has been transformed to commercial agriculture due to different time worthy and practical initiatives taken by the government for the last couple of years. As a result, Bangladesh has secured 10th position in food crop production across the globe. The achievements of the Ministry of Agriculture are as follows:

### **Substantial Progress towards eradicating hunger:**

Bangladesh achieved self-sufficiency in food crop production to feed its population. Food crops production is 444.80 lakh MT in Fiscal Year (FY) 2018-19. On the other hand, the production was of 385.03 lakh MT in FY 2015-16;

Bangladesh ranks 4<sup>th</sup> across the globe in rice production. 114 high yielding rice varieties such as salinity, drought and submergence tolerant and zinc enriched have been released so far. As a result rice production is increasing;

Bangladesh has secured 3rd position in the world on vegetables production. Through intensive Government support 1,72,47,000 MT on vegetables has been produced in 2018-19 FY;

Production of food crops (rice, wheat and maize), potato and vegetable of the last 4 years is specified below:

**Table: Production of rice, wheat, maize, potato and vegetables**

(in MMT)

<b>Crops</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Rice	34.710	33.806	36.279	37.328
Wheat	1.348	1.312	1.099	1.149
Maize	2.445	3.516	3.893	4.699
<b>Total Food Crops</b>	<b>38.503</b>	<b>38.634</b>	<b>41.271</b>	<b>43.176</b>
Potato	9.474	10.216	9.744	10.949
Vegetables	15.264	16.042	15.954	17.247

For the production of safe and healthy fruits and vegetables, good agricultural practices such as biotechnology, parching, pheromone trap, Integrated Pest Management (IPM), Integrated Crop Management (ICM) are being practiced to curb the utilization of chemical pesticides as much as possible;

To disseminate potential variety and technology to the farmers 31.65 lakh farmers have been trained and 8.60 lakh field demonstration has been organized from 2015-16 to 2018-19 FY.

Table: Farmers training and field demonstration from 2015-16 to 2018-19

(in million)

Item	2015-16	2016-17	2017-18	2018-19	Total
Farmer Training (No. in Lakh)	0.803	0.754	0.795	0.813	3.165
Field Demonstration (No. in Lakh)	0.160	0.158	0.256	286	0.86

#### **Social Safety Net and Rehabilitation:**

- The present agriculture-friendly government has started incentives/agricultural rehabilitation programs from FY 2008-09. During FY 2015-16 to 2018-19, Tk. 500.38 crore have been disbursed and 32.07 lakh farmers have been benefited out of these programs;
- Different agricultural inputs and financial assistance have been provided to the marginal and small holder farmers as agriculture incentives and rehabilitation schemes to increase production and compensate against the losses made by natural disasters;
- Reaching various governmental assistances directly to the farmers, agriculture input assistance cards have been distributed amongst 2,08,13,477 farmers;
- Government enabled the opportunity to the farmers for opening bank account by paying a minimal amount of 10 taka. As a result 1,07,36,635 bank accounts were opened and present balance amounts nearly 382 crore taka;

#### **Exports:**

- In 2018-19 FY Bangladesh earned 908.96 million USD by exporting agricultural product, while target was 711 million USD (Source: Export Promotion Bureau, Bangladesh, 2019).

#### **Research Achievement:**

- Since 2015-16 FY, 162 modern varieties of different crops including stress tolerance (salinity, drought, submergence etc.) varieties and 232 technologies have been developed. In addition, 4 BT Brinjal varieties using GMO technology have been developed and extended to the fields and now research is going on for developing BT cotton;

**Table: Year wise variety development from FY 2015 to 2018-19**

Item	2015-16	2016-17	2017-18	2018-19	Total
Variety (no.)	40	45	41	36	162
Technology (no.)	48	44	45	95	232

Genome sequencing of 'Deshi' and 'Tossa' Jute as well as genome sequencing of Dhaincha (*Sesbania aculeata*) have been discovered. So far, 49 varieties of jute and other fiber crops varieties have been developed and released;

**Institutional Strengthening:**

- Fulfilling the nutritional demand, Bangladesh Institute of Research and Training on Applied Nutrition (BIRTAN) has been established and through this organization, nutrition related research, awareness creation and training are being conducted. Initiatives have been taken for enduring nutritional demand of the people, production, making available and utilization;
- Government has established Bangladesh Wheat and Maize Research Institute in 2018, to expedite the wheat and maize research in the coming days. Meanwhile, new varieties of wheat and maize have already been extended to the fields;
- Post Entry Quarantine Centre has been established for pest and diseases testing of the imported seeds. Tissue culture laboratory has also been established for producing quality seedlings/saplings;

**Seed Supplied:**

Amount of quality seed supply was 5,17,342 MT in the last 4 years. Seed multiplication farm in Dashmina under Patuakhali district and Pulse and oilseed multiplication farm as well as seed processing centre in Subarnochar under Noakhali district have been established to meet up the demand for quality seeds;

Table: Seed distribution in FY 2015 to 2018-19

Item	2015-16	2016-17	2017-18	2018-19	Total
Seed distribution (Lac M. ton)	117681	121470	140564	137627	517342

**Agriculture credit:**

Agriculture and rural credit amounting 2.53 billion USD were disbursed in the FY 2017-18 among 39,62,508 entrepreneurs. Credit worth of USD 746.98 million have been distributed amongst 15,76,000 women farmers and entrepreneurs which is near 39.77% of total beneficiaries.

Pulse, oil and spice production increased and government emphasized for the extension of these crops. Bangladesh Bank is providing loan with only 4% interest to the farmers for the pulse, oilseed, spice crops along with maize and other 24 crops production;

**Soil Fertility:**

- Ten soil testing mobile vans have been launched to prescribe the balanced fertilizer doses by instant testing of the soil in different corners of the country;
- Based on climate and soil suitability 17 crop zoning maps have been prepared to follow the proper cropping pattern;

**Irrigation:**

- Different canals and drains have been renovated to preserve the natural surface water (rain and flood water) to be used for irrigation;
- Additional 3,500 hectare lands have been brought under irrigation by establishing rubber dam

with modern technology. To increase the availability of the irrigation water rubber dam and hydraulic elevated dam at river adjacent areas are under construction;

- Additional 1,03,451 ha lands have been brought under irrigation by re-excavation of canals and drains and installing under-ground buried. For smart use of irrigation water, 2,458 smart cards/prepaid meters have been installed;

Table: Irrigation Expansion in FY 2015-16 to 2018-19

(in thousand hectares)

Item	2015-16	2016-17	2017-18	2018-19	Total
Irrigation expansion (Lac Hectare Lac)	55.0	32.51	24.20	22.80	134.51

- Thirty solar powered irrigation pumps and 450 artisan tube wells have been established;
- Ground water zoning maps have been introduced for efficient management of surface water irrigation. Besides, solar powered irrigation systems are also being encouraged. Irrigated land areas are expanding. Total irrigated lands were 76.14 lakh hectare.
- Recharging and expanding of surface water for small scale irrigation, 172 solar powered dugwells have been installed to reduce the dependency of ground water, and steps have been taken to popularize this methods among the farmers;

#### **Farm Mechanization:**

Government has been providing financial assistance for purchasing agricultural machineries for farm mechanization which is 70% for ‘Haor’ and the Southern coastal areas and 50% for rest part of the countries. So far 228.35 crore taka has been provided as financial assistance to expand agricultural mechanization;

#### **e-Agriculture:**

‘e-Agriculture’ (Digital Agriculture) has been introduced. A number of 499 Agriculture Information and Communication Centers (AICC), Krishi Call Centre-16123, Krishi Community Radio, ‘Krishi Tathya Batayan’, Krishok Bondhu Phone-3331, E-book, Online Fertilizer recommendation, e-irrigation service, Rice Knowledge Bank, Agricultural Knowledge Bank, E-pesticides prescription, Farmers window, Farmers digital address etc mobile and web applications/software have been prepared and are being used;

#### **Gender Equality:**

- Women constitutes around half of Bangladesh’s total population. It is essential that more women enter into government service and join the labour force in agriculture. Since women have ample scope to contribute in agricultural growth, they should be engaged more in agricultural development related income generation and human development activities. National Agriculture Policy 2018 has given due emphasis on women’s empowerment, participation in production, marketing, and creating opportunity for income generation.
- Department of Agriculture Marketing has trained 51,651 farmers on marketing management,

post-harvest management, supply chain, value chain development, and entrepreneurship development in the past three years. Among them 15,495 farmers are women (30%).

- A number of 23,466 woman entrepreneurs have been facilitated by the Department of Agriculture Marketing through various projects and programs.

### **Success Story: Contribution of Women in eco-friendly Agriculture**

Shikha Rani Chakraborty is an efficient and diligent farmer of Kolaroapazilla under Satkhira district. She grasps the modern agro-technologies promptly and tries to apply these in her field. She received and disseminated different technologies such as- eco-friendly vermi-compost production and utilization; production and storage of rice, wheat and mustard seeds; establishment of pheromone traps; perching etc. amongst other Her such endeavors notably being impacted for the socio-economic development of the local farmers. As an agro passionate person, she has earned enough for her living and ample fame in locality. Her success has meaningfully encouraged the local farmers for receiving and disseminating modern agro technologies.





**Combat Impact of Adverse Climate Events:**

- In the Southern part of the country, vegetables are being produced by the floating agriculture method to tackle adverse effect of climate change. In 2015, the FAO recognized floating agriculture practices in Bangladesh as a Global Heritage;
- Activities for extension of coconut, palm and date crops across the country are being continued. Meanwhile 7 lakh dwarf coconut, 30 lakh palm and 10 thousand date saplings have been distributed and planted. Cultivation of different native and adapted fruit varieties are being encouraged.
- Bangladesh achieved success for developing climatic stress tolerant crop varieties, necessary nutrition enriched food crops production through bio-fortification, jute genome sequencing for disease control and ensuring intellectual property rights. Bangladesh is now moving towards ensuring sustainable food self-sufficiency.

**Strategies and Policies:**

To sustain development stride, Ministry of Agriculture formulated 17 new Acts and Policies from 2016 to 2019 which included National Organic Agriculture Policy-2016, Integrated Small Irrigation Policy-2017, Fertilizer Management Policy-2018, National Agriculture Policy 2018 and Plant Variety Protect Acts, 2019.

## **Food**

**Availability of Food:**

Bangladesh has made remarkable progress in food production notably its staple food i.e. rice, which nearly increased threefold since 1971 despite the population that doubled. In 2017-2018, total food grain production was 37.38 million metric tons. The availability of non-rice foods like fruits, vegetables, fisheries and livestock products has also been increased.

**Access to Food:**

There is also visible progress in 'Access to Food' dimension. Poverty rate (considering upper poverty line) has declined from 31.5% in 2010 to 20.5% in 2019. Extreme poverty has also dropped from 17.6% in 2010 to 10.5% in 2019. (BBS). Bangladesh has achieved tremendous success in food security, especially in two dimensions i.e. food availability and access to food. However, there are some challenges due to natural disaster and climate change.

**Utilization of Food:**

In terms of nutrition situation, Bangladesh has also attained success especially in chronic under nutrition i.e. the reduction of stunting (low height for age) of under five children. Rate of stunting has been reduced from 51% in 2004 to 31% in 2017-18 (Preliminary findings, BDHS, 2017-18). The rate of wasting (low weight for height) shows a steady situation. The rate of wasting has been reduced from 15% in 2004 to 14% in 2014 which is now 8% (Preliminary findings, BDHS, 2017-18). The rate of underweight (low weight for age) has also decreased from 43% in 2004 to 33% in 2014 which is also now on track i.e. 22% (BDHS, 2017-18). However, the rate of stunting, wasting and underweight needs to be decreased to improve the nutritional status of under 5 children as per the World Health

Organization (WHO) threshold level. More efforts are required to achieve this component of food security. The 7th Five Year Plan has recommended to ensure the nutritional improvement of the country underutilization of food. Although different initiatives like fortified rice distribution program has started, it needs to be strengthened further to ensure the essential micronutrients for all vulnerable/ultra-poor group of people of the country.

To ensure access to safe and nutritious food for the poor and vulnerable group, the government has initiated an effective program on food security like 'Kadday Bandhob Karmosuchi (Food Friendly Program) for 5.0 million ultra-poor families (about 22.0 million people) across the country. Under this Program, ultra-poor families have been targeted as the recipients of ration for the lean 5 months of a year.

To address issues of malnutrition among the targeted group of vulnerable people, food grain fortification program has been introduced. This program will be scaled up in the coming years across the country (SDG 2.1, 2.2, 1.1). Open Market Sale (OMS) program is being implemented by Ministry of Food with a view to making the food available at lower prices to the vulnerable and lower income group of people which in turn will ensure food security all over the country (2.1, 2.c). Other food based social safety net programs like Vulnerable Group Development (VGD) are being carried out in collaboration with UN and other ministries (SDG 1.1, 2.1).

#### **Food Safety:**

Government is working more closely not only on food security issues but also on food safety measures (aligned with SDG 2.1, 2.2) with utmost priority. In this regard, the National Parliament approved Food Safety Act, 2013 in 10 October 2013 which has already been effective since February 2015. This Act made the provision for establishment of an efficient and effective authority and for regulating, through coordination of the activities relating to food production, import, processing, stockpiling, supply, marketing and sales to ensure safe food. Under Food Safety Act 2013, Bangladesh Food Safety Authority (BFSA) has already been established which is now in capacity building and institutional strengthening process. With a view to ensuring Food Safety in the country, pertinent rules/regulations have been prepared and circulated. The efforts related to food safety awareness programs and surveillance activities on food safety is going on with greater importance.

#### **Policy intervention for food security:**

In order to achieve self-sufficiency and overall food and nutrition security, the first Country Investment Plan (2010-2015) on food and agriculture sector has been successfully implemented. To ensure food security and nutrition, the follow up important interventions i.e. 'Second Country Investment Plan (CIP-2: 2016-2020) towards nutrition sensitive food system' is circulated. This CIP-2 is being implemented with multi-sectoral approach. Ministry of Food and other relevant ministries/stakeholders have started monitoring the implementation progress to ensure food and nutrition security across the country. This is one of the first steps that Bangladesh has undertaken towards the road to progress on the SDG goals/2030 Agenda for sustainable development particularly SDG-2 (Zero Hunger).

### Challenges:

- Bangladesh is one of the most vulnerable countries due to climate change and natural disaster. The country
- Is likely to encounter more challenges in food production in the coming years due to climate change. To minimize the impact from disaster, more resources need to be mobilized for climate change mitigation and adaptation.
- Although Bangladesh has made remarkable progress in the reduction of poverty and social development, it will have to go a long way to achieve the target of zero hunger as envisioned in SDG- 2 and IPoA priority areas under agriculture and food security target. Considerable resources mobilization would be required for its implementation.
- Despite commendable success in the reduction of poverty and hunger, nutritional status, the condition of children and women are still appalling.
- Need more technical and financial support for marginal/small-scale farmers to improve their incomes, food security and access to market.

### Fisheries Sub-Sector:

Fisheries sector plays an important role in contributing almost 3.61% to our national GDP, not to mention garnering a major source food, protein, export and employment. This sector comprises three categories: i) inland capture fisheries, ii) inland culture fisheries and iii) marine fisheries.

In the Agriculture, Food Security and Rural Development pillar of IPoA Fisheries sub-sector is contributing in food and nutrition security through consistently providing safe and good quality animal protein, almost 60% of total animal protein supply. Bangladesh has become self-sufficient in fish production in 2017-18 with per capita fish consumption of 62.58 gm/person/day against set target of 60 gm/day. More than 11% of total population of Bangladesh is engaged in the fisheries sector on full time and part time basis for their livelihoods (DoF, 2018).

As per IPoA, export earnings have to achieve US\$ 1.25 billion by 2020 from fish and fishery product. In 2017-18 export earnings was 0.515 billion USD from fish and fishery products. National Residue Control Plan (NRCP) took place and Quality Assurance Programme has been upgraded to EU Standard for safe export of fish and fishery product. Ministry of Fisheries and Livestock (MoFL) is trying to mitigate the white spot and black spot disease of shrimp by establishing Specific Pathogen Free (SPF) shrimp hatchery to produce quality post larvae of shrimp.

Description	Data/Value/ 2015	Data/Value/ Latest (2017-18)
Inland Aquaculture Production	2.20 million MT	2.41 million MT
Inland Capture fisheries	1.05 million MT	1.22 million MT
Marine Fish Production	0.63 million MT	0.65 million MT
Total Fish Production	3.88 million MT	4.28 million MT

MoFL is trying to implement the provisions delineated in Istanbul Programme of Action (IPoA) through two sub-sectors such as Fisheries and Livestock. The priority areas of this Ministry are (a) Productive Capacity, (b) Agriculture, Food Security and Rural Development and (c) Multiple crises and other emerging challenges. MoFL is addressing these priority areas by adopting various activities and development projects implemented by its subordinate offices assigned for the field of Fisheries as well as Livestock. All the activities are aligned with the Bangladesh's 7th Five year plan, Sustainable Development Goals (SDGs) and IPoA. For the last 10 years, average growth performance of this sub-sector is 5.26%. Several initiatives have been taken for increasing fish production which includes increasing aquaculture area, augmenting open water capture fishery, fish act implementation specially for hilsa, establishment of bill nursery, stocking fingerlings to open water, strengthening of extension service, promoting private sector and standards of products and services to meet international standards. Bangladesh Fisheries Research Institute (BFRI) is involved in technology development and its dissemination through extension service of Department of Fisheries. BFRI has evolved a number of high yielding genetically improved varieties of Pangas, Rui, Tilapia, Koi and Rajputi species which are likely to be 15-40% more productive than the existing varieties.

### Blue Economy

The government has commenced extensive survey and research "R. V. Meen Shandhani" with a view to assessing the stock and sustainable harvest of fisheries resources in the Bay of Bengal. To date, the vessel has operated 24 cruises and has identified 430 different species of fish, crustaceans and cephalopods. Besides, 10 Long liners and 7 Purse seiners have been permitted to capture tuna fish in the deep sea. Moreover, commercially important and nutritious seaweed culture technology also developed by BFRI. "Nijhum Island" and its surroundings 3,188 sq.km area are declared as Marine reserve in June 2019. Presently 4.73% of Bay of Bengal are declared as Marine Protected Area.

Production from Inland aquaculture, Inland open water fisheries and Marine fisheries has been increased significantly (in line with IPoA priority areas) from the base year production due to implementing the above activities and programs. The Hilsa fish alone constitutes around 12% of the total production of fish in the country. Hilsa production has been raised from 3.40 lakh metric tons to 5.17 lakh metric tons during 2011-12 to 2017-18 FY. The average production growth of aquaculture is 11.04 % for the period 2008- 2015. According to the FAO 2018 report, Bangladesh has ranked the 3rd position in the highest inland open water fish productions as well as 5th in the fresh water fish production rating globally. As the local demand is met, country made a buoyant export of 84 thousand metric ton in 2015 earning notable amount of foreign exchange.

#### Hilsha Production Increased: Success of DoF

Hilsha (ilish) is the national fish of Bangladesh. Due to its superb taste and flavour, it is called the "King of Fish". As a single species Hilsha has been making the highest contribution (around 12 percent) to the country's total fish production. **Geographical Indication Registration Certificate** has been achieved for Hilsha. Bangladesh has become a role model for ilish conservation to other Hilsha producing countries like India and Myanmar. Bangladesh is the global leader producing 65% of the total Hilsa in the world.

**Annual Hilsha Fish Production from 2010-11 to 2017- 18**

**[Unit : Metric Ton]**

Species/Group	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Hilsha	339845	346512	351223	385140	387211	394951	496417	517198

To achieve the increased target of Hilsha production, the government has been implementing a unique coordinated management program to protect Jatka (small hilsha) and brood Hilsha. Apart from that, awareness building comprehensive program has also been executed for the protection of the renewable natural resources ensuring the participation of all stakeholders including local public representatives, DoF officials, local administration, Coast Guard, Bangladesh Navy, fishers and mass people residing the Hilsha rich river system. Under the Social Safety Net Programs *Jatka* or Hilsha fishers were provided with food-grains to live with and inputs to start alternative income generating activities during the *Jatka* fishing ban period.

For Jatka ban period 39788 MT rice grain and for Hilsha brood conservation program 14824 MT food were distributed. Moreover, 14,20,000 Identity Cards have been distributed among the fishermen and particular arrangements have been made in the revenue budget for continuous support to the fishermen each year. Database has been made for keeping the list of fishermen update. Different programs and projects were also taken to increase Hilsa production and for better livelihood of Coastal fishermen of Bangladesh.

### Livestock Sub Sector

The Department of Livestock Services (DLS) has been working to provide safe, available and quality animal protein for all by enhancing production, productivity and value added of livestock products, preserving and conserving animal genetic resources and improving animal health. In 2018-19 the contribution of Livestock Sub-Sector to Bangladesh's GDP is 1.47% and in agricultural GDP, Livestock Sub-sector's contribution is 14.44%. The total amount of GDP was Tk. 201701 million in 2010-11 and it has increased to Tk. 432151 million in 2018-19. GDP growth rate of this sector in 2018-19 is 3.54% (BBS, 2019) Several initiatives have been taken by DLS to achieve the IPoA priority targets relevant to livestock.

In the IPoA pillar of Productive Capacity, Livestock activities are labour intensive which requires relatively low capital investment and can be implemented in small amount of land. For these reasons, Livestock sub-sector is flourishing fast. To fulfill the animal protein demand, Department of Livestock Services is working to increase milk, meat and egg production through breed up-gradation, genetic conservation, artificial insemination, disease control, quality control and other related activities. The production trends of Milk, Meat and Egg from the base year (2012-13) in line with IPoA are shown in the following table.

Table: Production trends of Milk, Meat and Egg

Fiscal year	Milk Production (Million MT)	Meat Production (Million MT)	Egg Production (Billion)
2012-13	5.07	3.62	7.62
2013-14	6.09	4.52	10.18
2014-15	6.97	5.86	11.00
2015-16	7.28	6.15	11.91
2016-17	9.28	7.15	14.93

2017-18	9.41	7.26	15.42
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As compared with the nutritional demand and production target of milk, meat and egg set in 7th Five Year Plan, Bangladesh has fulfilled the requirement of meat much earlier than the stipulated time. For egg the demand is near to be achieved but for milk, couple of years is required. The comparative nutritional demand and production achievement is given below:

Table: Comparative nutritional demand and milk, meat and egg production achievement

Element	Nutritional demand & production target in 7th Five Year Plan (2016-20)		Achieved by DLS (2017-18)
	Demand by 2020-21	Target by 2020-21	Achievement by 2017-18
Milk (m MT)	15.22 (250 ml /person/day)	9.29 (150 ml / person /day)	9.406 (158.19 ml /person /day)
Meat (m MT)	7.30 (120 g /person/day)	6.81 (110 g /person/day)	7.26 (122.10 g / person / day)
Egg (Million Nos.)	17344 (104 Nos / person/ year)	15843 (95 Nos / person/ year)	15520 (95.27 Nos / person/ year)

Ref: 7th Five Year Plan (2016-17), DLS Annual Report (2018)

Bangladesh Livestock Research Institute (BLRI) is conducting fundamental and applied researches to innovate suitable technologies for the development of livestock and poultry as back-up support for DLS. BLRI planned to develop twenty five technologies by 2020 but by 2018 twenty two technologies have been developed. These are related to breed development and conservation, animal nutrition, feed preservation, animal health, vaccine production, value added industrial product and livestock extension. These new technologies have been adopted by the farmers and industrialists resulting in increased milk, meat and egg production.

#### Success History: Meat Sufficient Bangladesh

In Bangladesh meat is an important source of animal protein. Almost 40% animal protein comes from cattle and poultry. Before 2017-18 the meat production in BD was 2.33 mMt in 2012-13 which increased to 7.26 mMt in 2017-18. By this production volume meat supply per person/day is 121.19g against the demand of 120.0g/person/per day set in 7<sup>th</sup> Five Year Plan. The meat demand has been fulfilled three years earlier. The journey to meat sufficiency was not easy. To make the country meat sufficient, government started to patronize the cattle and poultry farmers by introducing conducive tax policy for importing poultry feed ingredients. Government also took strong initiative for genetic conservation, breed up-gradation, artificial insemination, mass vaccination, fodder production and preservation, research, training, awareness building and farmers access to low-interest credit facility. A number of development projects were taken to foster the above programs. The combined impact of all these efforts has made Bangladesh sufficient in meat production by 2017-18.

Previously a large share of sacrificeable animal for Eid was imported from India. In 2010, the number of cattle and goat-sheep sacrificed in Eid-ul-Azha were 27,83,800 and 16,84,300 respectively (total 44,68,100). In 2016 India imposed ban on sacrificeable cattle export to Bangladesh. Government then started encouraging entrepreneurs by withdrawing import tax on cattle food supplement, awareness building among farmers, giving training on beef fattening and undertook beef cattle development project especially with Brahma breed. All these efforts led to increase the number of cattle

dramatically. In 2017 the number of cattle and goat-sheep available for sacrifice rose to 1,15,57,000 and 1,04,21,956 (total 2,19,78,956). In the same year (2017) the number of sacrificed cattle and goat-sheep were respectively 45,29,200 and 58,91,500 (Total 1,04,20,700). This indicates the demand of animals for being sacrificed. The surplus animals were sold out later on. In 2018 the surplus trend followed.

DLS has planned to provide 250 ml of milk/person/day, 120 gm meat/person/day and 104 eggs/person/year for the people of the country to ensure nutrition and animal protein security for all. In 2017- 18 Bangladesh has become self-sufficient in meat production. About 20% population is directly and 45% indirectly dependent on livestock sub-sector. Quality Control (QC) laboratory will start functioning from December, 2019 with full efforts for ensuring quality of livestock inputs and final products. Establishment of five Livestock Diploma Institute is underway to produce skilled manpower. Twenty four quarantine stations have been established to protect and control emerging and re-emerging diseases. As result of the above interventions, country stands fourth (4th) in breeding Black Bengal goat acknowledged in world ranking.

### **Challenges**

The main challenges for fisheries are the impacts of climate changes, flood, habitat degradation and water pollution, maintaining and conserving fish biodiversity, sudden outbreak of fish disease, poor institutional capacity and sustainable management of marine fisheries resources.

For Livestock the challenges include weak linkages between research institute and extension department, shortage of skilled manpower, inadequate policies, Acts and Rules, lack of Public Private Partnership (PPP) program, climate change, shortage of quality feeds and fodder and emerging and re-emerging diseases

### **Rural Development**

The Rural Development and Cooperative Division is playing a significant role in improving the rural infrastructure, agricultural production, enhancing the capacity of the poor people, generating self-employment opportunities and reducing poverty through 'seed-irrigation' technology for the rural development. While successive government has given priority to the rural development, the present government has placed the highest emphasis on rural development and poverty alleviation since Istanbul declaration as it was reckoned as the effective route to achieve LDC graduation threshold as bulk of the criteria are related to rural development.

The pace for rural development was steady in the decades of 80s and 90s as public administration decentralization process under the auspices of Upazilla provided the basis for programmatic intervention and provision of basic public services. The Local Government Engineering Department (LGED), Department of Public Health Engineering (DPHE) and Rural Electrification Board (REB) were three effective arms of government's infrastructure investment that brought a successful change in the rural livelihoods aside from primary needs of food, health and education support. By 2011, the rural economy, livelihood and public asset got momentum again as the cost of communication; information technology and remittances from abroad together provided a massive leap in the quality and monetary value in rural non-farm economy and livelihood. So, rural areas witnessed a qualitative change in many dimensions that improved the living standard and aspiration among the populace. This brought enormous mobility connecting people between rural to urban metropolises and international migrants.

## **AMAR BARI AMAR KHAMAR PROJECT: MY HOUSE MY FARM PROJECT**

AMAR BARI AMAR KHAMAR i.e. My House My Farm (MHMF) is the largest poverty alleviation project of the government under the Rural Development and Cooperative Division. The main goal of the project is poverty alleviation and sustainable development through e-financial inclusion i.e. fund mobilization for the rural poor followed by skill development, family farming livelihood development and income generation of the under privileged rural households of the country.

The prime objective of the project is to contribute reduction of national poverty from 22.8% to 10% by 2020. The project started functioning from July 2009 and will end on June 2020. Total project cost is 80102.70 million BDT which is fully supported by the Government of Bangladesh.

### **Specific targets of the project:**

Formation of 101042 Village Development Organizations (VDOs);

Bring 5.459 million rural poor households under this project by 2020;

Mobilize permanent capital at 0.90 million BDT for each VDO to be utilized permanently as revolving fund to initiate income generating activities;

Provide skill development training on agro based trade for 5 members from each VDO to work as volunteer;

### **Impact of the project:**

Unbanked 4.54 million beneficiaries have come under e-financial inclusion.

Digital fund management: All funds are being transacted under online banking at the door steps of the rural families.

Socio-economic development: Achievement of self-sufficiency, practicing savings, capital formation, employment generation, poverty alleviation and women empowerment.

Annual income per family increase significantly.

Low income family decreases under the project area is a symbol of women empowerment. Taka Fifteen thousand has been given to each rehabilitee family as micro-credit after completing the income generating activities training. Besides these, electrification of 9 cluster villages has been done by this project.

Apart from Land zoning of 152 upazilas under 21 districts including 19 coastal districts, another program has been undertaken to computerize existing Mouza maps and Khatian and DLMS will be established in the pilot upazila. And this system will be rolled out in rest of the country for access to land.

## **ASRAYAN (SHELTER) PROJECT:**

The government is implementing a special project, titled “Ashrayan” aiming at rehabilitation of the landless, homeless and rootless destitute people of the country. The project is being implemented since 1997 in three phases up to 2019. Through implementation of this project the government has constructed special designed homes/shelters for approximately 0.3 million ultra-poor families in government owned lands and in some cases in their own lands. Following major activities have been



implemented for the well-being of the poor:

- The ownership of the homes/shelters are handed over to the families through registering jointly in the name of husband and wife;
- Each family is provided VGF for three months immediately after rehabilitated in the shelters;
- Insuitable cases, community centers, mosque, grave yard, ponds, internal roads, growth centers, link roads with main roads, supply of electricity, common lands for rearing livestock, and so forth are constructed for the rehabilitated families;
- Each village under the project area is covered with various types of plantations for ecological balance as well as future savings of the beneficiaries;
- The rehabilitated people are also provided with income generating trainings and micro credits facilities for their socio-economic improvement.

**Khurushkul Special Ashrayan Project:** The Government has also taken initiatives to construct 139 multi-purpose five storied buildings for 4,409 climate refugee families in the coastal area of Cox's Bazar. Of them, constructions of 20 buildings are already completed and 10 building are progressing towards completion soon.

### Success Story in Rural Development

**Union Digital Center :** Queen Maxima of Netherlands visiting Union Digital Center

Under the auspices of the Government's access to information( a2i) programme with technical support from UNDP and USAID, 4,547 digital centers were set up at the union parishad level, the lowest tier of public offices and providing services to people at the door step level. Services rendered at UDC are :

Public exam results, government application form fill up and download, birth and death registration, online university admission form, job search and vacancy application process, visa processing, video conference and mobile banking.



Solar Home System in Rural off grid areas

Solar Home System is a signature project of the Sustainable and Renewable energy development

authority under the Ministry of power energy and mineral resources. Under this programme off grid rural homes and communities have brought under renewable energy provision that replacing environmentally hazardous kerosene and diesel as primary fuel . This has greatly exacerbate people access to power and energy, improved rural livelihood and has a utilization of as many as 13 million users belonging to 4.5 million household system with an installation capacity of approximately 3 MW . Some of the additional benefits of SHS is solar pump providing irrigation capacity and solar stove that is improving public health among rural women replacing kerosene and fuel wood and crop residue. It has given off grid rural community access to power to charge mobile phone and services that is contributing to Sustainable development goals on energy, environment and health.

## C. Trade

It is widely acknowledged that with development of an economy, the share of agriculture declines while share of industry increases and eventually settles in the service sector. In a predictable transformation, Bangladesh has experienced sharp decline of the share of agriculture while share of services and manufacturing to GDP has increased significantly. Transforming Bangladesh's agrarian economy into a modern manufacturing and organized service based trading economy is still in progress. These transformations reinforce the country's productive capacity, altered the capital labour composition and ultimately enhance the country's capacity in both domestic and international trade. Before, international trade expands; internal trade must expand along with tradable sector.

During the early LDC years, our volume of international trade was one of the lowest. But Since early 90s, the country took drastic measures to reform the foreign trade regime. The hallmarks of these measures were simplifications of trade licenses, removal of quantitative restriction, reduction of tariffs and flexible exchange rate policy. This was intensified by free market economy that released the savings bottleneck, lowered prices, and opened trade for more consumer goods and services and integrated the producers and consumers into global value chain. For a decade a massive change occurred with deepening markets for trade, tradable sectors and a market density for import and export of modern tradable goods and services.

### **Trade performance of Bangladesh during the IPoA period**

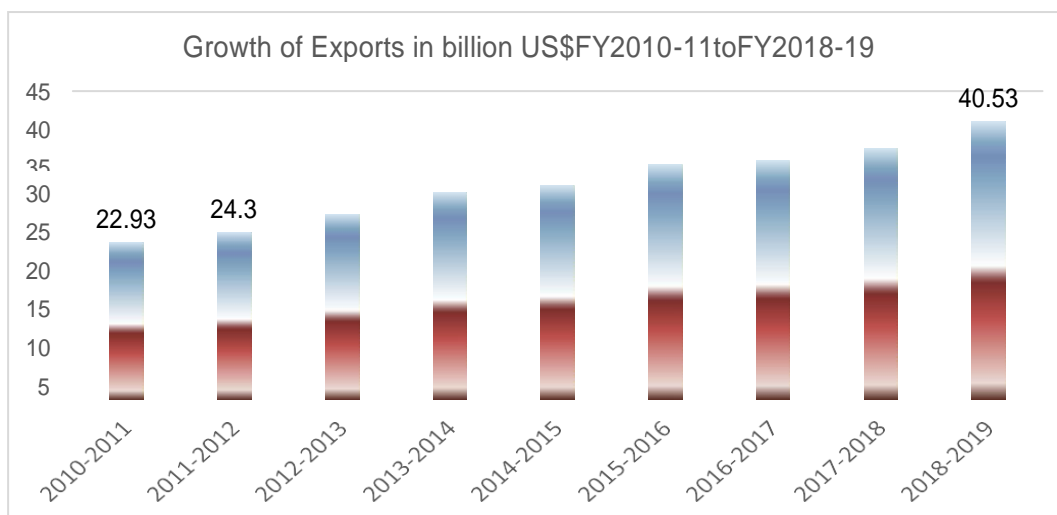
The goals and targets set by the IPoA for trade are:

- Significantly increase the share of least developed countries' trade in global trade with the aim of doubling the share of least developed countries' exports in global exports by 2020, including by broadening LDCs' export base;
- Make substantial efforts for an early and successful conclusion of the Doha Round of trade negotiations with an ambitious, comprehensive, balanced and development-oriented outcome.

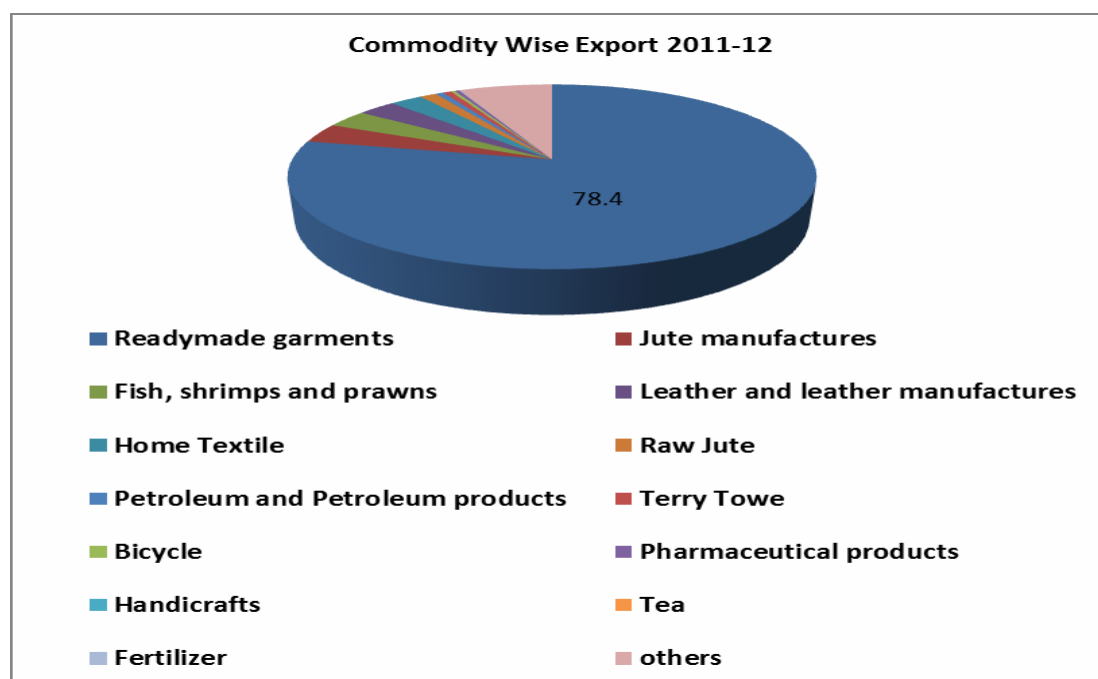
In order to achieve the targets, the actions for the LDCs under the IPoA are as follows:

- Integrate trade and trade capacity building policies into national development strategies
- Improve productivity and competitiveness and diversify production bases into dynamic new products and services.
- Diversify export products and markets to non-traditional destinations.
- Improve efficiency, efficacy and transparency of institutions and process to better facilitate and improve standards and quality

Trade performance of the country has been reflecting a robust upward trend since IPoA (2011) measured through volume and monetary value of export, import and share of GDP. The export earnings of the country has been on the rise since 2010-2011 and stood at US\$40.53 billion in FY-19. In addition to export trend, composition and destinations of exports at the beginning of the IPoA period as well as in the current situation which has been shown below graphically.

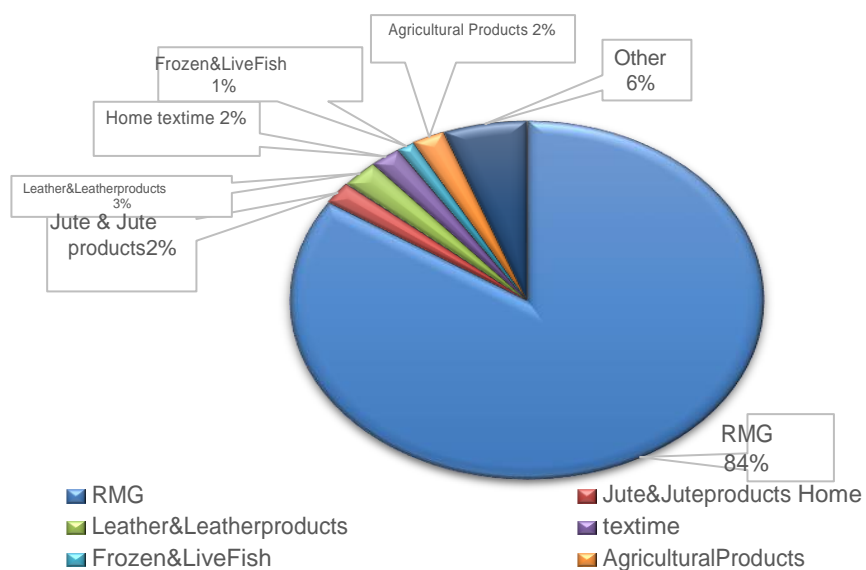


Source: Export Promotion Bureau



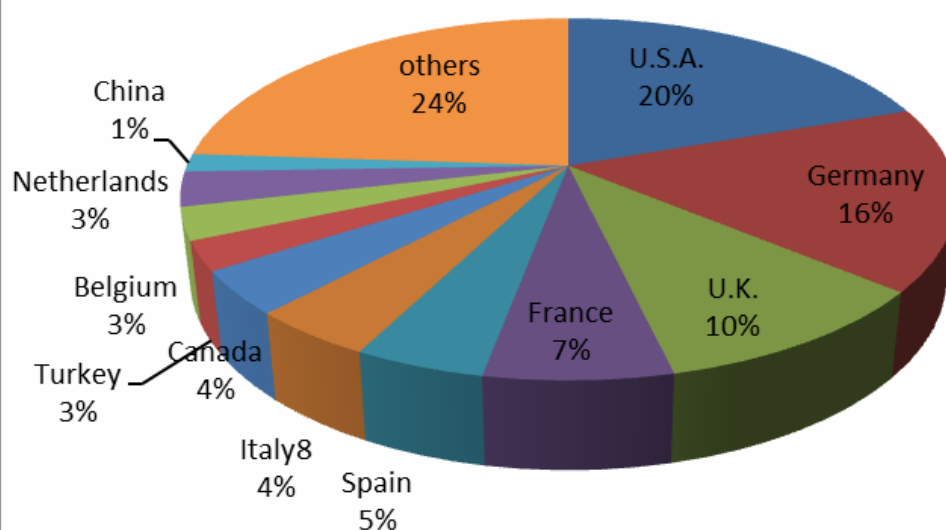
Source: Export Promotion Bureau

### Commodity wise exports, FY2018-19



Source: Export Promotion Bureau

### Country Wise Export Share 2011-12



Source: Export Promotion Bureau

Bangladesh has been performing well in trade, particularly in the export sector. The graph reveals that export earnings has increased from US\$ 22.93 billion in FY11 to US\$ 40.53 billion in FY19, the

export growth was about 177% during this period. This remarkable progress has been possible partly due to various supports provided by the government and partly due to Duty-Free & Quota-Free (DFQF) market access provided by many trading partners around the world.

Currently, Bangladesh enjoys the DFQF market access in almost all developed countries, except USA and Russia, for almost all products. Many developing countries have also extended similar market access for varied range of products. Flexible Rules of Origin associated with the DFQF schemes also play vital role in utilizing the available market access facilities. DFQF schemes of developed and some developing countries have been mentioned below.

**Table: DFQF market access provided by developed WTO members**

Sl.	Country /Group	Tariff lines covered	No. of tariff lines excluded	Products excluded
1.	Australia	100%		
2.	Canada	98.6%	105	Dairy and other animal products, meats, meat preparations, cereals
3.	EU	98.8%	18	Arms and ammunitions
4.	Iceland	91.8%	736	Meat, food preparations, vegetables, dairy, etc
5.	Japan	97.9%	198	Fish, crustaceans, footwear, milling products, cereal products, sugar
6.	New Zealand	100%		
7.	Norway	100%		
8.	Russian Fed.	37.1%	7,307	Machinery & mechanical appliances, chemicals, electrical machinery, steel products, etc.
9.	Switzerland	100%		
10.	USA	82.4%	1,951	Apparel and clothing, cotton, fibres, footwear, dairy and animal products

**Table: DFQF market access provided by developing WTO members**

Sl.	Country	Tariff lines covered	No. of tariff lines excluded	Products excluded
1.	Chile	99.5%	41	Cereals, sugar, milling products
2.	China	60%	3192	Chemicals, transport vehicles, machinery and mechanical appliances, electrical machinery, paper
3.	India	99.8%	25	Alcoholic beverages and tobacco
4.	South Korea	89.9%	1,232	Fish and crustaceans, mineral fuels, oilseeds and oleaginous fruits, wood products, vegetables, foodproducts
5.	Chinese Taipei	30.8%	6,316	Machinery and mechanical appliances, electrical machinery, chemicals, meat, fish and

				crustaceans, iron and steel product
6.	Thailand	74.4%	2,421	Many products, including apparel & clothing
7.	Turkey	81.7%	3,020	Meat, fish, food products, steel products

Source: WTO Secretariat, Ministry of Commerce

Increased exports, particularly in the Readymade Garments (RMG) sector, has created enormous employment opportunities, which in turn contributed significantly to the overall socio-economic development of the country. It may be mentioned that the RMG sector alone accounts for around 84% of total exports of the country. Revolving around this sector, many backward and forward linkage industries as well as services have been developed in the country. Being a labour-intensive sector, it has generated employment opportunities for millions, most of whom are women.

Though the export sector of Bangladesh has made remarkable progress in last few decades, particularly in the IPoA period, the export sector of the country has been facing numerous challenges, which act as barriers for utilizing full potentials. The major challenges are:

- Narrow export basket,
- Limited export destinations,
- Low productivity compared to competitors,
- Longer lead time,
- Inadequate compliance capacity, particularly relating to standards and Sanitary &Phyto-sanitary (SPS)requirements,
- Insufficient infra-structure facilities, including transportation and port facilities, etc.
- These constraints not only limit growth of exports but also act as barriers to further integration to the global economy including through participation in global value chain.

In order to utilize full potential of the export sector as well as to make trade as a real engine of growth, Government of Bangladesh has been pursuing export-led-growth policy since long. In line with this policy, various government development plans and policy instruments, like Export policy, Industrial policy and other sectoral policies have included provisions aiming at diversification of exports, enhancement of productivity, competitiveness and overall trade-related capacity of the country. Export Policy, 2018-2021, has categorized potential products/sectors into two groups – (i) Highest Priority sectors with 13 products and (ii) Special Development sectors with 19 products. Various policy supports and incentives are being given to those products/sectors for accelerating diversification process. Similarly, Industrial Policy, 2016 has identified potential areas for providing special supports for diversification as well as for enhancing productivity and competitiveness.

In addition to policies, many projects under various Ministries and organizations are underway for export diversification and enhancement of overall competitiveness. For instance, Ministry of Commerce has been implementing Exports Competitiveness for Jobs (EC4J) project, funded by the World Bank, Strengthening Institutional Capacity and Human Resource Development for Trade Promotion, under Enhanced Integrated Framework (EIF) Tier-1, Export Diversification and Competitiveness Development Project, under EIF Tier-2. Besides, various initiatives are underway for enhancing capacities of the organizations related to exports. Many services has been made available online. The process is continuing as part of the government's policy to make Bangladesh digital as well as to make available services at citizen's doorstep.

Government of Bangladesh is also implementing Trade Facilitation Agreement (TFA) of the WTO gradually as per the notification submitted to the WTO. In implementing the TFA, various initiatives and projects have been taken. National Board of Revenue's National Single Window (NSW) project is one of those initiatives. These initiatives will facilitate trade, and reduce cost of doing business further. Government is also taking steps to improve the ease doing business situation of the country.

As a founding member of the WTO, Bangladesh has been actively participating in all WTO activities, including negotiations. Bangladesh is considered as one of the successful utilizers of Special & Differential Treatments (S&DTs), including the DFQF market access and TRIPS exemptions, available under the WTO system. Utilizing the TRIPS exemption, pharmaceutical industry of Bangladesh has made remarkable achievements. Currently, the industry meets almost 98% of the domestic demand. In addition, Bangladesh is now exporting pharmaceutical products to many countries around the world.

Bangladesh is a member of several Regional Trade Agreements (RTAs), which are mentioned below. Bangladesh is a member of a number of Regional Trade Agreements (RTAs), which are:

- South Asian Free Trade Area(SAFTA),
- Asia-Pacific Trade Agreement(APTA),
- Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation(BIMSTEC)-FTA,
- TPS-OIC (Trade Preferential System among the OIC Member countries),
- Preferential Trade Agreement among the D-8 Member countries.

As an LDC, Bangladesh enjoys special and flexible terms and conditions in these RTAs. The special benefits allow Bangladesh to maintain longer negative list of sensitive products, longer implementation period and flexible RoO compared to the non-LDC members of the RTAs. However, apart from the SAFTA, trade benefits in other RTAs mentioned above are still very limited. Even the SAFTA is also not providing the benefits as it was expected. But, the most important benefit available for Bangladesh under the SAFTA is that India has provided DFQF market access for almost all products for LDC members of the SAFTA. Bangladesh is now trying to conclude more RTAs, particularly Free Trade Agreements (FTAs) with potential trading partners for creating more market access opportunities keeping in view that most of the LDC-specific special facilities will not be available after the graduation from the LDC status.

Bangladesh is now on the path of graduation from the LDC status by fulfilling all the three graduation criteria for the first time in the UN triennial review held in 2018. If Bangladesh fulfills, the criteria again in 2021, the country will be graduated in 2024 after enjoying three year grace period. The graduation is a matter of great pride for the entire nation and recognition of the real developments achieved by the government through its tireless efforts and prudent policies. It will enhance the image and status of the country, which will in turn attract more FDI and other economic activities in the country. However, since Bangladesh has been able to make best use of the WTO S&DTs, the country will face some challenges after the graduation due to termination of trade-related S&DTs, particularly the loss of preferential market access. The country will lose Duty Free and Quota Free market Access to all the developed countries and some developing countries. Such loss of preferential market access for Bangladeshi products will pose a substantial risk on continued development trajectory. The country will also lose the patient waiver for pharmaceutical products under TRIPS and will lose the price competitiveness in the world market. On the other hand due to graduation from the LDC status



Bangladesh will also lose the flexibilities of granting export subsidies both for agricultural and non-agricultural products which will also reduce competitiveness in the international market. Government of Bangladesh is now assessing the probable impacts of the loss of S&DTs after the graduation so that appropriate strategy can be formulated and implemented for smooth and sustainable graduation.

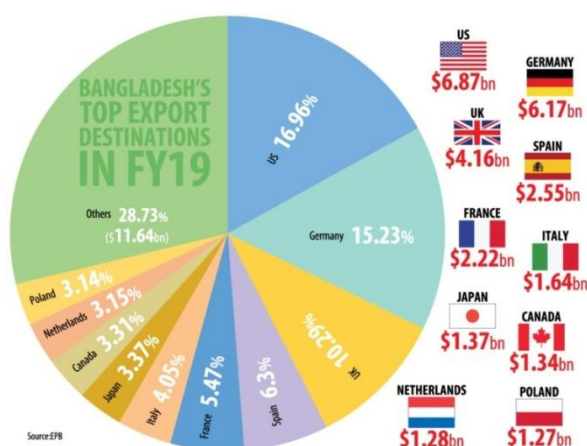
Bangladesh graduation is unique as no other country could satisfy all three criteria at a time. Furthermore, the total population of the five countries who have graduated is less than four million while Bangladesh will graduate with more than 170 million people. Bangladesh is highly integrated to the global market because of manufacturing base export dependency while other graduated countries mainly dependant on natural resources.

Bangladesh is graduating at a time when global economic and trade are passing through high uncertainty due to in the WTO negotiations, US-China war, duplication of currency among the competitive countries, EU-Vietnam FTA, high pace of fourth industrial revolution, accelerated efforts among the WTO member countries to sign comprehensive economic partnership agreements which covers trade, investment, services, government procurement, labour standard, environment and so on. The country has to cope up with all these within next four to six years which might be extremely difficult to adjust with limited resources and capacities.

### Success Story in Trade



*National Export Trophy*



Every year award national Export trophy to high performing firm and companies from business community and private sector achieving excellence in export performance. The arrangement from the government has created an institution of competition and a culture of excellence among the entrepreneurs getting recognition from the highest office of the government. This has to a great extent contributed to aspiring firms and business to expand export volume with quality.

### **Diversification of Export Market and Products**

As almost 80% of our export is concentrated in apparel sector and about 70% of our export destination is located in 10 countries, government of Bangladesh since 2015 pursued a rigorous policy of diversification in product and market segment. All the foreign mission has been deployed with a trade and commercial counselor and has been given task to explore product and market niche for Bangladeshi export.



## Commodities

Bangladesh, unlike other LDCs, does not suffer from a commodity trap and has performed remarkable well in the context of commodity dependence compared to other LDCs. This has improved country's standing vis-à-vis the EVI index and has helped to surpass the graduation threshold. The commodity dependency is an old phenomenon in the LDC discourse dating back as early as its inception years in mid 60s. This was inducted and has been followed since then for diagnosing LDC economies for the mainstream intuitive notion that commodities in general are low in value addition content, natural resource dependent, and highly volatile in price stability in international market. Out of the total import bill amounting to approximately US \$ 50 billion, bulk of the imports constitute primary commodities like food grain, dairy products, edible oils, seeds pulses, sugar, petroleum products and lubricants.

On the other hand, out of the export basket, jute and jute goods, tea, leather and fisheries are the major exportable from Bangladesh. There has been marked reduction in importing primary commodities for household consumption as country has reached near self-sufficiency and concomitant reduction of primary commodities in export basket. This is the much required structural breakthrough that has enabled the country to escape from LDC trap.

While it is evident from the above that the economy is less dependent on commodities, nonetheless, it has some implication to the sustainability on the threshold on EVI. As a result, country has been pursuing to enhance productivity, promote vertical diversification and value addition, explore global value chain, and increase value retention. One example is finished jute instead of raw jute. For active policy intervention raw jute has declined as a commodity export and has been replaced with vegetables and food processing.

In addition, Ministry of Agriculture has taken several initiatives to integrate entrepreneurial farmers producing high value commodities (crops/ horticulture, fisheries, coffee, tea, mushroom etc.) to develop their supply chain for internal and external markets in partnership with Export promotion Bureau.

The third aspect commodity security is the import of essential commodities from global and traditional sources under the auspices of Trading Corporation of Bangladesh (TCB). Every year, the economy imports a large volume of essential items for daily consumption of consumer non-durables like edible oil sugar, rice, wheat, pulse and variety of grocery items like spices and daily essentials. In addition, consumer durable items like construction materials and transport material supplies are major commodity items in increasing demand. Bulk of these imports is carried out by direct government procurement or under private importers through letter of invoice from foreign sources. These imports have been vital for maintaining price and supply stability in whole sale market that caters to a large consumer of 160 million people residing and consuming within the country. Since Istanbul 2011, our imports of commodities have increased by 17% due to demographic and income growth among the middle class as well as increasing urbanization.

To maintain stability in global supply chain and domestic logistic capacity, the fourth aspect of commodity is the trade finance and trade infrastructure as discussed in earlier section. Since Istanbul 2011, government has taken several proactive measures to liberalize the trade regime for larger

volume of imports. It has liberalized the financial control and foreign exchange regulations in Bangladesh Bank for opening letter of invoice for imports. There are several improvements in container terminals, railway depot and warehouse facility all over the country and building regional connectivity infrastructure to facilitate regional trade and commerce. As a result, the country since Istanbul Programme did not experience any massive supply shortages or artificial inventory stocking for essential commodities of consumer durables and non-durables. This has helped to maintain confidence in market sources, supply and prices and relocate savings into long term investment projects building productive capacity of the economy.

## **e. Private Sector Development**

Private sector plays very important role in attaining sustainable economic development and higher growth of the economy through increasing production, investment and export. The Government of Bangladesh has given priority for the overall development of investment environment for the purpose of increasing domestic and foreign investment in industrial and productive projects to ensure sustainable development goals. In FY 2018-19, the total investment of GDP was 31.57 percent, out of which 23.50 percent was from private sector investment both from local and foreign investors.

In order to attract the private sector investment, the government has taken various initiatives for infrastructure development, uninterrupted supply of electricity and also for congenial environment for private investment. For this reason, the government has established ‘Bangladesh Investment Development Authority’ as well as undertaken extensive reform program to encourage private sector investment.

### **Bangladesh Economic Zones Authority (BEZA)**

As part of developing Economic Zones within the country Bangladesh Economic Zones Authority (BEZA) under Prime Minister’s office is assigned with the responsibility to establish and develop Economic Zones. BEZA is working to expedite speedy economic development especially industrialization, employment generation, production, enhance and diversification of export. Besides, with the investment in national and international economic zones and bilateral interest and prosperity, the initiative of establishing economic zones will contribute a lot for Bangladesh to achieve the middle income country’s status by 2021. To augment investment in private sector, the government has approved ‘Bangladesh Private Economic Zone Policy, 2015’. Under this policy, the Private Economic Zones are being approved and established to attract investment in agriculture, industry, production, service, commercial, technology, tourism, housing, entertainment or power generation sector.

BEZA is working to achieve the target of US\$40 billion worth of production or export by 2030 with the employment of 10 million people. The government has already approved 88 economic zones, of which 61 are from the public sector and 27 from the private sector.

### **Public Private Partnership (PPP)**

Public Private Partnership is considered as one of the key initiatives to bridge the gap between the identified investment need and the available government resources. In order to encourage private investment in infrastructure sectors, the government is planning to provide financial incentives to the private enterprises of entrepreneurs. A non-banking financial institution titled ‘Bangladesh

Infrastructure Finance Fund Limited’ has been established for private sector. At present, 56 projects in 13 sectors worth US\$23.8 billion have been approved.

### **Private Sector Development Activities of Some Selected Sectors:**

#### **ICT Sector:**

##### **Hi-Tech Park:**

Bangladesh High-Tech Park Authority has been established under ‘Bangladesh High Tech Park Authority Act-2010’ in order to development of hi-tech industries in the country. It has been working for socio-economic development of the country by ensuring the employment of huge youths of the country through set up hi-tech park/software technology park in different places of the country.

##### **Telecommunication Sector:**

Private sector investment has brought revolutionary changes in the telecommunication sector. In 2004, there was total number of 4 million users of mobile phone, whereas the number exceeded 150 million in January 2019. Out of this, 110 million use the private mobile phone companies SIM cards. At present, more than 1 million people are employed directly or indirectly in the mobile phone sector.

#### **Power Sector:**

At present, 93 percent population of the country has access to power including renewable energy. A total of 41,125 million MkwH net electricity including public, private and import were produced up to January 2019. Out of this, 40 percent was generated by the private sector.

#### **Education Sector:**

In order to attract private investment in education sector the government provides different types of incentives and opportunities. The ‘Private University Act’ 2010’ has been enacted to improve the standard of education in private universities. As a result, 92 private universities have been established in the country.

#### **Health Sector:**

To encourage the private sector, the government provides grants from revenue budget to hospitals/clinics and organizations. At present, there are 69 Medical colleges, 12 Dental Colleges, 13 Post-graduation institutions, 24 Nursing Colleges, 97 Institute of Health Technology and 200 Medical Assistant Training Schools in private sector. Besides, 98 percent of required medicine is produced locally.

#### **Industry Sector:**

In order to continue promoting an enabling environment for private sector development including small and medium-sized enterprises through a transparent and rule-based regulatory framework, BITAC has implemented two projects: 1) A hydraulic lift specialized for physically disabled persons which has been designed and manufactured in 2017, and 2) 4 number of machines of Bangladesh Ordnance Factories have been manufactured as import substitution. Additionally, the organization trained 2936 women for self-employment;

Bangladesh Chemical Industries Corporation (BCIC) is working for developing new industries in chemical and allied sectors of Bangladesh by PPP/Joint Venture. At present, BCIC has been operating 13 large and medium sized industries including 8 fertilizer factories, one paper factory and four chemical and associated industrial units. BCIC is engaged in producing Urea, TSP, DAP, Paper, Cement, Glass Sheet, Sulphuric Acid, Insulator, Sanitary ware etc. The organization has signed a

number of MoUs/Agreements for Investment/Strategic Cooperation with different countries/business organizations. Among them notable are: 1) Al-Rajhi group of KSA and BCIC signed an MoU for a joint venture in order to establish an energy efficient, modern technology based environment friendly and financially competitive new Ureaformadhyde-85 plant in the BCIC owned factory premises in Bangladesh, and 2) Engineering Dimensions (ED) of KSA and BCIC for setting up of one separate integrated Clinker and Cement Plant with Power Plant in Chaatak Cement Company Limited (CCCL), Sunamganj;

From July 2015 to March 2019 Bangladesh Small and Cottage Industries Corporation (BSCIC) has identified 42002 entrepreneurs, brought 26404 of them under skills development training program and generated employment for 209857 people.

The organization also signed a number of MoUs/Agreements with different Countries/International Business Organizations which include among others: 1) a MoU and GeMCo and Confidence Electro-Mach Ltd. China, 2) An agreement with Engineering Dimensions (ED) of KSA for the strategic partnership in setting up units for manufacturing transformers, sub-stations and other electric devices at General Electric Manufacturing Company Limited (GEMCO) premises in Chattagram, and 3) A MoU with Riyadh Cables Group of Companies for establishment of a joint venture company for manufacturing of wire and cable etc. under strategic cooperation;

A total of 82.00 crore taka collateral free and single digit (9%) interest rate loan has been distributed among 1650 SMEs located at 31 SME clusters through Banks and NBFIs.

To enhance the productivity, 3,600 SMEs have been supported through technology up-gradation and awareness building programs. To bring potential women entrepreneurs into the mainstream business 16,200 women entrepreneurs have been supported directly through different programs like capacity building, skill development and new business creation programs. To create and develop 3000 women ICT freelancer in 64 districts, a 3-year project titled ‘Women ICT Freelancer and Entrepreneur Development Program’ has been implemented. The organization also signed a MoU with KOSGEB of Turkey for cooperation in the areas of SME development;

### **Bangladesh Investment Development Authority (BIDA):**

Continue promoting an enabling environment for private sector development including for Small and Medium-sized (SMEs) enterprises through a transparent and rule-based regulatory framework:

- OSS Act passed by parliament and draft rule at the final stage of approval.
- Ongoing Investment promotion activities i.e. Road Show, Investment Summit, Sectoral Promotional activities both within country and outside of country.
- Investment Facilitations activities at BIDA simplified (approval, recommendations, and aftercare);
- Helped in formulating and making Policy recommendations i.e. Industry Policy, Import and Export Policy, Investment Incentives, Sectoral Investment Policies, SME policy, Customs, Tax, and VAT related policies, and many other business and investment related policies and issues.
- Detailed action plans with time frame for implementation regarding process simplification and modernization, law and rules modification, automation, service delivery improvement etc. for improvement of “Doing Business Environment” of the country.

## Success Story in Private Sector

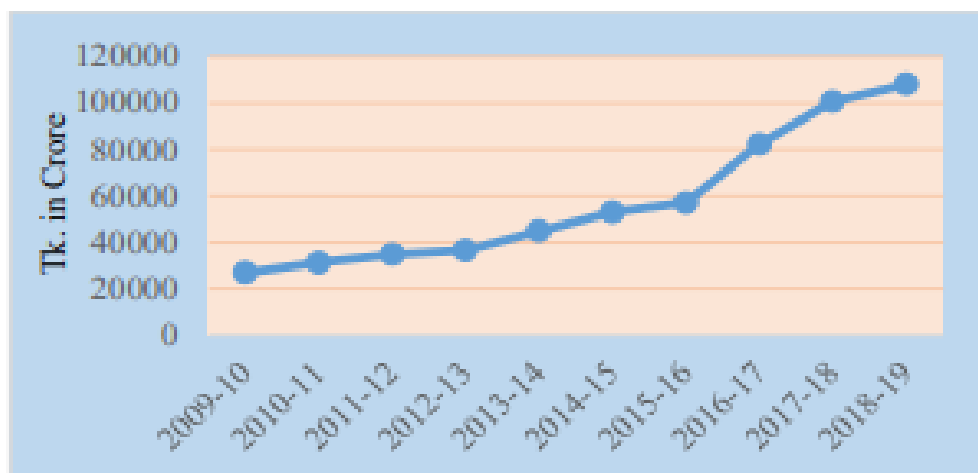
### **Improving Ease of Doing Business index**

Small and medium-sized enterprises (SMEs) are the backbone of the national economy in Bangladesh. This sector is playing an important role to develop the economy of our country. The role of SMEs sector is immense to alleviate the poverty from the country as well. Small and Medium enterprises are particularly suitable for the densely populated countries like Bangladesh where SME sector can provide huge employment opportunity with much lower investment. They are responsive to the state of Ease of doing Business prevailing in the national economy. The International Monetary Fund (IMF) Country Report (2012) indicated that SMEs in Bangladesh accounted for more than 99% of private sector industrial establishments and created job opportunities for 70%–80% of the nonagricultural labor force. Government pro-actively through its private sector policy arms comprising of advisory council and chamber of commerce formed a coalition of actors contributing to the World Bank's Ease of Doing Business index that has been improving since Istanbul PoA implementation.

## **f. Human and Social Development**

The importance of Human Resource Development (HRD) has got new dimension in order to face the challenges of globalization. To this end, the government has included HRD as one of the main goals of its development agenda along with the economic growth. To attain this goal, the government has allocated 22.09 percent of budget to the HRD related sectors such as Education and Technology, Health and Family Welfare, Women and Children, Social Welfare, Youth Sports development, Culture, Labour and Employment etc. Various programs including the adoption of the 'National Education Policy-2010' have been undertaken to create skilled and competent Human Resources for the country by enhancing the quality of education and increases accessibility to Secondary and Higher Secondary, Technical and all tiers of higher education. Bangladesh has achieved Millennium Development Goal (MDG) related to health sector, prior to the stipulated time due to undertaking many priority based programs in health, nutrition and population sector. In recognition of this outstanding attainment, Bangladesh has won the 'UN South-South Award' twice. Both fertility and mortality rates have come down. Remarkable progress has been made in reducing child and maternal mortality and in increasing average life expectancy. Malnutrition has also been reduced significantly. In order to ensure the desired development and participation of women in the national development activities, the government has legislated 'National Women Development Policy 2011'. Furthermore, 'Domestic Violence (Prevention and Protection) Act 2010' has been enacted to prevent violence against women and children. Apart from that, the government has formulated 'National Child Policy-2011 and 'Child Marriage Prevention Act-2017. For implementation of various development programs, Bangladesh is gradually improving in the Human Development Index (HDI). Consequently, Bangladesh's secured 143rd position in the UNDP HDI during 2012 and has improved six notches at 137 in 2018. The value of HDI index was 0.55 in 2011 which increased to 0.62 in 2018. This was a critical pillar not only in IPoA or SDG framework but an important benchmark for attracting foreign direct Investment (FDI), speeding up LDC graduation through Human Asset Index (HAI) and realizing the Demographic Dividend.

Trend of Government Allocation in the Social Sector of Selected Ministries



Sources: \*Information's are based on Budget.

## Education

There are three main educational streams in Bangladesh. They are (i) General Education ii) Madrasah Education and (iii) Technical and Vocational Education. The first two streams comprise primary, secondary and tertiary levels of education. Secondary education in Bangladesh is divided into two major sub-sectors: secondary education (grades 6–10) and higher secondary education (grades 11–12). An equivalent level of education is offered through madrasah stream in which Dakhil offers the educational equivalent to Secondary School Certificate (SSC).

The primary level education is administered by the Ministry of Primary and Mass Education, while the secondary level of education is managed and administered by the Ministry of Education (MOE) having two divisions, namely Secondary and Higher Education Division and Technical and Madrasah Education Division. Policy formulation, planning and monitoring, evaluation and execution of plans and programmes are done under the supervision of the respective ministry/Divisions.

### Primary Education:

Compulsory primary education was first declared as a national policy by father of the nation Bangabandhu Sheikh Mujibur Rahman at the beginning of our national journey for economic emancipation. The government has constitutional obligation to ensure education for all. In line with global initiative the government is committed to achieve inclusive and quality education for all. Therefore, allocation of education sector is increased gradually.

Public expenditure on Education, Skill and Technology is about 12.2 percent of the development expenditure. The Goal 4 of SDG declares to ensure inclusive and equitable quality education and promote life-long learning opportunities for all'. The government has targeted to achieve SDG 4 by

2030. Government is implementing Stipend Project, 4th Primary Education Development Program (PEDP-4), Reaching Out of School (ROSC) project, School Feeding Program for poor areas, need based government and newly nationalized primary school development project (1st phase), Basic Literacy Project (64 district) and some other projects for attaining the goals of SDG.

Number of primary schools in the country was 49, 539 in 1991 while at present the number has increased to 1,34,147. Rate of female students is more than the male students. The ratio of male to female students was 55:45 in 1991 which is 49.25:50.75 at present. Some students are compelled to leave the school before completion of primary education for various reasons. Rate of drop out is consistently decreasing as the government has taken several realistic steps.

Table: Year wise Drop-out Rate at Primary Level

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Dropout Rate (%)	45.1	39.8	29.7	26.2	21.4	20.9	20.4	19.2	18.8	18.6

Source: Annual Primary School Census, 2018, Directorate of Primary Education

### Important Activities in Primary Education

- 4th Primary Education Development Program (PEDP-4) has been implemented to develop the quality of primary education. Through various activities under this program, priorities have been given to increase enrolment and attendance of school-going children, reduce drop-out and enhance school contact hour.
- Under the present policy of recruitment of teachers, 60:40 ratio of female to male has been followed. The current ratio of female and male teachers is 64.18:35.82 in government primary school.
- Non-formal Education Bureau has been established to carry out non-formal education along with formal education. The government enacted Non-formal Education Policy and Non-formal Education Board in 2017.
- To increase enrolment rate and to retain students at school, stipend has been significantly increased as well as school feeding program has been introduced. Scholarship is being awarded on the basis of talent pool category and general category among the students. 82, 500 students were awarded scholarships in 2018. Besides, learning opportunities have been created for the working children of the urban and rural areas of the country. Special scholarships are being provided to the meritorious working children studying at the Shishukalayan Trust (SKT) schools to continue their education.
- 26,193 registered non-government primary schools have been nationalized and teachers employed in these schools have been brought under Monthly Payment Order (MPO). Furthermore, 211 more schools have been nationalized under special consideration of the Prime Minister.
- Reaching out of school children project (2nd phase) is being implemented for bringing drop out and under privileged children under primary education system in order to ensure

‘Education for all’ policy. 0.72 million drop out or out of school children for 21,361 teaching centers are being provided chance to obtain 5 year long primary education under this project with allowance for educational assistance, purchasing uniform, educational materials and taking part in terminal examination at grade 5. At the same time, a fresh 6th grader is being provided financial incentive following the presentation of a certificate from the headmaster. Around 83,000 students are participating from 3,586 centers in 2019 academic year.

- Furthermore, Second chance education program is going on for drop outs and out of school children. To facilitate this program, ‘Basic Literacy Project (64 districts) has been implemented in 250 upazilas of 64 districts for providing basic literacy and life skills to 4.5 million illiterate adolescents and adults in 15-45 age group.

### **Secondary and Higher Secondary Education:**

The authorities responsible for secondary education have been managing a huge number of schools (20,465 in 2018) with 2, 34,165 teachers providing pedagogy and teaching learning support to 1,04,75,100 learners in the class room. In the recent time, the growth of enrolment of girls at the secondary level has been significantly increased which accounts for 54 percent at this level of education. It is to be noted that, of the huge number of secondary schools, only 663 institutions are managed by the government. More than 96 percent schools are privately managed. The government provides subsidies to 15,984 of these schools.

Bangladesh has made milestone progress in improving access to education at all levels. At the secondary level, the gross enrolment ratio rose to 75.32 percent in 2018 from 55.81 percent in 2010. In 2018, the net enrolment rate (NER) at the secondary level was 69.38 percent (for boys and girls together), while the gender parity index was 1.19; this was also significantly increased. In 2018, the completion rate was 62.38 percent, compared to 44.74 in 2010. The drop-out rate was reduced to 37.62 percent in 2018 from 55.26 percent in 2010.

The Gross Enrolment Ratio (GER) at the higher secondary level was 43.8 percent, while the Net Enrolment Rate (NER) was 35.43 percent in 2018. However, at the higher secondary level, the drop-out rate was 37.36 percent in 2010, but it decreased to 19.63 percent in 2018. The completion rate reached 80.37 percent for both gender in 2018 (Bangladesh Education Statistics 2018, BANBEIS).

Bangladesh Education Statistics 2018 presented some quality indicators for secondary education. It found that the teacher student ratio stands at 1:45; and about 67 percent of teachers in schools are trained; female teachers constitute 64 percent of the trained teachers; 95.59 percent of schools have separate toilet facilities for girls; 87.24 percent of schools have computer facilities; 80.80 percent of schools have internet connection; 92.03 percent of schools have electricity; 97.41 percent of schools have safe drinking water facilities; and 78.63 percent of schools have multimedia facilities.

In order to ensure quality education for all, a holistic and balanced development programme, named Secondary Education Sector Development Programme (SEDP): Qualitative Goal and Qualitative Improvement has been adopted. The main objectives of the programme are to increase enrolment, completion rates and transition to higher levels by providing stipends, improving infrastructure and incentives, teacher training programme with internationally accredited bodies and closer monitoring of poor performing academic units and addressing their shortcomings. Some of the highlights of National Education Development Plan are as follows:



## **Key initiatives taken by the Government in the Secondary and Higher Education Sector:**

The government has been implementing certain programs/projects which contribute towards achieving the education sector targets:

- **Secondary Education Development Program (SEDP):**  
Secondary Education Development Program (SEDP) has been adopted for the period 2017/2018 to 2022/2023 to support secondary education covering grades 6-12 as well as 12 grade technical and vocational education and training.
- Secondary Education Quality and Access Enhancement Project (2008-2014) and Secondary Education Sector Development Project (2007-2013).
- **The Higher Education Quality Enhancement Project:**  
Higher education quality enhancement project is being implemented to support quality improvement initiatives at the tertiary level in both public and private universities with the aim to delineate strategies to accelerate reform in the education sector.
- **Prime Minister's Education Assistance Trust Act 2011-** a trust fund for poor meritorious students.
- Creative Talent Hunt which finds and supports creative talent in Bangladesh.
- Free distribution of text books to all secondary students.
- Various projects to increase the number of educational institutions.

## **Technical, Vocational and Madrasa Education:**

### **Technical and Vocational Education**

The expansion of technical and vocational education, of the country can develop the youth as productive and skilled manpower. In view of this, the vocational courses have been introduced in secondary and higher secondary level education including madrasas. With the view to implementing National Education Policy 2010, National Skills Development Policy-2011 and 7th Five Year Plan (2016-2020), the Technical and Madrasa Education Division (TMED) has undertaken various initiatives for increasing the enrolment in technical education including female enrolment, demand-driven curriculum, implementation of NTVQF, strengthening industry- institute linkage, capacity building of Technical Vocational Education and Training (TVET) teachers, job market assessment and creating employment opportunity, introducing apprenticeship, students and teachers exchange program in foreign countries, strengthening cooperation with DPs, encouraging private sector and other plans-programs related to SDGs.

To ensure quality, Technical Education Board (BTED), the major activities undertaken are-upgradation of curriculum, development of occupational standards, skills training and Recognition of prior learning (RPL), preparation of e-book & i-book, introduction of a number of emerging trades/technologies, etc. As many as 2897 assessors were trained under different projects; more than 450 curriculums have been upgraded. 345 govt. Registered Training Organizations and & RPL centers have been established.

The TVET enrolment rate has already reached a remarkable position of 16.05% as of 2018, whereas it was only 1.2% in 2009. Female enrolment has also substantially increased in TVET. At present the female enrolment rate in TVET is 26.7 % (BTEB, 2019). The female quota has been increased from 10% to 20%. To increase female enrolment further, new project has been taken for establishing 04 Mohila Polytechnic Institute. In addition, 08 Mohila Technical School and College (TSC) in 08 divisional headquarters will start very soon. At the higher education level, government gradually began establishing Universities in all 64 districts along with partnership from private and local level NGO participation.

So the educational status of the present cohort of youth has drastically changed from the preceding generation. The picture has not altered much in terms of quality of learning or the larger dimension of average of years of schooling of the entire population or the general skill level of the youth, but greater proportion of the youth are now engaged in academic pursuit. The two important bottlenecks are the management of class size in the mid junior level and the perennial shortage of quality teachers in critical and cognitive thinking subjects.

To further boost the skill building and deepening of the youth that is forming the large potential work force due to demographic bulge cohort, government initiated Skill for Employment Investment Programme (SEIP) with funding from large multilateral donors. In addition, it established National Skill Development Council (NSDC) and subsequently formed National Skill Development Authority (NSDA) that will look after the entire gamut of skill issues in light of the rising demand for skilled labour both internally and externally specially against the ensuing challenge from Fourth Industrial Revolution (IR 4.0).

#### **Technical and Madrasa education:**

For the overall expansion and quality enhancement of Technical and Madrasah Education, a number of initiatives have been taken by the government. Bangladesh government has given the topmost priority to the technical education and thus approached for the capacity building of TVET and Madrasah education. Following are some of the ongoing activities and projects under TMED:

**Innovation Showcasing:** National Skills Competition" is being organized every year from 2014 to develop innovative practices in technical education. Through this, initiatives have been taken to utilize the selected innovative projects for the simplification of citizen services. Besides, advertising of technical education is going on in radio, television, newspapers, posters-leaflet distribution, jingles, song-drama etc. Meanwhile, the International Skills Conference has been organized for two consecutive years in 2018 and 2019.

**Employment Support Service:** The Directorate of Technical Education is working specifically to strengthen the industry-institution linkage to increase the employment opportunities in TVET Graduates. Memorandum of Understanding (MoU) has been signed with 471 industries for improving job opportunity.

**Skills and Training Enhancement Project:** Skills and Training Enhancement Project (STEP) was approved for the period of July 2010 to June 2019 with a cost of 178213.00 lakhs. A total of 4,979 teachers have been trained on different subjects. Under the Foreign Training, a total of 2,001 teachers were sent in Singapore and 581 teachers were sent to China for Skill and Pedagogy training. Skills competitions are being arranged every year in institutional, departmental and centrally, with the aim of enhancing skills and innovation through students.

### Some Other major initiatives:

- Establishment of 01 Technical School & College in 100 upazila
- Development of Infrastructure in 49 polytechnic institutes for additional intake
- Establishment of 04 Mohila ( Girls) Polytechnic Institutes
- Strengthening Land Survey Education in Bangladesh
- Establishment of 04 engineering Colleges
- Establishment of Polytechnic Institutes in 23 Districts
- Capacity Development of 64 Technical School & Colleges under DTE
- Skills and Employment Programme in Bangladesh (SEP-B)
- Skills 21 Empowering Citizens for Inclusive and Sustainable Growth
- Establishment of Multimedia Classroom in 653 Madrasas
- Establishment of 01 Technical School & College in 100 upazila: 100 technical schools and colleges will be set up in 100 upazilla in order to spread technical education.

### Success Story in Human and Social Development



Skill Development and Training Programme

Bangladesh's demographic "window" of opportunity has opened since 2011 precisely at the moment of adoption of the Istanbul declaration. This demographic window caused by a demographic bulge of youth cohort has the potential to give Bangladesh a one Demographic Dividend that will give a boost to its productive capacity and economic growth by another 1.5% according to the estimates from World Bank and ADB. As a farsighted move on the part of the government and substantial funding from the Development partners, Government of Bangladesh undertook a massive Skill and Training Programme for the youth engaging Technical and Vocational Education and Training (TVET), apprenticeship training at the work place, professional skill building in Business Process outsourcing (BPO). The programme has catchment population of approximately 10 million youth out of the present youth population of 35 million between age of 18-35. It has built partnership with regional TVET institutions, built TVET institution in every upazilla, brought gender balance in TVET enrollment, strengthening TVET facilities, upgrading TVET curriculum, providing job placement counseling, skilled building for potential Migrant workers and targeting youth population in NEET (Not in education, employment and Training) under their coverage. So far this investment has been continuing for a decade and will continue and build on for another two decades. The total impact of the massive investment is beginning to spark as skill shortages in the manufacturing and modern sector is present yet the ultimate impact will be felt between 2025- 2031 at the peak time of the demographic dividend.

## **Population and Primary Health**

The Fourth Five-year Health Sector Programme of Bangladesh, named Health, Population and Nutrition Sector Programme (HPNSP) [2017- 2022] under Ministry of Health and Family Welfare of Bangladesh calls for a substantive change in the way the sector is organized and managed to expand existing services to currently underserved groups, including adolescents, the poor and those in urban and hard to reach areas. The sector programme is aligned with the government's Vision 2021, Perspective Plan 2010-2021, Seventh Five Year Plan (2016-2020). It recognizes the important international initiatives and the need for alignment with national commitments, such as the Sustainable Development Goals (SDGs), for achieving these. It also recognizes the need to continue to work on stabilizing population growth through education and family planning services. It further recognizes the demographic and epidemiological transitions taking place that require government and its partners to address emerging health challenges and to work more closely with other sectors whose actions have a direct bearing on health and health outcomes.

### **Progress of Family Planning Services**

Bangladesh, in last few decades has achieved some population and health related indicators including achievement of Millennium Development Goal, MDG-4 (reduction in child mortality) and as was in the track for MDG-3 (reduction in maternal mortality ratio). Now the country is in a state of increased life expectancy, increased contraceptive prevalence and improved nutritional status with decreased total fertility rate (TFR) and is committed to achieve the targets of Sustainable Development Goals (SDGs) through Universal Health Coverage.

According to BDHS, 2014 (Bangladesh Health Survey, 2014), Bangladesh has made remarkable progresses in achievement of Millennium Development Goal MDG 4 for reducing Under 5 Child Mortality Rate (U5MR) 46 per 1000 live-births in 2014 well before MDG target (48 per 1000 live-births) by 2015. According to SVRS, 2018 (Sample Vital Registration System), neo-natal mortality, under-five mortality and childhood mortality rates all have declined consistently from 2001 to 2018. Even more impressive is the decline in under-five mortality and post-neonatal mortality, which showed 65% decline each over the period under study. Child mortality, under-5 mortality and infant mortality showed a decline of 59%, 59% and 61% respectively over the same period.

According to Bangladesh Maternal Mortality Survey (BMMS), 2010 maternal mortality ratio (MMR) declined from 322 in 2001 to 194 in 2010, a 40 percent decline in nine years. According to SVRS, 2018 of Bangladesh Bureau of Statistics (BBS), the MMR stands as 169 per 100,000 live births.

Consistent and continued progress in MNCRAH (Maternal, Neonatal, Child, Reproductive and Adolescent Health) was observed over last three Sector-wide program (HPSP, HPNSP, HPNSDP) of MOHFW from 1997 till December, 2016. The Sector-wide program (SWAP) create opportunity for the MOHFW to take managerial decisions, project implementation, supervision, and monitoring quickly with more freedom.

Strong political commitment from the government to improve MNCRAH services particularly strengthening Ante-natal care (ANC), Post-natal care (PNC), deliveries by Skilled Birth Attendants

(SBAs), Comprehensive Emergency Obstetric and Newborn Care (CEONC) services and awareness building efforts have largely contributed in reducing child and maternal mortality. The momentum of progress in health sector generated in Bangladesh with global recognition presents an opportunity to further accelerate the achievements in Reproductive, Maternal, New-born, Child and Adolescent Health.

Bangladesh has achieved success in family planning programs against the backdrop of low literacy rate, low status of women, low income and so on. Total population is increasing as 63.4 million in 1969, 116.2 million in 1994 and 164.6 million in 2018 (SVRS, 2018). Life expectancy at birth has been increased to 72.3 years (SVRS, 2018) respectively during these consequent periods.

The country's current Total Fertility Rate (TFR) is 2.05 children per woman (SVRS, 2018), which needs to be reduced to 2.0 children per woman to attain Net Reproductive Rate (NRR) with corresponding Contraceptive Prevalence Rate (CPR) has to be increased to 75% by mid-2022 from 63.1% (SVRS, 2018). The CPR (Contraceptive Prevalence Rate) as recorded in 2016 was 62.3, which rose to 62.5 in 2017, and 63.1 in 2018 (SVRS, 2018). Population continues to remain as the most pressing challenge towards development, considering this the Government has developed 'Bangladesh Population Policy, 2012 which seeks to reduce fertility to replacement level.

**The notable success of Bangladesh in different demographic index is as follows:**

- the population growth rate currently has dropped to 1.31% from 2.61% in 2007;
- Total Fertility Rate (TFR) has declined from 2.39 in 2007 to 2.05 in 2018;
- Contraceptive Prevalence Rate (CPR) has currently increased to 63.1% in 2018 from 55.8% in 2007;
- the dropout rate for family planning commodity use dropped from 42.2% in 2007 to 30%;
- the unmet need for family planning commodities has dropped to 12% from 17.6% in 2007;
- the desire to stop childbearing among currently married women with two children has increased rapidly over the past decade, from 67 % in 2004 to 79 % in 2014;
- the maternal mortality ratio (MMR) per 100,000 live births fell from 290 in 2006 to currently 169 in 2018
- neonatal mortality (per 1,000live births) has decreased to 16 from 37 in 2007 ;
- under 5 child mortality rate (per 1,000live births) has dropped to 29 in 2018 from 65 in 2007;
- the percentage of births attended by skilled birth attendants has currently increased to 42% from 32% in 2011.
- age at first marriage (from 15.3 years in 2007 to 16.3 years in 2017) has continued to rise slowly.
- Teenage childbearing declined slightly between 2014 and 2017 from 31% to 28%.
- The dropout rate for family planning commodity use dropped from 42.2% in 2007 to 30%;
- The unmet need for family planning commodities was 17.6% in 2007 and it has dropped to 12 %;
- The desire to stop childbearing among currently married women with two children has increased rapidly over the past decade, from 67percent in 2004 to 79 percent in 2014;
- The maternal mortality ratio (MMR) per 100,000 live births fell from 2.9 in 2006 to currently 1.69;
- Neonatal mortality (per 1,000live births), that is, deaths in the first month of life, was 37, which is currently decreased to 16 ;
- Under 5 child mortality rate (per 1,000live births) was 65 in 2007 now the rate has dropped to 29;
- The percentage of births attended by skilled birth attendants has currently increased to 42% from 32% in 2011.

### **Success in family planning and MCH program**

- 'Bangladesh Population Policy 2012' has been formulated. Along with this, an action plan has been prepared for implementation Bangladesh Population Policy 2012;
- National Strategy for Adolescent Health (2017-2030) has been developed to develop awareness among the adolescents;
- In the last ten years, 17067 numbers of manpower have been recruited in various categories. Besides, 3260 paid volunteers have been recruited to provide intensive services through home visit in remote and low performance areas;
- At Upazila level 148 store-cum upazila family planning office, at district level 7 deputy directors office and at union level 357 numbers of union health and family welfare centers have been constructed;
- Maternal and Child Health Training Institute at Lalkuthi in Mirpur, Dhaka, has been constructed at a cost of BDT. 8.5 million;
- 24/7 hour safe delivery service has been launched at 2853 Union Health and Family Welfare Centers. Among 96 MCWCs(Maternal and Child Welfare Center) Emergency obstetric care service have been introduced in 70 centers;
- 603 Adolescent Friendly Health Corners (AFHC) have been introduced at different service facilities level. Services and information to adolescents are provided from these corners. This corner will be opened at all service centers in phase by phase;
- Information on family planning commodity supply is being collected online from 488 Upazilas using web-based software;
- Supply Chain Information Portal has been established for tracking updated procurement and storage and distribution system;
- To collect data on supply and assess future needs web based different software are being used at upazila store, regional warehouses, and central warehouse;
- E-register for FWA (Family Welfare Assistant) has been introduced at field level to ensure service quality and effective monitoring. e- Facility register has been introduced at some Upazilas.
- Implementing e-GP to ensure efficiency, accountability and transparency and in public procurement process
- 24/7 day call center 16767 has been launched to provide information on family planning, maternal and child health care.
- Various innovation initiatives have been taken to provide services to make the family planning services more accessible and public friendly. Among the initiatives, one initiative with the object of 'increasing the institutional delivery and dropout rate reduction for family planning' has been awarded the 'Public Administration Award'.

### **Awards received:**

- Bangladesh was awarded for achieving remarkable progress in Millennium Development Goal (MDG) 4 and 5. Honorable Prime Minister Sheikh Hasina received MDG award on 19 September 2010 from UN.
- Hon'ble Prime Minister was awarded 'Vaccine Hero Award' on 23 September 2019.
- Supply Chain Information Portal (currently renamed as Supply Chain Management Portal) was awarded 1st prize in the e-Government category and second prize in the e-health category in the Dhaka Digital Innovation Fair, held in 2011.

### Charting progress- Key IPoA Pillar and SDG indicators

Indicator	Base line 2014	IPOA target 2020	Current status
Life Expectancy at Birth	70.1	72	72.3 (SVRS1, 2018)
Total fertility rate (lifetime births per women)	2.3	2.0	2.05 (SVRS, 2018)
Maternal mortality ratio (deaths per 100,000 live births)	170/100,000	105	169 (SVRS, 2018)
Infant mortality rate (deaths per 1,000 live births)	38/1000	20/1000	22/1000 (SVRS,2018)
Under five mortality (deaths per 1,000 live births)	46	37	29 (SVRS,2018)
Proportion of stunting among under 5 children	36.1	25	36.1 (BDHS , 2014)
Contraceptive prevalence rate; married women, modern methods (%)	62.4	75	63.1 (SVRS, 2018)
Births attended by skilled health personnel (%)	42.1	65	69% (SVRS,2018)
Adolescent birth rate – age specific fertility (15-19)			74 (SVRS, 2018)
Antenatal care coverage (at least 1 visit / at least 4 visits) (%)			63.9% (at least 1 visit); 31.2% (at least 4 visits) (BDHS, 2014)
Unmet need for family planning %			12% (BDHS2, 2014)
Proportion of children vaccinated %	78%	95%	82.3% (EPI-CES,2016)
Proportion of births in health facility %	23		50% (BDHS 2017)

With demographic transition and urbanization, Bangladesh is now confronting a dual burden of communicable and non-communicable disease experiencing an epidemiological transition with rising cases for cardio-

### Challenges in Health and Family Welfare Services:

- Addressing the need of increasing number of population in different age groups to provide health and family planning services
- Addressing reproductive rights and prevention of unintended pregnancies
- Ensure the increase of institutional delivery;



- Emphasize on normal delivery and discourage C-section delivery
- Ensure contraceptive security for increasing number of couples
- Ensure meeting the unmet need for family planning/reproductive health specially for adolescents married couples
- Addressing the efforts to attain SDG target for maternal mortality and child mortality.
- Ensuring arrangement of adequate credentialed health professionals.
- Ensuring adequate skilled health workers for family planning services.

**A national health insurance system and an interoperable electronic health information system are among the necessities in future.**

- Addressing low contraceptive use among young married couple
- Addressing Unmet need
- Addressing quality care in Family Planning program
- Addressing adequate support in Behavioral Change Communication (BCC)

The MEFWD has been working relentlessly to sustain the success story, meet the challenges effectively and achieve the vision of becoming a middle income country by 2021 through providing better family planning, mother and child health care , reproductive, adolescent health care services. That will definitely be helpful in achieving our Sustainable Development Goal (SDG).

### **Youth Development:**

Youth Directorate is implementing various programs for converting youth force to skilled human resource through training, technology and technical knowledge. ‘National Service’ program is being implemented through youth directorate for creating job opportunities for the educated and unemployed youth. Young male and females having secondary and upper level of education are being given the chance to contribute in nation building activities. Educated but unemployed youths are being trained through 70 centers in 64 districts on internet, networking, computer, basic course, graphic design and video editing course. 56,63,988 male and female youths were trained skill development in different trades till February 2019 for providing them the chance for employment and self-employment. Among them, 21, 66,676 male and female youths became self-reliant through self-employment. 9,24,409 beneficiaries were given loan facility worth Tk. 1,804 crore from principal and revolving loan fund for taking up projects. Furthermore, Sheikh Hasina National Youth Centre has been established for facilitating the arrangement of national and international conferences, meetings, seminar, workshops, research, publication and training.

### **Water and Sanitation**

This is one area where Bangladesh has made notable progress attaining universal water and sanitation. The Local government Division has brought this success in partnership with NGOs.

Sl No.	Areas of world and interventions in water and sanitation	Units and % (JMP 2015)	Units and % (JMP 2017)
	Water Supply		
1.	Rural Safe water Supply Coverage, as %	87%	97% (Basic ) 61%(Safely

			Managed)
2.	Rural point water supply, %	99%	96%
3.	Urban water supply coverage, %	87%	45% (Safely Managed)
4.	Urban point water supply, %	55%	61%
5.	Urban piped water supply	32%	38%
	Sanitation		
1.	National Safe Sanitation Coverage %	61%	47% (Basic)
2.	Shared latrine	28%	22%
3.	Other improved latrine	10%	31%
4.	Open defecation rate, %	1%	0%

Presently, people's access to basic safe drinking water is nearly universal (97%). The most common source of drinking water in the capital is WASA's piped water. In urban conglomerates, the types of source are varied; deep tube well and or borehole (67%) Piped water into dwelling (14%), water piped to the yard (9%), public tap or stand pipe (8%) in contrast, to urban area a tube well or bore hole is the source of safe drinking water in rural areas (96%). For nearly 77% of the households, the source of drinking water is within the premise or in close vicinity. The major source of drinking water in rural areas is ground water, This also led to the perennial problem of arsenic contamination in rural and peri-urban areas that has largely been contained through mitigation measures. The Department of public Health Engineering (DPHE) targeting with several development projects to improve people's access to safe water from 87% to 100% in rural areas. In the urban water supply, 159 municipalities are garnering the daily needs of nearly 38% of total population. Presently the coverage of safely managed water supply in municipal area is 45% along continuous improvement in transmission line, water treatment reservoir and new water pumps to maintain the pressure. Several new initiatives has now been taken to implement rain water harvesting both in the city, urban areas and rural with introduction of modern technology. In urban metropolis, piped water is more common source as it entails WASA economies of scale to expand distribution to larger number of households and customers; However, as the challenge is quality as opposed to quantity, WASA in 2019 has built two large water treatment plant for this end. Bangladesh's present status in safe sanitation is remarkable. This has been achieved with the intervention from the Department of Public Health Engineering with collaboration of NGO sectors and Development Partners. The small scale technology and reaching out to the rural areas are two ingredients for program's success. Government's low cost sanitary latrines under different projects have provided poor people's access to basic sanitation and reduced WASH related disease as a dividend.

Through the establishment of Sanitation Secretariat, government has no much tighter grip on the management of nationwide sanitation programme granting considerable public health benefits as well. Since 2003, Government has also launched month wise sanitation campaign in October of every year. Government also successfully observe the Global Hand washing Day in all schools that has drastically changed the sanitation behaviour giving the social awareness programme the added stimulus. Two International Conference namely the 'Dhaka Water Conference 2017' and the '6th South Asian Conference on Sanitation (SACOSAN-6)' were remarkable events for sharing national experience on water supply and sanitation, identifying regional problems and finding solutions to attain the target of SDG 6.

Numerous geographical-geological challenges are faced as well as manmade causes in reaching the goal of 100% water supply and sanitation coverage in Bangladesh. Lack of sustainable water supply and sanitation technologies are one of the important challenges to face the natural calamities and climate change in Bangladesh.

## **Gender Equality and Empowerment of Women**

According to the Article-28 of Bangladesh Constitution clearly identified that the status of women by establishing equal rights of woman with man in all spheres of the state and of public life. It is a constitutional obligation. The Government of Hon'ble Prime Minister Sheikh Hasina has undertaken various steps to ensure women empowerment in Bangladesh. Through her Vision 2021 and 2041 a momentum has been created for taking forward Bangladesh to a middle and high income level respectively. The 7th Five Year Plan (2016-2020) of the Bangladesh government, considers women's engagement in political and economic activities as a cross-cutting issue and one of the main drivers of transformation. Present government is committed to attaining the Sustainable Development Goal (SDG) of gender equality and empowering women as well as implementing the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), Istanbul Programme of Action (IPoA) and the Beijing Platform for Action. It is worth mentioning that Bangladesh has achieved tremendous development in the field of gender equality and women woman empowerment.

### **Women in ICT:**

Through the Computer Training Programme for Women at District level educated unemployed women are being provided 6 month duration training on ICT which creates opportunity in job market and ICT related business as well as increase their skill and to make them self-employed. Tothyo (Info)Apa" - a project of empowerment of women through information technology for creating digital Bangladesh was initiated by Jatiyo Mahila Sangstha to ensure easy access to information and knowledge. Under this project information centers has been established at the 490upazilas. Rural women being make aware on education, health, agriculture, legal aid, job information, negative impact on child marriage, violence against women etc through the information centres. Besides, At least 3500 rural educated women below the age of 35 years have been given ICT based training "Web Design and women entrepreneur ship" training through "Women ICT freelancer Entrepreneurship Development Program and Amar Internet Amar Aye" Programme.

### **Women in Agriculture, Food Security and Rural Development**

- Under the Vulnerable Group Development Programme, 10.40 lakh ultra-poor women across the country receives 30 kg rice in each year and also receives income generating training by selected NGO,s.
- Under Maternity Allowances Programme and Lactating Mother Allowances 9.50 lakh rural poor lactating and pregnant women receiving 800 taka per month and also receiving IGA training for two years cycle.
- There are 8 different training centre under the Department of Women Affairs and Jatiyo Mahila Sangstha which provides training to the women in food processing and preservation, horticulture and nursery, mushroom cultivation, bee cultivation etc.
- Vermin compost is one of the important trade for organic agriculture which is provided by DWA.

## **Women in Trade and Private Sector**

- A marketing Centre named "Joyeeta" has been set up under Women Entrepreneurship Development Endeavour Programme of Department of Women Affairs (DWA) and 18 thousand grass root level women entrepreneurs of 180 women associations can receive support to market their products. 3 (Three) branch of Joyeeta has also been opened at Haluaghat upazila of Mymensing, Bandarbans District and Kaligonj upazila of Gazipur district. To institutionalize Joyeeta, a Joyeeta Foundation has been established. Government has taken initiative for construction of Joyeeta Tower at Dhanmondi.
- For the skill and professional development of women entrepreneurs and for the marketing of the products in the national and international market, Ministry of Women and Children Affairs provides different training such as, interior design, fashion design, beautification, catering, pottery, business management etc.
- Women Entrepreneur Development Training Programme is being implemented jointly by the Ministry of Women and Children Affairs and Bangladesh Women Chamber of Commerce and Industries in 2 upazilas (sub-districts) and 64 districts for developing the women entrepreneurs in the grass root level.
- To increase economic opportunities for women entrepreneurs through marketing their products and providing business information a total of 25290 women entrepreneurs have been trained through Joyeeta and other training programme under MoWCA. Women entrepreneur development training centre and hostel building has been established at Gazipur with financial support from the government.

## **Women in Human and Social Development**

### **Education: Access, Quality, and Skills**

- National Women Development Policy emphasized towards women's education. The government has encouraged girls education through various programmes including school feeding, free textbooks to students up to the secondary level, stipends and exemption of tuition fees which also helped in reducing dropouts.
- Enabling Environment for Child Right (EECR) project provided supports street children to protect them from hazardous work, child marriage and dropping out from school. 15000 adolescent boys and girls (age 14-18) had been provided with taka 15,000/- as cash grant for income generating activities. Now, under Accelerating Protection for Children (APC) have been taken initiative for 50000 poor children for providing cash grant an amount of taka 1000/- for prevention of child marriage, drop out from school and child labour. 10-19 years of adolescents will be able to get training of following standard module of 7,000 adolescents clubs.
- 7,000 adolescent clubs has been established and the boys and girls of this clubs will act as social change agent to prevent child marriage, dowry, drop out from school etc.

### **Women and Primary Health**

- Eight One-Stop-Crisis Centers (OCC) of divisional medical college hospitals of Dhaka, Rajshahi, Chittagong, Sylhet, Khulna, Barisal, Rangpur, and Faridpur. Provides health services, police assistance, legal assistance, DNA test, psychosocial counseling and shelter to the women and children victims of violence. For ensuring health services to the women and

children, Women and Children Diabetic, Endocrine Metabolic Hospital was established in Segunbagicha, and Uttara Sector-10 of Dhaka a city.

- Children and Women Cardiac Unit was constructed and Nursing Hostel with National Heart Foundation under PPP Program. Children receives medical care and education in day care centre.
- Women and Children victims of violence receives shelter, medical, legal aid, training, psychosocial counseling from women support centre.

### **Youth Development**

- There are different training centre under the Department of Women Affairs and Jatiyo Mahila Sanstha which provides training to the women in different trades namely food processing, agriculture, horticulture, mushroom cultivation, computer training, fashion designing, beautification, house-keeping etc.
- Ministry of Women and Children Affairs awareness training to prevent violence against women and children in youth training centre under department of youth development.
- District and Upazila DWA officials are engaged in raising people's awareness against violence issues through community and courtyard meetings.

### **Social Protection and Micro credit for Women**

- Vulnerable Group Development (VGD) Programme has been developed for food security and empowerment of the ultra-poor women of the rural areas. Under this programme, 10.04 million women across the country receive 30 kg food grains.
- Poor pregnant women are getting Maternity Allowance at threat of Tk. 800 per month. To develop mother and child health and nutrition, Lactating Working Mothers Allowance are given to the poor working mother at the rate of Tk. 800 per month.
- Sewing machines are being distributed among the poor and destitute women for their self-employment under the revenue budget.
- Forty One-Stop Crisis Cell at district sadar hospital and twenty One-Stop Crisis Cell at upazila health complexes have been established for easy access to services by the women and children victim of violence across the country.
- At the Divisional level, Violence Against Women Cells and temporary shelter for women and children victims of violence have been established under the Department of Women Affairs. At the head office of Jatiya Mohila Sangstha there is a legal aid cell to prevent violence against women. Safe custody home has been established for women, children and adolescent at Gazipur district.
- To ensure speedy and fair trial for the incidences of violence against women and children National Forensic DNA Profiling Laboratory has been established in Dhaka Medical College Campus.
- National Helpline Centre to Prevent Violence Against Women and Children was established under this project on 19 June 2012. Women and children victims of violence, their relatives, and other stakeholders can get necessary supports and guidance by calling to this toll-free helpline number 109. Helpline 109 takes necessary actions to prevent sexual harassment and to stop child marriage.
- One time grant is being given to the oppressed women and children for treatment, legal aid and self-employment from the Oppressed and Destitute Women and Children Welfare fund. Tk. 5000-15000 is being distributed among the rural distressed women with 5% service charge for ensuring their self-reliant.

## **Gender Equality & Empowerment of Women**

- Gender Equality and Empowerment of Women has been the integral part of the Constitution of Bangladesh formulated under the leadership of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman. These are reflected in many articles of the constitution as article 10 gives us the directives for ensuring participation of women in all spheres of national life, article 28(1) for non-discrimination, 28(2) for ensuring equal rights of women with man in all spheres of state and public life, article 28(3) for equal access in any place, article 28(4) for keeping special provision for women and Article 65(3) for women's reserved seats in the Parliament and their representations in the local administrative office.
- Ministry of Women and Children Affairs formulated the National Women Development Policy 2011 which aims to establish gender equality in all spheres of life; ensure security of women in the family, society and state levels; and mainstreaming women in the socio-economic development of the country. Government also formulated National Action Plan for Implementing National Women Development policy 2011. The social engagement, economic empowerment and participation in local government of women put them in better position in decision making process both in their family and community.

### **Political Empowerment of Women:**

- Honorable Prime Minister, Government of the Republic of Bangladesh is woman.
- Speaker of the National Parliament is woman. She has been elected Chairperson of the Executive Committee of the Commonwealth Parliamentary Association.
- Opposition Leader, Deputy Leader of the House, five Members in the Cabinet are women.
- One Whip, two Chairmen and many members of Standing Committees in the Parliament are women.
- 20 women were elected in the National Parliament. Number of reserved seats for women in the National Parliament is 50. A total of 70 women are the members of the National Parliament.
- One of two elected Vice-Chairman must be a woman at upazila level.
- 1/3 of the seats of Union Parishad, municipality and City Corporation are kept reserved for women. Political parties must reserve at least 33% positions of all committees for women as per law.

### **Acts and Policies:**

- Women and Children Repression Prevention Act, 2000.
- Citizens Domestic Violence (Prevention and Protection) Act, 2010.
- Acid Crime Prevention (Amended) Act, 2010.
- Vagrants and Shelter less Person (Rehabilitation) Act, 2011.
- Human Trafficking (Deterrence and Suppression) Act, 2012.
- Children Act, 2013
- Deoxyribonucleic Acid (DNA) Act, 2014.
- National Women Development Policy 1997.
- National Education Policy 2010.
- National Child Labor Elimination Policy 2010.
- Industrial Policy 2010 for industrial development of women entrepreneurs.

- National Children Policy 2011.
- National Health Policy 2011 for ensuring Health of Women and Children.
- Comprehensive Early Childhood Care and Development Policy 2013.
- National Plan of Action to implement National Women Development Policy.
- National Action Plan to Prevent Violence Against Women and Children 2013-2025.

#### **Economic Empowerment of Women:**

- 4 million women are contributing a lot in Readymade Garments (RMG) sector.
- Ministry of Labor and Employment trained 10,800 female garments workers.
- Bangladesh Bank is providing collateral free loan up to Tk. 2.5 million for women entrepreneurs.
- Bangladesh Bank allocated 15% of the funds of the refinancing scheme for women.
- Women entrepreneurs dedicated desk established in every bank and non-bank financial institutions.
- Micro Credit Disbursement Policy facilitated women entrepreneurs to borrow Tk 50 thousand.
- Women entrepreneurs having a small capital are getting support through distributing loan among the volunteer Women Associations.
- To promote women entrepreneurship an initiative called “Joyeeta” has been established in 2011. Now it is established as Joyeeta Foundation.
- Cafe Joyeeta rehabilitated the women victims of trafficking.
- Sonar Tory, Angona and Unmesh are established as sales and display centers to promote women entrepreneurs.

#### **Institutional Mechanism for Women’s Development:**

- National Council for Women and Children Development (NCWCD) led by Hon’ble Prime Minister is a platform of 50 members.
- Ministry of Women and Children Affairs (MoWCA) is working as a lead Ministry for the development of women and children.
- WID Focal Point mechanism has been created in all ministries to monitor women issues.
- National Coordination Committee to prevent women and children trafficking
- Six months maternity allowance with full benefit.
- Included mother’s name with the father in all administrative process.

#### **Challenges:**

- 1 Weak link up with domestic and international market for handicrafts, non-traditional items and homemade product for women entrepreneurs.
2. Refund of credit on due time is not given by the borrower,
3. Sufficient Internet connection and band with is not available in rural areas sometimes.
  - Proper select of beneficiaries according to selection criteria is a challenges
  - Poor attendance of beneficiaries in training sessions due to lack of awareness programme.
  - Lack of appropriate MIS and automated (G2 P) money transfer system is not available.

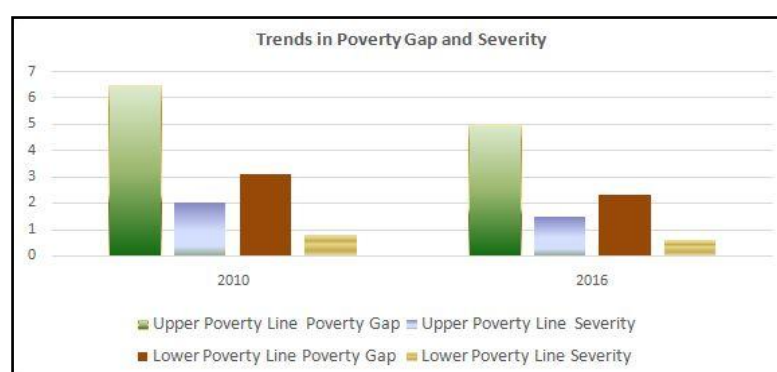
## Social Protection

The Constitution of Bangladesh has made the provision that the state will bear the fundamental responsibility for ensuring the right to social security for all deserving people (Article 15). Such Constitutional provision of a “welfare state” directs the government to strive for strengthening the existing social security system of the country which has a long legacy since the independence of Bangladesh in 1971. Moreover, Bangladesh is moving towards becoming a middle income country, free from poverty and hunger, has opened up opportunities for the government to devise a rights-based comprehensive social security system for the people with more public resources at its disposal.

In tandem with the constitutional provision, economic capacity and overall developmental commitment of the present government, it formulated a National Social Security Strategy (NSSS) with a vision to “build an inclusive Social Security System for all deserving Bangladeshis that effectively tackles and prevents poverty and inequality and contributes to broader human development, employment and economic growth.

The NSSS implies a targeted universal approach to avoid leakages and under-coverage. The mechanism is to ensure that the most vulnerable group needs to provide with income security and greater opportunities to engage with labour market. One of the ground breaking features of the NSSS is to initiate a social insurance system that enables people to invest in their own social security, providing security against the risk of old age, disability, unemployment and maternity.

Implementation of the NSSS requires complex reform and coordination across the government, as it is a shift from previous discretionary approach to a targeted universal approach to avoid leakages and under- coverage. To implement NSSS an action plan has also been developed. Under NSSS it has been possible to consolidate the number of social security programs within four clusters namely, Social Allowance, Food Security & Disaster Assistance, Social Insurance, Labour/Livelihood Interventions and Human Development & Social Empowerment. In order to make these clusters effective and functional the Cabinet Division has issued a circular clearly defining the structure of the thematic clusters and their roles.



Source: Bangladesh Bureau of Statistics and Planning Commission 2018

In this manner, Bangladesh has developed a wide network of Social Protection programs to address the problems of poverty, vulnerability and marginalization. The programs include civil service pensions, allowances for population groups with special needs, food security, disaster assistance programs and workforce programs. On the other hand, there is a large group of population who face various forms of social discrimination (women, socially excluded population) require special protection against exploitation (children). For this reason a whole host of laws, regulations and policies



have been adopted to empower the women and to support the socially vulnerable and marginalized population with a view to ensure their full, active and positive participation in the development process.

Taking into consideration the attainment of the targets of SDGs linked with poverty alleviation, an amount of 8 billion US Dollar was allocated against social protection and social empowerment programs which is 13.81 percent of total budget and 2.53 percent of GDP for the year 2018-19. Under social safety-net programs a total of taka US \$ 300million (Tk 24,00 cr) was allocated for old age allowance, taka 105 million US Dollar for the destitute women, taka 414 million US Dollar for freedom fighters honorarium. Besides, an allocation of Tk. 124 million US Dollar was made to the maternal, neo-natal, child and adolescent. Regarding the social protection coverage the government intends to extend it to 40% of total household from current coverage of 28.7% household. Micro credit is also an important channel of social safety net programs that has been contributing significantly in poverty alleviation. A hallmark of the NSSS is the monthly allowances for pregnant and lactating mothers, maternal allowances that have contributed to reduce maternal mortality.

According to 7th five year plan and SDGs financial needs assessment study- additional amount of 1.3-2.5 Billion US \$ needs to be spent in social protection programs in each of the years till 2030 and currently country is spending almost same amount in every year.

### **Challenges:**

For a country like Bangladesh, to make the continuous availability of such a huge fund for a longer period of time will be a big challenge. Moreover, there are many loopholes of social protection programs i.e. improper selection, ghost beneficiaries, leakage and overlapping. To address these issues for a sound social protection system is also a formidable challenge.

### **Initiatives to overcome challenges:**

To ensure governance in social protection system Government is going to create a Single Registry MIS of whole social protection programs. It is expected that this permanent data base will remove all the drawbacks and ensure development of an effective social protection system. Apart from this, the government has taken the following steps:

- Increased rate and coverage of allowances for the poor elderly citizens, destitute women, insolvent freedom fighters, physically handicapped persons and orphans.
- Increased flow of fund to Palli Karma Shahayok Foundation (PKSF), Social development Foundation (SDF).
- Expediting disbursement from the micro-credit funds of Rural Development Board, Directorate of Youth Development, Directorate of Social Services, Directorate of Women Affairs, Directorate of Fisheries and Directorate of Livestock and BSCIC.

The Social Protection programs are divided into three broad categories namely Cash Transfer, Food Assistance Incentives and Poverty Alleviation. Some major programs, under these different categories are given below:

<b>Categories of Safety net Programmes</b>		
Cash Transfer	Food Assistance Initiatives	Poverty Alleviation
Allowance for the Physically Challenged	Open Market Sale (OMS)	Employment Generation Programme for the Ultra-Poor
Insolvent Citizens	Food for Works Programme	Income Support Programme for the Poorest
Allowance for Widow	Vulnerable Group Development (VGD)	Amar Bari Amar Khamar
Deserted and Destitute Women	Food Friendly Programme	
Honorarium Programme for Freedom Fighters	Rural Infrastructure Maintenance Programme	
Old Age Allowance		

#### **National Social Security Strategy (NSSS):**

The government has formulated a comprehensive National Social Security Strategy (NSSS) and its Action Plan. The NSSS will help lower income inequality and contribute to higher growth by strengthening human development by broadening the scope and coverage and by improving program design.

The NSSS will strengthen the transformation towards a lifecycle system by consolidating programs in a small number of priority schemes. The five core life cycle programs suggested by NSSS are: Programs for Children, Programs for the Working age, Comprehensive Pension System for Elderly, Programs for People with Disabilities and Preserving the Value of Transfers

These programs will be available to those poor and vulnerable people who meet the other requirements of each specific program. Important goals of the NSSS include reform in the National Social Security System by ensuring more efficient and effective use of resources, strengthened delivery systems and achieving progress towards a more inclusive form of Social Security that effectively tackles lifecycle risks, prioritizing the poorest and most vulnerable members of society.

To ascertain that the benefits of the LDC graduation and development gains reach every and adhering to the principle of SDG not leaving anyone behind, the government embarked upon an ambition Social inclusion and safety net programme under the auspices of public sector transfer mechanism through Ministry of Social Welfare and other relevant ministries. This is implemented to address special assistance to vulnerable groups, communities and under privileged identified by various economic criteria as well as to bring them under social inclusion through income and in kind support to mitigate hardship in livelihood.

Under this programme, several assistance (financial, in kind, vouchers) are provided to people with disability, elderly, widowed, physically challenged, victims of disaster or accidents etc through directorate of MOSW. The system is now modernized by inducting an MIS identification system rendering cash or in kind with G2P (government to people) transfer mechanism reducing system loss, loopholes and allowing beneficiaries keep their dignity. The social protection is presently a programme comprising of as many as 35 ministries/ division providing a support based on life cycle mechanism of children, working age people with disability, youth, vulnerable women and general persons with disability.

The annual allocation in 2019-20 for social security programme in the country is 2.5% of GDP, higher than the previous year, which is 14.2% of the national budget. The trend of National Social Security as well as the National Budget is progressively increasing.

The second dimension of government's social protection policy is social inclusion of underprivileged, disabled, ethnic population and elderly women. The government under MOSW and Ministry of Women and Children Affairs are provide public support to children with Neuro development disorders like Autism, under privileged children from various ethnic population and elderly population to participate and realize their human potential.

## **g. Multiple Crises and Other emerging challenges**

Bangladesh for its geographic location and topographic characteristics takes a heavy toll of human and other types of losses on livelihood mostly from hydro meteorological calamities of an intermittent nature. About a third of its population – or some 57 million people – live in chronic poverty in low elevated coastal zones with their livelihood attached with agriculture forestry and fisheries; a matter related to Economic Vulnerability index of LDC graduation criteria. That, combined with the country's geographical location, its topography and dense population, means that natural hazard events often result in disasters with a high loss of life and economic damage. Historically, deaths from single events, such as cyclones, reached into the hundreds of thousands in Bangladesh. But the trend is one of progress, with data suggesting that preparation for and response to disasters is improving over time for technological advancement and better disaster preparedness. As a result, there have been massive reductions in the number of lives lost. An important element in this is a major improvement in early warning systems, and the establishment of cyclone shelters in particular. Bangladesh faced to the devastating cyclones in 1970 and 1991, SIDR I 2007, AILA in 2009 and fatal floods in 1988, 1998, 2004 and 2007. The Centre for Research on the Epidemiology of Disasters estimates that close to 229 million people have been directly affected by natural disasters between 1979 and 2008, with over 191,415 killed and economic damage in the order of US\$5.6 billion. The International Strategy for Disaster Reduction's (ISDR) recently published global assessment report on disaster risk reduction (2009) places Bangladesh as one of the most at risk countries from earthquakes, floods, cyclones and landslides.

### **Disaster Risk Reduction**

The government of Bangladesh has strongly focused on the sustainable development strategy and action plan in two consecutive Five-Year Plan, 6th FYP and 7th FYP where disaster and climate risks are considered as a vital threat as well as key challenges. The Ministry of Disaster Management leads

the governments work on preparedness and response to emergencies, in association with relevant government, UN and NGO, national volunteers, Scouts, Fire Service and Civil Defense are some of the arms and actors omnipresent in the country built and trained for managing man made or natural disasters. Through a multitude of effort, capacity building and resilience, Bangladesh is now a role model in handling disaster management and risk reduction. Cyclones and storm surges are a threat to coastal areas, whilst floods hazards result from river floods and torrential rain. With over 10 million people living within 2km of the coast area of southern part of Bangladesh and a large proportion of the country covered by rivers, these natural hazards pose a great threat to the lives of the Bangladeshi population.

Disaster Management has been guided by a number of national and international drivers which among others includes a) The Standing Orders On Disaster (SOD) 2019 b) The Sustainable Development Goals 2015-2030 to protect the vulnerable from the consequences of natural disasters c) The National Plan for Disaster Management 2016-2020 d) the Sendai Framework for Disaster Risk Reduction 2015-2030 e) the plan of action SFFDRR 2015-2030 f) the Paris agreement 2015 g) and Bangladesh Delta plan 2100. These guidance along with other national drivers, Disaster Management issues in the 7th five year Plan reflects the Sustainable Development Goals and Sendai Framework for Disaster Risk Reduction

#### **Measures undertaken for Disaster Management:**

- Disaster Management Act has been passed in 2012 by the government. The Act facilitates a more coordinated, objective driven and strong disaster management system. More quantitative approach has been undertaken during 2008-2016 through constructing 255 flood and cyclone shelters and 7,934 resilient houses.
- During 6th FYP (2010-15) a total of 107 cyclone shelters have been constructed in 13 districts of coastal area. Besides, additional 400 shelters are targeted to be built by 2020 in all over the coastal belt. The government has also targeted to build 97,000 resilient houses during 2015-2020. Ministry of Disaster Management and Relief is constructing another 423 flood shelters during 2018-2022 under a new Project. The Government has built 11604 resilient houses in 2018-19 and more 23000 resilient houses will be built in the current fiscal year (2019-20). Apart from this government is constructing 66 Relief Go down cum Disaster Information Center in 64 districts and 220 nos of Cyclone Shelter are being constructed within June, 2020. 32500 bridge/culvert has been constructed in rural areas for better communication. Another 13000 nos Bridge/culvert will be constructed by June, 2022. Another 5205 km village road (HBB) will be completed by June, 2022. 3145 km road (HBB) was constructed at village level. A new Project named Construction and Development of Mujib Kella is being completed at both flood prone and coastal area to provide shelter for both vulnerable people & their cattle. Under this Project 550 nos Mujib Kella will be constructed by December 2021.
- The Ministry of Disaster Management Relief (MoDMR) is also constructing flood shelters, procuring search and rescue equipment for earthquakes and other disaster. MoDMR also procured a number of 7,496 equipment for search and rescue operation related to earthquake and other disasters in 2011-2014. Tentatively, disaster related equipment numbering 15,020 is planned to be procured during the 7th FYP period. Besides, equipment for water related

disasters numbering 154 are in process of procuring by 2020. A Project of amounting 174251.98 lac BDT has been under taken to procure Search and Rescue equipment by January 2020-June 2023. The Project will help to strengthen Rescue Operation and Emergency Communication during earthquake and other Disaster. In addition government has procured 30 nos. Truck Mounted Saline Water Treatment Plant for providing safe drinking water for the people of Saline prone area. In addition procurement of 21 nos of fixed type Saline Water Treatment Plant will be completed by Jun 2020.

- In order to promote awareness on disaster-related information, an Interactive Voice Response (IVR) system has been initiated. The IVR can be accessed through any mobile phone and provides information such as weather updates, cyclone warnings, and information for sea-going fishermen.
- Disaster Management Information Centre (DMIC) has also been established to disseminate disaster related information and early warning. Measures have been taken to send disaster alert through SMS to Union Information Service Center from DMIC.

#### **Fire Service and Civil Defense:**

Fire Service & Civil Defence (FSCD) is responsible for protecting lives and properties of people from any disaster such as Fire, Building collapse, Land Slide, Earthquake, Chemical Hazards, Road accidents, Boat capsized, Launch accident etc. FSCD also provides ambulance services to the people in case of emergency. Presently 411 Fire Stations are operating all over the country and total manpower is around 12,000. As per the kind directives of Honorable Prime Minister, 3 (three) development projects are being implemented to establish at least one Fire Station in each Upazilla. After completion of the ongoing projects, the number of Fire Stations will be 565. FSCD is conducting regular training on disaster management issue for general people and community volunteers. Government has also taken initiatives to strengthen and improve capacity and services of FSCD in various respect. The department has also been taking active part in National Emergency Service-999 since its inception.

#### **Achievements and Significant activities of FSCD for disaster management and disaster risk reduction are as follows:**

- 208 new Fire Stations have been constructed and made functional by the present government.
- FSCD has provided disaster management training to 150,000 (approx) people in 2018.
- FSCD has provided Fire safety and disaster management training to 113,000 (approx) Garment Workers in 2018.
- FSCD has provided disaster management training to 2500 Rohingya people in 2018.
- FSCD has trained and enrolled 43,792 urban community volunteers who are playing significant role by participating in all types of operational activities along with FSCD personnel.

- FSCD has conducted survey and inspection of 1560 high rise and commercial buildings on fire safety issue in 2018.
- FSCD attended 19,642 fire incidents in 2018 and saved properties worth BDT 1862 crore (approx.)
- FSCD has transported 17140 casualties and patients by its ambulance in 2018.
- FSCD has taken an initiative to establish a Modern Fire Academy to enhance professional skills and knowledge of FSCD personnel.
- FSCD has responded a total of 22499 calls under National Emergency Service-999 since January 2018.
- FSCD has also been jointly taking part in anti-terrorist drives. One fireman named Abdul Matin sacrificed his life during one such drive in 2017.
- Fireman Sohel Rana sacrificed his life in much discussed devastating fire incident of Banani FR Tower in 2019.

#### **Challenges:**

- FSCD has been experiencing a lot of challenges in its day to activities, these are as follows:
- Lack of coordination among different ministries/divisions in carrying out operational activities during disasters.
- Ambiguity regarding definition of high rise building in the existing Fire Prevention and Extinction act 2003 and the proposed BNBC 2018.
- Lack of awareness among the people as well as among the Government Officials.
- Lack of surface water.
- Chemical based incident.
- Lack of Training Academy.
- Marketing and Selling of Firefighting appliances in public markets / places without concern of FSCD authority.
- Unplanned urbanization and industrialization.

#### **Water Resources Management:**

Bangladesh has been emerged in the Global Map as a major factor in dealing water management issues against the challenges arising from climate change context. Acknowledging its performance and potentials, Honorable Prime Minister of Bangladesh has been honored with her appointment as a member of a UN high-level panel on water. At home, the national development plans and policies have been aligned with SDGs and other related international protocols.

The Ministry of Water Resources (MoWR) is the apex body of the Government of the People's Republic of Bangladesh for the development and management of the water resources of the country. Along with other subordinate organizations like River Research Institute (RRI), Joint River

Commission (JRC), Water Resources Planning Organization (WARPO) and Department of Bangladesh Haor and Wetlands Development (DBHWD) Directorate, Bangladesh Water Development Board (BWDB) has been engaged dominantly in pursuit of a better water sector management through different plans and programs which includes construction of embankments, hydraulic structures, development of irrigation schemes, land accretion, protection against river erosion, defense against cyclone, flood and drought forecasting and warning, hydrological survey and investigation etc. These plans and programs have its contribution to food production and creating enabling environment for agro based rural economic uplifts. It would be worth mentioning that the IPoA directed actions also maintain progressive alignment with government's Vision 2021 and its 7th Five Year Plan.

### IPoA progress

Since fiscal year 2010-11, MoWR has completed numerous projects which are fully aligned with priority areas of IPoA. Among them, Char Development and Settlement Project (CDSP) Phase-I, II, III&IV, Blue Gold Program (BGP), South West Water Area Resources Development Project (SWAWRDP) Phase-I, Gorai River Restoration Project phase-I& II etc. are notable. Other remarkable ongoing projects include Coastal Embankment Improvement Project (CEIP) phase-I, Hoar Flood Management and Livelihood Improvement Project, Irrigation Management Improvement project (IMIP), Buriganga River Restoration Project etc. The year-wise development activities under 3 out of 8 priority areas in IPoA are presented in Table 1.

**Table:** Physical Achievement of Work under during FY 2010-11 to 2018-19 (till March 2019)

Item	Unit	Fiscal Year									Total
		2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	
River Bank Protection	km		34	115	45	36	71	116	116	46	579
Construction of Embankment	km	122	58	145	139	110	43	72	285	70	1044
Repair of Embankment	km		322	1079	723	538	173	260	1121	172	4388
Hydraulic Structures	nos.	147	147	86	89	151	95	224	135	61	1135
Construction of Closer/Cross Dam	nos.	20	11	22	1	5	2	10	3	-	74
Drainage of Canal Excavation	km	-	46	78	35	22	40	16	19	1	257
Drainage Canal Re-excavation	km	119	119	293	194	186	216	488	432	390	2437
Irrigation Canal Excavation	km	1	50	77	5	12	-	11	7	-	163
Irrigation Canal Re-excavation	km	-	-	-	-	167	150	151	165	115	748
Land Reclamation	ha	-	-	102	101	250	139	234	250	-	1077
Dredging	km		144	83	70	123	116	115	192	237	1080

Procurement of Dredger	set	-	2	2	2	4	6	-	3	-	19
Water Management Group							2049	90	539	45	2723
Water Management Association							146	-	48	3	197
Water Management Federation							-	-	2	1	3

### **Project/program related success stories**

The Blue Gold Program (BGP) is one of the most successful projects completed by MoWR. It was formulated after successful implementation of the Integrated Planning for Sustainable Water Management (IPSWAM) project supported by the Government of the Netherlands (GoN) in June 2011. The overall objective of the Program is to reduce poverty in the four coastal districts of Barguna, Patuakhali, Khulna and Satkhiraby enhancing the livelihood of the rural population through more efficient water resources management and increase productivity, mainly, of crops, fishery and livestock in the polders and thereby empowering the communities for improving their livelihood status.

The physical investment/activities of the project are to improve drainage congestion and irrigation facility in 22 numbers of Polders under the project area. These activities are implemented through formation of Water Management through Water Management Associations (WMA)/Water Management Groups (WMG). Planning, design and implementation of civil works were based on the principle of participatory water resource management. The WMG/WMA's were involved in quality checking of the construction works. They were also actively involved in increasing production of crops, fish and livestock. Consequently, the cropping intensity of the project area has been increased by 18% on an average. The fish production has been increased by 87% through semi-intensive culture in home-stead. The above mentioned activities contributed to improve the food security level and the supply of nutritious food at lower prices at local retail markets.



**Figure: Activities and Achievement of Blue Gold Project**

Under BGP, a Business Development Plan of each polder has been developed for production and



marketing of selected farm products. It aims to develop WMGs as multi-purpose cooperatives, to establish effective service provision for agricultural products and to create employment in agricultural services, which work for food security. At least 30% women participation as general and executive committee members in the WMGs/WMA has been ensured which is considered to be a major breakthrough in women empowerment.

### **Challenges and Way Forward**

Bangladesh is the largest delta in the world. It is located at the outlet of the world's three great rivers, the Ganges, the Brahmaputra and the Meghna. The country drains about 93% of the cross-boundary flow within 7% of the catchment lying in it. The country therefore, experiences various water related natural disasters every year such as, recurrent flooding, cyclone, tidal surge, large scale river bank erosion, river drying/siltation and drought etc. The natural disasters cause damage to the nature and also to the social livelihoods. Due to climate change, the magnitude and intensity of these natural disasters are increasing day by day.

Proper implementation of Bangladesh Delta Plan-2100 (BDP-2100) is important for integrated water resources management in Bangladesh to address the challenges and making the growth sustainable. It is also important for achieving the target of IPoA together with SDG. This requires (i) further resources allocation, capacity building, research, timely implementation of agreed actions and plans and regular monitoring in terms of both quality and quantitative aspects; (ii) involvement of government, nongovernment and civil society agencies at national and sub-national level; and (iii) further innovative way out of financing both at domestic and international level.

### **Success story in Disaster Risk Reduction**



Multi Purpose Cyclone Shelter

Bangladesh has become a role model in Disaster management capacity in the world. As a disaster prone country it has built endogenous technique and solution to mitigate the adverse effect and impact of natural disasters that so far has drastically reduced death tolls injuries and has built community resilience. Technical and financial assistance in the Disaster management under the auspices of disaster management Bureau has built several flagship project that has saved lives, improved resilience and has become a hallmark of success that has won global recognition. The Multipurpose Cyclone shelter built across the disaster prone areas, especially those that are more vulnerable to hydro meteorological events are extremely effective in saving lives and property while utilized for other community uses during non emergency period.

## Climate Change

In light of the implementation of the Istanbul Programme of Action, Bangladesh is also focused on ensuring economic and social aspects and dimensions, as well as environmental sustainability. The Ministry of Environment, Forest and Climate Change (MoEFCC) ensures acknowledgment of environmental & climate change matters in their development programme to achieve domestically and internationally set targets. It plays a critical role in policy and coordination of the implementation of action plans in various sectors. The MoEFCC is also required to review and monitor the result of development initiatives on the environment across all sectors/ Ministry.

During recent times, the Government of Bangladesh has taken substantial initiatives on the environmental & climate change front. Ministry of Environment, Forests and Climate Change (MoEF&CC) has prepared Bangladesh Climate Change Strategy and Action Plan (BCCSAP), and National Sustainable Development Strategy (NSDS). The National Adaptation Plan (NAP) is in the process of formulation. Bangladesh prepared and submitted the Intended Nationally Determined Contribution (INDC) in 2015 and after signing of the Paris Agreement it has become as NDC. Bangladesh prepared NDC Implementation Roadmap and Power, Industry and Transport Sector Mitigation Action Plan in 2018.

The government has also given its utmost efforts to conserve biodiversity through conservation and sustainable use of its resources and extending afforestation activities towards mitigate the climate induced adverse impact and a climate resilient environment. In these regard, various plans, programs has adopted to halt the degradation of biodiversity, recuperate from the brink of decline and maintaining functional ecosystem.

The government has placed special emphasis on a forestation and preservation of bio-diversity to mitigate the adverse impact of climate change and create a livable environment. Forty three areas ( out of which 39 Forest areas, 3 Inland water areas and 1 Marine area) have been declared as Protected Area and 2 nos. as special bio-diversity conservation area. In addition to this, a total of 13 biodiversity important coastal and inland wetland ecosystem has been addressed and taken care as Ecologically Critical Areas which cover an area of 698 km<sup>2</sup>. To protect ecological balance, plans have been taken to carry out extensive afforestation in degraded forest, marginal and private land. Now, a rich ecosystem is required for providing ecosystem goods and services incessantly e.g., clean air, safe water, and quality habitat for the well being of wildlife as well as human being that will act as a major source of biodiversity and eco-tourism hotspot, and curb climate change effect.

### Priority Areas / Targets

#### **Strengthen the ability to withstand and overcome the adverse effects of climate change, enhance sustainable growth and protect biodiversity**

The country is given emphasize on conservation and improvement of biodiversity included the article 18(A). In connection to this, Bangladesh has made a commendable progress in its regulatory regime towards conservation of biodiversity as well as ensuring bio-safety. Bangladesh is giving appropriate responses to degradation in the number of areas, such as water resources, forest and biodiversity, land and soil, coastal and marine resources, and natural disaster and climate change. The National

Sustainable Development Strategies (NSDS) attaches high importance on: Protection and expansion of forest and forest resources; enhance forest biodiversity and wildlife conservation through expanding Protected Areas; Restore ecosystems and rehabilitate endangered species; ensure wise use of wetland resources; people's ownership of social forestry. National Environment Policy 2018 sets out some remarkable actions towards encouraging sustainable management of bio resources under the particulars sectors of agriculture management, biodiversity, ecosystem conservation and bio safety.

To reduce the Human-Wildlife conflict in Bangladesh, a management strategy titled "Mammal Management Strategy with Emphasis on Human-Wildlife Conflict in Bangladesh" has been adopted. Updating the National Forest Policy and Forestry Master Plan is already completed. These are now under the approval process. Bangladesh is mainstreaming forest related activities to contribute to the Global Forest Goal (GFG) and Sustainable Development Goals (SDGs). Bangladesh is taking initiatives to involve people in forest conservation, afforestation and reforestation programmes. Existing Protected Area Management Rules of 2017 and Social Forestry Rules 2004 and its subsequent amendments in 2010 and 2011 are supporting on improving the engagement of under-represented gender. Important partnership have been formed with universities for collaborative effort to understand and implement sustainable forest management activities. Signing MoUs for collaboration on research with universities is under process. Government of Bangladesh has Initiated Ecosystem based Adaptation approaches (EbA) in the Ecologically Critical Areas (ECAs) to protect biodiversity in the face of Climate Change.

#### **Develop or update, as appropriate, and implement national action plans stemming from biodiversity related conventions**

Bangladesh, being a party to the Convention on Biological Diversity takes care the obligations to conserve biodiversity and submit national reports on a regular basis delineating the status of biodiversity across the country. Bangladesh has updated the National Biodiversity Strategy and Action Plan of Bangladesh (2016–2021) in the line with the Aichi Target and the SDGs. The updated NBSAP sets out 20 targets focusing on mainstreaming biodiversity conservation at individual, institutional and systemic levels. Bangladesh has integrated its NBSAP into the 7th Five Year Planning 2016-21. Bangladesh Bio-safety Rules 2012, Ecological Critical Area (ECA) Rules 2016 and Bangladesh Biological diversity Act 2017 has been enacted towards conservation and sustainable use of biodiversity.

For Biodiversity Conservation the Wildlife Act (Security and Protection), 2012 has promulgated. Besides this 5 Management Plan, 3 Ecotourism Management Plan, 5 Action plan, 1 Master Plan and 1 Management Strategy has been approved. Management effectiveness of all the Protected Areas has been assessed. RED LIST of fauna has been developed. National Conservation Strategy is under the process of finalization. RED List of Flora is also under process of preparation.

#### **Take measures to mainstream sustainable management of marine biodiversity and ecosystems**

Bangladesh has declared "The Swatch of No-Ground Marine Protected Area" with a total of 1738 square kilometer area and a spawning and breeding area of many endangered oceanic species- as the first marine Protected Area of the country. Afterwards, around 798 km<sup>2</sup> middle ground and south patches of Bay of Bengal as Marine Reserve and about 3188 km<sup>2</sup> has declared Marine Protected Area. Bangladesh government has developed blue economy action plan for wise management of Marine resources over 1,18,813 km<sup>2</sup> marine areas. Blue Economy offers enormous potential to Bangladesh including shipping, marine construction, energy development, mariculture, coastal

aquaculture, and tourism that can contribute economic diversification, development, and poverty alleviation. For the implementation of blue carbon initiative, a long term (10 years) future plan have been developed and proposed to MoEFCC which includes the capacity development of coastal people to address the adverse effect of climate change, formulation and implementation of a policy to establish greenbelt in the coast, expansion of marine ecotourism and sustainable management and conservation of marine wild animals. To protect marine Ecosystem and biodiversity, Government of Bangladesh has taken development activities Saint Martin Coral Associated Island.

**Mainstream and implement national adaptation programmes of action (NAPAs), medium and long-term national adaptation plans and nationally appropriate mitigation actions (NAMAs), and integrate these into national development plans**

Bangladesh has already implemented two adaptation projects prioritized in the NAPA. DoE is in the process of implementing one Ecosystem based adaptation project in wetland haor area and drought prone Barind area. Bangladesh has already prepared a National Adaptation Plan (NAP) roadmap towards formulating a comprehensive NAP with a view to reducing vulnerability to the impacts of climate change. Bangladesh has initiated the preparation of National Adaptation Plan (NAP) with estimated budget of US\$ 2.8 million from Green Climate Fund (GCF). Bangladesh prepared and submitted its Intended Nationally Determined Contributions (INDC) with due diligence. Bangladesh NDC includes both Adaptation and Mitigation initiatives in the country. Under a ‘business-as-usual’ scenario, Bangladesh will reduce its GHG emissions in the power, transport, and industry sectors by 5% (12 million tons) by 2030 and with international support, by 15% (addition 10% or 24 million tons).

Bangladesh has signed a MoU with Japan establishing Joint Credit Mechanism (JCM). JCM is a bilateral mechanism between Japan and 17 developing countries, including Bangladesh. JCM is almost similar mechanism like Clean Development Mechanism/Carbon Trading but comparatively simplified. Japan takes the lead in project installation, as well preparing project design document including approval process and later shall buyback the Certified Emission Reduction (CERs). Through the initiative Japanese energy efficient technology is transferred to Bangladesh and other developing countries. Japanese government provides 30%-50% grant to partner countries for acquiring energy efficient technologies. So far 04 JCM project has been implemented.

Climate Technology Centre and Network (CTCN) is an operational arm for technology transfer from developed countries under the UNFCCC. Department of Environment (DoE) is the National Designated Entity (NDE) for CTCN in Bangladesh. DoE received 12 Project proposal from public/private/ autonomous organization. The NDE has already sent 5 projects to CTCN and 7 projects to the CTNFC (a smaller technology transfer window of GEF) for technology transfer. Initially CTCN consented to provide technical assistance in following three projects-

- ‘Technical assistance for saline water purification technology at household level and low-cost durable housing technology for coastal areas of Bangladesh’ is expected to complete in this year. Green Technology Centre of Korea has been selected as the Consulting Agency to provide technical assistance to the project.
- Development of a certification course for energy managers and energy auditors of Bangladesh completed in April 2019.

- Technology for Monitoring & Assessment of Climate Change Impact on Geo-morphology in the Coastal Areas of Bangladesh is in Project Design Phase. Danish Hydraulic Institute (DHI) will provide technical assistance in the project

### **Build and strengthen national capacity to access and efficiently absorb relevant funding mechanisms**

Department of Environment (DoE) has submitted National Implementing Entity (NIE) accreditation application to GCF for the direct access to GCF. ERD has already published Bangladesh's Country Programme for GCF 2018, where 10 projects of DoE have been included. Bangladesh Climate Change Trust (BCCT) has also submitted National Implementing Entity (NIE) accreditation application to GCF for the direct access to GCF. Two projects of BCCT have been included Bangladesh's Country Programme for GCF, 2018 which published by ERD.

### **Build the resilience of least developed countries to withstand economic shocks and to mitigate their adverse effects**

Bangladesh Climate Change Trust (BCCT) has already taken 720 projects to reduce the impacts of Climate Change and completed 362 projects

### **Bangladesh Forest Research Institute (BFRI) research activities linked with commodities, and human and social development**

BFRI has developed nursery technique of different forest tree species, forest ecosystems are enriched and cultural techniques are improved for major forest species, forest gene resources are conserved, management strategies for sustainable yield and protective services from forest ecosystems are developed, women are involved with the work and improving their livelihood with alternate income generation activities. Bamboo value added products, NTFP cultivation another alternative income generating activities for rural women. Scientific information are generated for sustainable forest management for future planning.

### **Rubber Plantation and productivity of rubber (latex)**

Bangladesh Forest Industries Development Corporation (BFIDC) has planted 6427 acre Rubber in the FY 2008-09 to 2018-19. It is important to note that the Government of Bangladesh has established Bangladesh Rubber Board in 2013 to boost up the productivity of Rubber and overall development of Rubber Industry.

### **Climate Change Finance (CCF)**

The CCF was necessary for Bangladesh to make the country system ready to generate domestic sources of climate finance and access international climate finance, and utilize the finances with highest transparency and accountability. The introduction of a climate dimension in tracking budgets and expenditure will be a very helpful development to ensure that climate sensitive activity is recognized within the performance accountability architecture and the MTBF. The CCF will take into account the potential role, risks and responsibilities of the institutions involved in climate response (including the private sector). Hence, the next important step will be to regularly update the CCF on

the basis of detailed and estimated climate investments.

This will include activities to integrate climate into the medium term budget framework, introduce climate budget coding, and bring existing climate funds on budget, and budget support for climate finance.

Bangladesh has the access to funding from LDC Climate Change Finance (LDCF) as well as for being one of the top ten vulnerable countries against global climate change. The financing is needed for investment in adaptation and building resilient infrastructure that exert pressure on public finance from domestic resources. Upon LDC graduation, it will no longer enjoy this type of finance though graduation will not reduce the climate vulnerability but rather may exacerbate as the phenomenon being global in scale and scope with localized differentiated impact. As a response to that conundrum, an LDC work programme under the auspices of UNFCCC has been put forward specially to build technical capacity for meteorological and hydrological interventions. Secondly technical assistance to implement NAPA and secure access to Green Climate Fund (GCF) will open avenues like Special Climate Change Finance (SCCF) that has a portfolio \$ \$350 million under GEF.

The SCCF will set aside 50% of fund for adaptation activities and countries aiming to tap this fund will have to comply with GEF requirements and criteria with involvement from nongovernmental organization (NGOs) for accountability, transparency and sustainability. Unlike LDCF, Bangladesh will have to share and may have to compete with other climate vulnerable (CCF) seeking countries especially with Small Island Developing States (SIDS).

All these will build capacity to generally respond to complex emergencies, natural and environmental disasters and other significant crisis that severely affect large number of people and requires external support without which the population is unlikely to resume their normal lives. The climate mitigation response will take into account the situation, government and community capacity, donor support, and population's vulnerability.

## **Challenges**

- Bangladesh as a member country of UN and Party to the Multilateral Environment Agreements (MEAs) is receiving the financial assistance of Global Environment Facility (GEF) for strengthening the capacity to implement the agreements. GEF determines the allocation of its Trust Fund and Least Developed Country Fund (LDCF) on the basis of the economic status of a country. As Bangladesh will be graduated from LDC, allocation of the GEF grant could be reduced.
- Green Climate Fund (GCF) has decided that 50% of the funds allotted for adaptation will be allocated to LDCs. In this situation, access to fund for adaptation in GCF might be reduced.
- New and on-going Projects will affect for gradual decrease of foreign trade facilities and development fund.
- Bangladesh will lose "Generalized System of Preferences" (GSP) facilities. For this reason, rubber export may be hampered.
- Bangladesh will also not be eligible for science, technology and innovation (SDI) related

- concessional finance for the LDCs.
- Protection of ecosystem for biodiversity conservation and restoration of depleted ecosystem including wetlands;
- Lack of international resources availability for Climate Change adaptation.
- Inadequate financing, human resources and logistics and knowledge management capacity.
- Lack of experts and skilled manpower to prepare and implement adaptation projects.
- Lack of capacity (maintain international fiduciary standard as well as lack on internal audit mechanism, weaknesses of planning, monitoring of climate change projects) may impede the access to international finance, especially direct access to Green Climate Fund.

## **Rohinga Refugees**

In the year, 2017, one of the horrendous humanitarian crisis occurred in the history of mankind when a massive atrocities were inflicted upon the Rohingya population in the northern state of Rakhaine province in Myanmar. Bangladesh being the natural and safe destination compelled nearly 1 million Rohingyas to forcefully depart from their home and migrate to Cox's Bazar as Internally Displaced persons or as refugees. The human, social and environmental impact of such massive influx of refugees in Kutupalong camps have made the stability crisis all the greater by the fact that, apart from some city states, Bangladesh is the world's most densely populated country. Moreover, population density and the numbers of vulnerable people are increasing in all parts of the country. The pressure on land is such that newly reclaimed and marginal land is immediately occupied for agriculture. The coastal area also attracts a large number of seasonal workers and there is increasing migration from the countryside to the major cities. The environmental degradation caused by an ever-increasing population exacerbates the problem, but most people are too busy trying to scrape an immediate existence to worry about long-term deterioration of their health and security. The multitude of challenge of Rohingya crisis is security, health, habitat and environmental degradation that will begin to affect once the population pressures begins to exert pressure on natural environment, bio diversity and soil degradation. The government in the refugee camp is providing the basic and primary need services through UN and NGOs and keeping the social tension in check although this will not mitigate the environmental aspects of the crisis.

- ❖ Ensuring humanitarian assistance in coordination with UN and other Int'l Agencies
  - Open Border for Rohingya as since August 2017.
  - GoB allocated 6,800+ acres (including forest area) land for temporary shelters
  - GoB ensures all sorts of humanitarian assistance including shelter, food, health, water and sanitation solely on humanitarian ground in coordination with humanitarian actors (NGOs, INGOs, UN) through unfettered access to them. National and international media have been given unhindered access.
  - GoB has shifted the vulnerable people to natural calamities including landslides, flood and storm in coordination with international partners.
  - Refugee Relief and Repatriation Commissioner (RRRC) to coordinate humanitarian assistance to Rohingya.
  - Relevant UN agencies and international partners has been able to ensure only about 34% (USD 319 million of the overall USD 951 million as of August 2018) of the assessed humanitarian assistance needed for the current year to ensure humanitarian assistance for such

a huge number of people.

The International Criminal Court has also ruled (September, 2018) that the Court has jurisdiction over the crime against humanity of deportation allegedly committed against members of the Rohingya people. Though Myanmar is not a party to the Rome statute that countries must sign on to as ICC member states, Bangladesh is, and the cross-border nature of deportation was sufficient for the jurisdiction.

### **Initiatives on Rohingya Repatriation Process**

‘National Taskforce on Implementation of National Strategy on Myanmar Refugees and Undocumented Myanmar Nationals’ chaired by Foreign Secretary has been formed to formulate national strategies to Rohingya crisis and subsequently, for safe, sustainable and dignified repatriation.

Three instruments signed with Myanmar for Repatriation: “Arrangement on Return of Displaced Persons from Rakhine State” (November 23, 2017) to work on return of forcibly displaced Myanmar nationals through a “verification” process. Subsequently, a Joint Working Group (JWG) along with its Terms of Reference (TOR) as well as a bilateral instrument on “Physical Arrangement for Repatriation of the Displaced Myanmar Residents from Bangladesh Under the Arrangement on Return of Displaced Persons from Rakhine State”.

Bangladesh is committed to a voluntary repatriation and has already engaged with UNHCR. Bangladesh and UNHCR concluded two MoUs-one on linking biometric data of the Rohingyas collected by Bangladesh authorities during registration process and with that of the family wise data of Rohingyas collected by UNHCR to prepare family and village wise data for the purpose of verification for repatriation and another on UNHCR’s overall engagement in the repatriation process.

The size of the current housing projects is utterly inadequate vis-à-vis the requirements, although Myanmar has assured that returnees would not be kept in transit camp for more than a month. Moreover, no progress yet reported in relation to security and rights issues. Rather, Myanmar still holds uncompromising stance on citizenship and other rights related issues. Hate narratives and propaganda on the part of Myanmar still remains incessant.

A “Repatriation Task Force” (RTF) headed by Refugee, Relief and Repatriation Commissioner has been formed to expedite the repatriation process at the field level. Myanmar has recently formed a Repatriation Task Force on Dispute Settlement Mechanism (13 November 2018).

Myanmar has undertaken a comprehensive initiative for the development of Rakhine State under the framework of UEHRD (Union Enterprise for Humanitarian Assistance, Rehabilitation and Development).

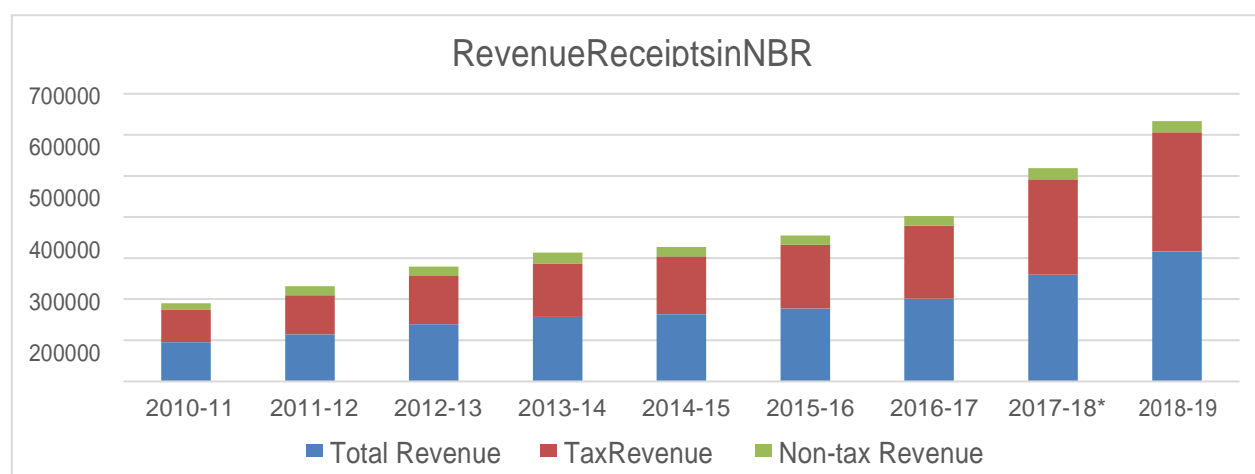
Bangladesh and Myanmar agreed to commence the repatriation process on 15 November 2018. Bangladesh, as responsible and responsive country, is firmly committed to pursuing voluntary repatriation without discrimination to any particular community and therefore, associated with the UNHCR to assist the process of safe and voluntary repatriation. The UNHCR interviewed verified unbroken families and found that all of those families including those earlier showed willingness to consider going back are highly reluctant to return under the current situation in the Rakhine State,



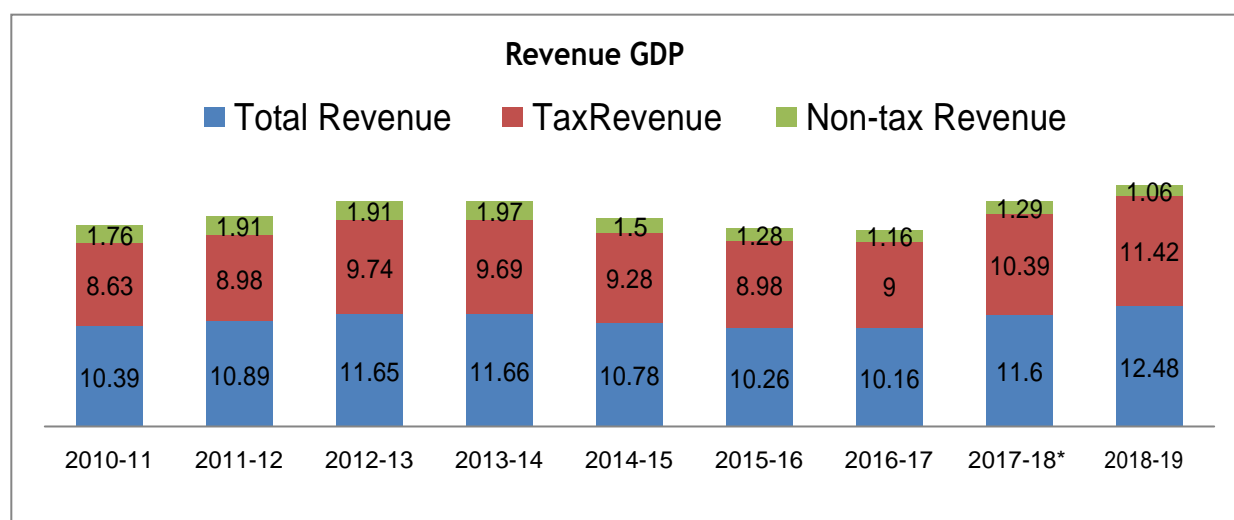
which they consider not conducive for return. The UN agencies identified 186 Quick Impact projects (QIP) and proposed 35 projects for approval to the Myanmar authorities. UNDP representative in Myanmar regretted they have neither received feedback on the report nor approval for the QIPs.

## h. Mobilizing financial resources for development and capacity building

Bangladesh's overall macro-economic performance since Istanbul 2011 has been satisfactory as per the key macroeconomic indicators. It has been able to maintain the capstone Istanbul PoA goal of growing 7% and above since the midpoint at 2015, keep the budget deficit in the tolerable limit (around 5%). This realized in spite of slow global recovery keeping the dynamism in export, remittances that keep the Balance of Payment in comfort zone while mobilizing financial resources from domestic sources. The general decline of the petroleum price also provided fiscal space to garner expansionary fiscal policy with several mega projects that was envisaged to have multiplier effects in the real sector while keeping inflation rate under tight control. Government has been maintaining an articulated balance between its capacities to mobilize resources vis-à-vis its spending priorities.



Since Istanbul PoA, it has streamlined both revenue and expenditure management and while carrying out wide range of reforms taking revenue – GDP ratio around 10 %. In the area of fiscal management, there has been continuous systematic efforts to improve the Tax- GDP ratio.



Hence, the government undertook some drastic measures in this direction as it was deemed crucial to take steps for future financial needs in addition to current expenses on Mega projects , declining ODA and possible economic down turn in trade and remittances. Deficit financing from external resources has been declined in recent time due to mega infrastructure projects. These projects have positive impact on economic growth.

The capstone achievement in this area is since Istanbul 2011 is rigorous effort in revenue collection as part of government policy through tax and non-tax revenue. In this direction, government carried out several policy and institutional reform that has broadened tax base:

- by expanding the tax collection and network to district and upazilla level,
- Easing the TIN number and tax return process and reforms in tax policy improving Ease of Doing Business
- Strengthening Tax administration and taxation system
- Recognize large and good performing tax payers with public recognition that has acted as a good demonstration of citizenry obligation and duties that also enticed other corporate entities to follow it.
- Implementation of VAT law
- New Customs Act is in final stage. Once it is enacted, it will simplify the business process and modernize the customs system.

#### Overall Budget Balance and Financing

	(As % of GDP)					
<b>Budget Balance (Excluding foreign grants)</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-2017</b>	<b>2017-18</b>	<b>2018-19</b>
Overall Budget Balance (Excluding foreign grants)	-3.56	-4.10	-3.88	-3.42	-4.69	-5.13
Overall Budget Balance (Including foreign grants)	-3.09	-3.94	-3.76	-3.35	-4.65	-5.09
Net Domestic financing	2.84	3.37	2.96	2.83	3.51	3.92
Net foreign Financing (excluding grants)	0.25	0.57	0.80	0.59	1.14	0.98
Net foreign financing (including grants)	0.72	0.74	0.92	0.65	1.18	1.01

Source: MTMF, Finance Division

## **i. Flow of Official Development Assistance (ODA)**

Bangladesh has been receiving external assistance in forms of ODA, loans and grants from various quarters and organizations since 1972 and the country remained aid dependent up until 1990. Since the decades of 90s and 2000, the country has achieved high GDP growth rate, revenue generation, rising remittances from abroad in addition to sound economic discipline and management. Aid now constitute only 2% of GDP and 5 % of government spending but its share to total annual development programme (ADP) is still approx. 35- 40% that declined from nearly 100% in mid 70s. So the first achievement from the LDC graduation is the absolute respite from the shadow of aid dependency that had plagued the economy for decades.

With the evolution of Paris Declaration in 2005, it has harmonized the donors in various sectors where health and education and local government receives substantial amount of ODA. Within the donor landscape, World Bank, Asian Development Bank, Japan, UK are the large ODA providers where UN system together has formidable clout and collaboration as technical agencies and funding. Islamic Development Bank, EU, Canada and Korea are emerging donors. The apex forum of donor dialogue is Bangladesh Development Forum and periodic meeting of Local Consultative Group (LCG) that takes place under the auspices of Economic Relations Division, Finance Ministry's important arm for external assistance and aid management.

Since Istanbul PoA in 2011, Bangladesh has been receiving Official Development Assistance (ODA) with increasing rate of disbursement as it made progress in key macroeconomic management indicators according to the World Bank and IMF and far more important it was rated well in the 2016 review of Global Partnership for Effective Development cooperation (GPEDC) under the auspices of OECD-DAC. This coincided with Bangladesh taking a higher leap to Lower Middle Income (LMIC) in 2015 and graduated from LDC in 2018. The general assessment is that the need for ODA of Bangladesh will be larger in future with the pace of rising demand to take the country to higher middle income and after graduation in 2024. With the evolution of Istanbul PoA and its predecessor Brussels programme (BPoA), the main actions for the LDCs to perform were to:

- Integrate and align their aid along with national development plans
- Harmonizing aid to reduce fragmentation and duplication
- Aid is result oriented that it is contributing to growth, reducing poverty and relief against emergencies.
- For the Development partners, the actions to be taken in IPoA were:
  - Exercise their effort to increase ODA to 0.7% of GNI
  - Align their ODA to recipient country's national priority plan and development programme
  - Aid is predictable with timely disbursement

Since early LDC years up until the Istanbul 2011, Bangladesh has been receiving economic aid with an average yearly amount of US \$5.5 billion and almost 80% of the committed amount from development partners. It is still below 2 % of its GDP and yet makes it one of the top ten (10) aid receiving country in the world. The average share of aid disbursement in important thrust sector is nearly 92%. The absorptive capacity has also increased over the years for various improvements in aid management capacity as well as implementation and disbursement from line ministries that was an important catalyst in achieving development goals. Aid that is under ODA is primarily disbursed for public sector projects although considerable amounts ultimately reach to private sector through

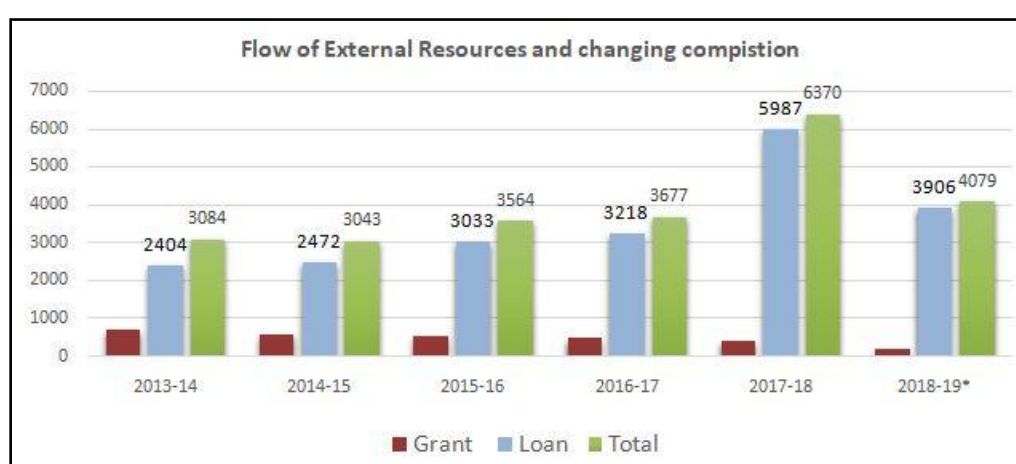
contracting arrangement. Hence, it is fully reflected in national budget and rate of project completion is an important determinant for aid utilization capacity.

Almost 90% of all aid is in the form grant and concessional loans and mostly untied due to its status as an LDC. This also assists the country to maintain a comfort zone in debt sustainability and prudent aid and public financial management. This privilege is an outcome of the International Support Measure (ISM) of the OECD that is rendered for LDCs and will remain till the official graduation from LDC category in 2024.

There is a longstanding commitment by the members of OECD-DAC, reiterated in the 2030 Agenda for Sustainable Development, the Addis Ababa Action Agenda of the Third International Conference on Financing for Development and the Programme of Action for the Least Developed Countries for the Decade 2011-2020 (Istanbul Programme of Action), to provide the equivalent of 0.15 to 0.20 percent of their gross national income (GNI) in the form of ODA to LDCs. This is in parallel to a commitment to provide the equivalent of 0.7 percent of GNI in ODA to developing countries.

Another aspect of ODA is in 2001, OECD countries decided to untie aid for LDCs. Tied aid means obliged official grants or loans that limit procurement to companies in the donor country or in a small group of countries. Untied aid removes these complications and helps recipient LDCs to get receiving good value for money for services, goods, or works in terms of ODA. Apart from South Korea and a few Eastern European countries, 22 DAC members have been able to untie their LDC specific ODA between 90%-100%, according to the OECD Development Co-operation Report, (2018). But there are questions regarding transparency of actual untied support measures as Report on the Untying Recommendation (OECD, 2018) suggested 65 percent of contracts funded by ODA from LDCs went to donor countries in 2015 and 2016.

In light of this LDC policy framework, government also began tapping aid as ODA and in other forms from nontraditional donors like China \$ 1.2 billion, India \$ 1 billion, Kuwait \$ 0.233 billion, Saudi Arabia \$ 0.148 billion, UAE \$ 0.61 billion. A total US \$ 2.64 billion has been mobilized from these emerging donors in different forms of aid modality.



Source: Bangladesh Economic Review 2018 and Economic Relations Division

## Foreign Direct Investment

Bangladesh Investment Development Authority (BIDA), formed in 2016, with the aim to attract and retain foreign as well as local investments that are conducive to attaining economic development. In pursuance of this broad objective BIDA has relentlessly been engaged with different undertakings linked to investment promotion and facilitation and also with easing doing business through policy reforms and work process simplification.

BIDA provides recommendations and other forms of support in the formulation of policies that enable the growth of private-sector enterprises. BIDA has contributed to the establishment of a rule-based regulatory framework by providing policy recommendations during the formulation of the Industry Policy, Import and Export Policy, investment incentives, sectoral investment policies, the SME Policy and more. The role of BIDA was instrumental in the formulation of the One Stop Service (OSS) Act 2018, the enactment of which has led to the creation of the country's main online One Stop Service – a single-window service delivery platform hosted by BIDA. Launched in 2019, the OSS portal now provides investors with 18 e-payment and data-sharing enabled services from three agencies – the National Board of Revenue, Registrar of Joint Stock Companies and Firms (RJSC) and BIDA. To ensure further service integration and data-sharing, BIDA has been working with several more MDA partners to streamline their processes and make them available online along with clear descriptions of the timeframes and costs involved. As many as 154 services from 35 different agencies will be made available on BIDA's OSS portal for which BIDA has already signed MoUs with multiple government agencies. To enhance the operationalization of the OSS portal, BIDA has drafted and finalized the OSS Rules, which is currently in its final stage of approval.

In the context of process streamlining, BIDA supports the government in improving Bangladesh's ranking in the World Bank's Doing Business (DB) index as its lead agency charged with coordinating the reform initiatives aimed at simplifying the regulatory processes of 32 associated agencies. Bangladesh's target is to achieve double-digit ranking on the World Bank's index by 2021. To achieve the government's target, BIDA has been pursuing short-term, long-term, indicator-specific, and detailed action plans on regulatory-process simplification, modification of relevant laws and rules, automation and improvement of delivery of services. BIDA also provides support to the National Committee for Monitoring and Implementation of Doing Business (NCMID) and the line agencies as part of its efforts to monitor, evaluate and control the implementation of the DB action plan. It organizes dialogues with private sector stakeholders to identify and resolve barriers to doing business besides conducting feedback surveys to monitor the impact of reforms as perceived by the private sector. As a result of these activities, Bangladesh climbed up 8 spots to reach the 168th position in the DB 2020 report and was among the World Bank's list of Top-20 improvers. BIDA-coordinated reform initiatives have so far led to the reduction of fees involved with the starting of business, reduction of time required for getting electricity and construction permit, the publication of the corporate governance guidelines that includes provisions for protecting minority shareholders and the coverage of over 5 percent adult population by the Bangladesh Bank's Credit Information Bureau (CIB) that improved access to credit. Other developments in the DB arena include qualitative improvements in the land registration process, drafting of proposed amendments to the Companies Act 1994 and the proposal of reforms for National Board of Revenue's business process. As many as 48 DB reform initiatives are in the pipeline, according to BIDA's Action Plan updated in September 2019.

The government has been developing physical, legal and technological infrastructure for stimulating private FDI to secure external financing for private investment as envisioned in the 7th Five Year Plan. In order to attract FDI from strategic sources, BIDA has conducted road shows, summits and other forms of promotion activities, including both overseas and local networking and matchmaking sessions, based on sectors prioritized in the Industrial Policy 2016. BIDA also disburses information on opportunities by developing content for print and online media platforms. The expansion of Bangladesh's economy within and its integration with the rest of the world has increased due to such activities. As a result, Bangladesh's FDI net inflows reached \$3.61 billion in 2018 -- an increase of over 68 percent from \$2.1 billion received in the previous year -- despite a 13 percent fall in global FDI. Breaking previous records, gross FDI inflow reached \$4.5 billion. According to the UNCTAD, Bangladesh was leading the LDCs in the Asia and Oceania in the FDI inflows in 2018. In order to secure the FDI momentum and raise FDI inflow to 3.0 percent of GDP (currently 1.3 percent) by the next fiscal, BIDA has proposed that 'branding Bangladesh'-- one of the most profitable investment destinations in the world -- be included in the draft 8th Five Year Plan, while proposing budgetary allocation for the multimedia country-marketing initiative. The work to develop linkage industries for building domestic capacity is also underway at BIDA. The Bangladesh government in its 7th Five Year Plan recognized FDI as being a source of technology transfer, efficiency and management development and enhanced marketing skills. As part of its regulatory roles, BIDA facilitates technology transfer by allowing companies to remit fees to overseas partners for extending technical services to Bangladeshi counterparts. Annually, technology transfer services fees and other fees worth nearly US\$120 million are approved by BIDA. The Private Sector Development Policy Coordination Centre, headed by the Executive Chairman of BIDA, works with stakeholders and development partners to frame new guidelines involving repatriation of fees for technical knowhow, royalty and technical assistance. BIDA also advises foreign companies on how to enhance the effectiveness of this transfer of knowledge and technologies in their respective organizations.

## **Remittances**

Remittances are the second highest source of foreign currency earnings in Bangladesh after receipts from exports of readymade garments (RMG). However, remittances can be considered as the highest one in terms of net earnings since in case of exporting RMG a significant portion of earnings is foregone for importing its raw materials. Remittances differ from other sources of foreign exchange inflows like exports, FDI, external loans etc. in terms of its motivation and effects. However, remittances have positive macro-economic and socio-economic impacts on Bangladesh's economy.

## **Latest Progress of Remittances**

The remittance inflow stood at USD 16.42 billion in FY19 compared to USD 14.93 billion in FY16. According to the 7th Five Year Plan (FY16 - FY20) of Bangladesh, GoB has targeted to earn USD 25.39 billion remittance (7.6 percent of GDP) in FY20.

## **Actions taken by Government of Bangladesh (GoB) and Bangladesh Bank**

- To improve access to financial and banking services for easy transaction of remittances, to simplify migration procedures, to reduce the cost of outward migration, and to better utilize knowledge, skills and earnings of the returning migrants, GoB and Bangladesh Bank has taken several initiatives and policies.

## **Policies initiated by Bangladesh Bank and Government to Increase Remittances**

Bangladesh Bank (BB) has taken a number of measures to boost up remittance inflows through the banking channel in past few years issuing the guidelines, policies and regulations.

- In order to accelerate and smoothening the delivery process of inward remittances, scheduled bank branches, Micro Finance Institutions (MFIs), branches of Bangladesh Post Office and Singer Outlets are now contributing in the network of remittance distribution since July 2009
- On 1 June 2008, BB advised all scheduled banks and financial institutions under Corporate Social Responsibility (CSR) program, mobile phone based/local MFI outlet supported programs promptly to deliver remittances from migrant workers to recipients in remote rural households; programs for card based/ mobile phone based delivery of financial services to such households;
- Bangladesh Electronic Funds Transfer Network (BEFTN) was established on 28 February 2011 with other funds transfer activities in order to swift delivery of remittances to beneficiaries through bank-to-bank clearing systems
- In order to mitigate the burden of increased expenses in sending foreign remittance and to encourage bringing in foreign remittances through legal channels, the Government has announced in her recent budget 2019-20 that the remitters would get 2% incentive on their remitted money with effective from 1 July 2019.
- In April 2013, BB licensed NRB commercial bank Ltd. as scheduled Bank. Later, NRB Bank Ltd. and NRB Global Bank Ltd. got approval as scheduled banks to facilitate investment by Non Resident Bangladeshis (NRBs).
- The Wage Earner Development Bond Rules, 1981 and later the US Dollar Premium Bond Rules, 2002 and the US Dollar investment Bond Rules, 2002 were enacted to encourage NRBs to investment these bonds by sending remittances through formal banking channels. The money invested in the purchase of Wage Earner Development Bond (WEDB) below 0.5 million has been exempted from tax since October 2014. Payment methods in Taka currency received against inward remittance is permissible for purchase of WEDB since March 2018.
- From July 2014, all bank branches in Bangladesh have been advised to provide remittances to beneficiaries of their clients within maximum two working days instead of 72 hours.
- From 23 July 2017, NRBs working abroad are allowed to avail housing finance facility at a maximum debt equity ratio of 75:25 instead of existing debt equity ratio of 50:50.
- Steps Taken by Government for Overseas Employment and Expatriates' Welfare
- After independence of the country, diplomatic initiatives and consensus for overseas employment with the Muslim countries of Middle-East started. In continuation of that, Bangladeshi workers began to be employed in the Middle-Eastern countries during mid-seventies. Overseas employment has aided in decreasing unemployment problem, poverty reduction and increasing foreign exchange reserves. However, significant contributions of overseas employment and remittances are observed recently in accelerating economic pace of the country. To provide more emphasis to the overseas employment sector, Government has established a separate ministry named Ministry of Expatriates' Welfare and Overseas Employment (MoEWOE) on 20 December 2001. MoEWOE has been working for formulating policies, plans, enacting laws, developing projects and monitoring relating to the management of overseas employment. The Ministry is being assisted by Bureau of Manpower, Employment and Training (BMET), Bangladesh Overseas Employment Services Limited (BOESL), Wage Earner's Welfare Fund (WEWF) and the Probashi Kallyan Bank (PKB).

**The following initiatives have been taken by Govt. for enhancing overseas employment in recent times:**

- The Govt. has approved a more detailed and comprehensive "Expatriates' Welfare and

Overseas Employment Policy 2016” on 25 January 2016 in line with the Overseas Employment and Migration Act 2013 and the United Nations’ international convention. The new policy replaced the ‘Overseas Employment Policy 2006’. The policy advises simplifying the migration process for the female workers and increasing the number of female officials in Bangladeshi missions abroad, particularly in those where an increased number of Bangladeshi women are working.

- For encouraging women participation in overseas employment, Govt. has taken some initiatives like training programs, ensuring safe work environment, expanding labor market and migrating free of cost, etc.
- PKB provides collateral free loans for the expatriates and rehabilitation and project loans for returnee migrants.
- BMET has some initiatives for reducing migration cost and elimination of middlemen in the process of recruitment to make it accountable, transparent and automated. Alternative recruitment mechanism has been arranged through automation and digitalization such as MUSANED and MEGA system with the KSA, EPS with South Korea, G 2 G & G 2 G Plus with Malaysia and JITCO and IM with Japan. BMET is providing smart card to the expatriates for storing the expatriates’ information electronically.
- WEFW provides financial help in bringing dead worker’s corpse from abroad to home and performing burial rituals. WEFW also gives financial grant to the family of dead expatriates.
- For skill development, 70 Technical Training Centre (TTC) at district level have been set up across the country.
- Safe Home was created by WEFW for women expatriates in Saudi Arabia and Oman if they feel their lives risky in abroad and return home in safe.

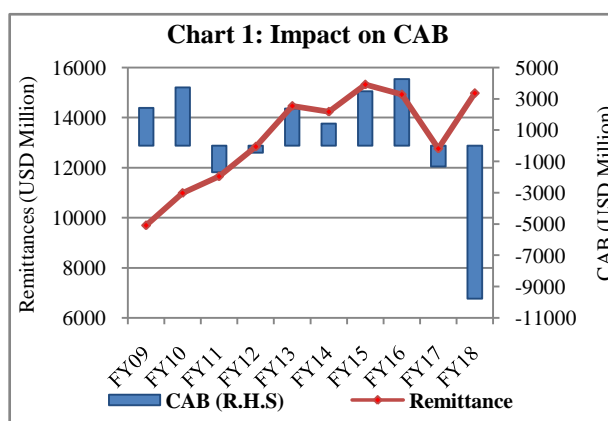
Table: Remittance, Remittance as Percentage of GDP and its Growth

FY	Amount of remittance (In million USD)	Remittance as % of GDP	Growth (%) of Remittance
FY07	5998.47	7.51	24.50
FY08	7914.78	8.64	32.39
FY09	9689.2	9.44	22.28
FY10	10987.4	9.52	13.40
FY11	11650.3	9.05	6.03
FY12	12843.4	9.63	10.24
FY13	14461.2	9.64	12.51
FY14	14228.3	8.21	-1.61
FY15	15316.9	7.85	7.64
FY16	14931.1	6.74	-2.51
FY17	12769.5	5.11	-14.48
FY18	14981.7	5.47	17.32
FY19	16419.6	5.43	9.60



## Impact of Remittances on Bangladesh's Economy

Remittances play an important role to stimulate the overall economy of Bangladesh. Bangladesh has been one of the top remittance receiver countries in last twenty years. According to the World Bank report titled “Migration and Development Brief April, 2019”, Bangladesh stood 9th position in 2018 among the world's top ten remittance earner countries and 3rd in South Asian region. India is the world's top most remittance earning country followed by China, Mexico, Philippines, Egypt, Nigeria and Pakistan. Bangladesh joined the 10 billion USD club of remittance inflows in FY10. In FY18, remittances increased by 17.3 percent to USD 14981.69 million (5.47 percent of GDP) as compared to USD 12769.45 million in FY17.



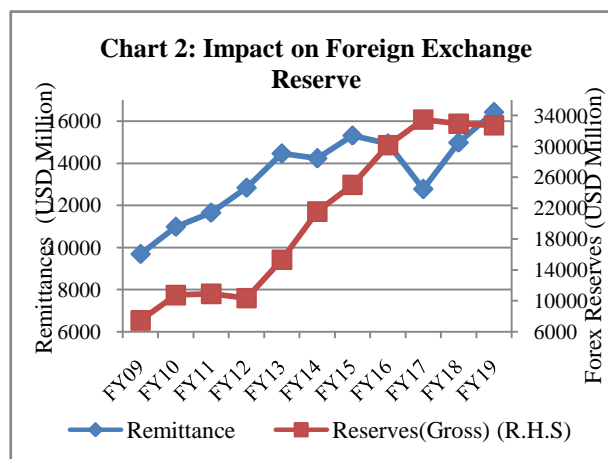
## Macro-economic Impacts of Remittances

### Impact on Consumption

A large portion of remittances are used to increase consumption demands which lead to expand the aggregate demand level and thus increase overall economic activities of Bangladesh.

### Impact on Investment

Since a part of remittances directly goes to savings, which leads to increase in the investment level and ultimately generates employment opportunities.



## Impact on Current Account Balance (CAB)

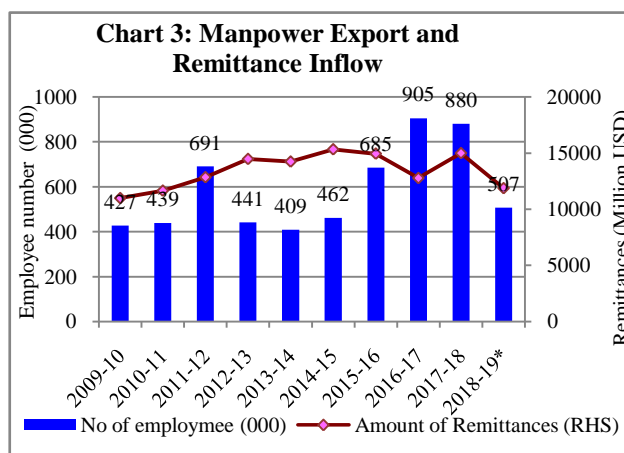
Inward remittances from Bangladeshi Nationals working abroad play an important supporting role in strengthening the current account balance. However, the repeated fall of remittances in FY16 and FY17 has affected CAB negatively. The deficit in current account balance has been widened and stood at USD 9780 million during FY18 which was USD 1331 million in FY17, though remittances growth has rebounded in FY18. Total receipts of remittance during July- May FY19 depicted a robust increase by USD 1.4 billion and stood at USD 15.06 billion. Therefore, a robust growth in remittances may improve current account balance (Chart 1) in future.

## Impact on Foreign Exchange Reserves

Foreign exchange Reserve is influenced positively by some factors like higher trade surpluses, exchange rate depreciations, interest rate differentials and higher inflows of remittances. In fact, the influence of remittances on reserves is the strongest and most consistent factor. In FY19, Foreign Exchange Reserves stood at USD 32.74 billion which was slightly lower from USD 32.94 billion in FY18 (Chart 2).

## Impact on Employment

Foreign employment and remittances sent by the Bangladeshi expatriates make immense contribution to the economic development of Bangladesh especially lowering the unemployment level and alleviating poverty. A significant portion of domestic labor force is employed in the Middle-East and many other countries of the world. In spite of fall in overseas employment in FY18, Bangladeshi expatriates sent more amount of remittances. About 8.8 lakh Bangladeshi employees went abroad in quest of jobs in FY18 and about 5.07 lakh Bangladeshi employees went abroad in quest of jobs during FY19 (upto March FY19) (Chart 3).



## Socio-economic Impacts of Remittances

*Possession of land:* Remittances contributed to increase the expatriates' possession of land. In this case, remittance plays a vital role in reducing landlessness of expatriates, and shifting ownership from marginal to vast landholders.

*Possession of buildings & apartments:* The expatriates' construction of buildings has increased by the inflow of remittances. Even some expatriates' ability to purchase apartments for themselves have been increased.

*Propensity to save:* The Expatriates' propensity to save increases after migration. They have been able to increase their deposits significantly.

*Reducing the burden of loan:* After migration, the burden of loans of the expatriates have been reduced and they become self reliant.

*Entrepreneurship development:* A portion of remittances is utilized for setting up enterprises by the expatriates' family members in rural areas. Entrepreneurship development has positive impact on the economy.

*Education awareness:* After migration, the expatriates' family members spent more on education.

*Healthcare awareness:* A portion of remittances is utilized in health care of expatriates' family members.

*Rural activities:* Most of the expatriates' families live in rural areas. For this reason a major portion of

remittances is utilized in consumption, investment, education and health care in rural areas which increases economic activities there.

*Woman empowerment:* From 1991 to 2018, 113.71 lakh Bangladeshi workers migrated abroad of which 7.77 lakh was female workers. On the other hand, a significant portion of remittances goes to wives of the expatriates. Therefore, women are getting empowerment by earning and receiving money from abroad.

## Success story in Financial Resource Mobilization



National Tax Card Award and Income Tax fair and Financial Reform

Bangladesh is no longer an aid dependent country unlike many Least developed countries. This has been possible due to raising income per capita garnering higher mobilization of financial resources. As income per capita grew, national savings increased. So, Banking sector burgeoned in its profit and assets as indicated in rising M2-GDP ratio. Secondly, revenue generation increased as government undertook several encouraging initiative sensitizing people to perform their duty of income tax return. The National income tax fare, National tax card award given to large tax payers and units aroused interest among business community populace in general in their citizenry obligation to the state's coffers. The second success was enlarging and deepening access to finance at the lowest tier of the society through various technological breakthroughs an reaching modern financial services to the people and community at the frontiers. The third success in this area is the effective partnership and coordination of development cooperation under the auspices of Bangladesh Development Forum and Local Consultative group carried out by Economic Relations Division ( ERD). This has achieved aid Harmonization, alignment of aid to national developmental priorities with result orientation and effectiveness of development cooperation that has contributed to meet the criteria for LDC graduation.

## **i. Good Governance at all levels**

The major objective of governance is to make the government more open and accountable to the citizens. Government of Bangladesh has adopted a number of policy reform programmes in early 2000 to implement critical and institutional reform in the governance and public management sector. All these are aimed at combating corruption, ensuring independence of the judiciary, ensuring transparency and accountability of public offices and improving efficiency of public service. Some of the important policy initiatives are (1) Reconstruction and Operationalization of Anti-Corruption Commission (ACC), (2) Ratification of the United Nations Convention against Corruption (UNCC), (3) Separation of the Judiciary from the Executive, (4) Enactment of a Law on Right to Information, (5) Adoption of the National Integrity Strategy (6) Introducing Citizen Charter and Annual Performance Agreement in public offices.

The government gives priority to improving governance as an underlying strategy to achieve better development outcome and is well aware that the challenge of ensuring good governance for sustaining development cannot be over-emphasized. The government recognizes that without fundamental reforms of core institutions, improvement in public administration capacity and a strong implementation of anti-corruption strategy, the ability to implement Vision 2021 and the underlying development plans will be seriously compromised. The Sixth Plan (2010-2015) addressed deficiencies in governance through four key pillars: strengthening the civil service, promoting devolution to local governments, strengthening public-private partnerships, and reforming planning and budgetary processes. While notable progress was made across specific fronts, the government acknowledges that the task remained unfinished.

In the Seventh Plan (2016-2020), the government adopts strategies and policies that are better tuned to meet contemporary challenges, so that it can effectively maintain the progress envisioned in Vision 2021. The critical areas for intervention include: (a) public administration capacity (b) judiciary (c) financial sector (d) local government. Lastly, to complete the unfinished agenda in governance.

### **Major Achievements:**

#### **Public Administration Capacity Development**

- **Citizen's Charter:**

The Citizen's Charter ensures transparency and discipline in public service delivery. Moreover, it plays a vital role in providing information related to services, increases citizen's participation in public service delivery and makes the civil servants accountable.

- **Grievance Redress System (GRS):**

To enhance the quality of public service delivery, it is necessary to ensure transparency and accountability in the public administration. With a view to ensure transparency and accountability, Grievance Redress System has been introduced in Bangladesh. The main objective of introducing GRS is to improve the quality of service delivery to the public within the minimum possible time with zero hassle.

## **Reforming Public Services and Eliminating Corruption**

- **National Integrity Strategy (NIS):**

For establishing good governance, the rule of law, fundamental rights, political-economic and social equality, freedom, and justice for all, the government has formulated National Integrity Strategy (NIS) in 2012. Exterminating corruption and upholding integrity are the most important and essential requirements of establishing good governance. In view of that, the ‘National Integrity Strategy’ has been formulated as a strategic document. A Standard Operating Procedure (SOP) has been prepared for the Ethics Committee. Following the SOP, almost all the government offices have formulated their individual NIS work-plan in the prescribed format with the purpose of implementing integrity and promoting good governance.

- **Improving Project Implementation Capacity and Sectoral Governance:**

Progress has been made in strengthening the link between planning and budgeting as well as through Annual Development Programs that are now much better linked to both strategic planning and targets as well as Medium Term Budgetary Framework (MTBF) of line ministries. The MTBF implementation is well underway and steady progress has been achieved. Besides, Commendable progress has been made in the area of introducing results-based M&E at the microeconomic level. Efforts are also underway to institutionalize to undertake periodic results based M&E exercise at macroeconomic and sectoral levels.

### **Promoting E-Governance:**

The government has taken numerous initiatives to implement the Digital Bangladesh vision. In particular, a set of wide-ranging initiatives to greatly expand the use of ICT to improve efficiency and effectiveness is taken under Access to Information (a2i) program. Some of the initiatives are as following:

#### *National Portal Framework (NPF)*

- The two interrelated objectives, are to (i) impart ICT skills to the Government officials, in order to (ii) bring all public websites and their information under a single architecture, adhering to a common design in terms of content and structure.
- The NPF offers public information in the vernacular language Bangla, which can be easily understood and used for collecting information relating to citizens livelihood-agriculture, health, education, law and human rights, tourism and history, human resources, development & engineering, environment and disaster management.

### **Union Digital Centre (UDC):**

- Top services of the UDC include Government forms, examination results, livelihood information, birth and death registration, mobile banking, provision of internet, computer training, etc.
- 4,501 UDCs are already in operation with 9,002 entrepreneurs, 50 percent women, being self-employed.

### **National e-Government Procurement (e-GP):**

e-GP has been developed by the government that provides an on-line platform to carry out

procurement activities by the Public Agencies (PA)-Procuring Agencies and Procuring Entities (PE). The e-GP system is a single web portal from where and through which Pas and PEs will be able to perform their procurement related activities using a dedicated secured web based dashboard.

## **Progress with Institutions**

- **Civil service reforms:**

Progress is going in reforming civil service in a number of areas. Besides processing of enactment of government servant act, in order to motivate civil servants a public administration award policy has been formulated and brought under implementation. Special focus is now on developing capacities of the civil officers through strengthening of the public administration training centres. To improve service delivery E-filing has been introduced.

- **Annual Performance Agreement (APA):**

A strong government performance management system has been developed to help ensure a systematic review of all Ministries/Divisions in order to generate more accountability and effectiveness within public organizations. To this end, government has already formulated a framework of performance management called Annual Performance Agreement (APA). Under the system and Annual Performance Agreement is signed between the Secretary of the concerned Ministry/Division and the Cabinet Secretary.

## **Human Rights:**

Human rights situation is closely linked with judiciary performance of a country. To uphold human rights as per constitutional obligation, government separated the judiciary from the executive in 2007. Since separation, disposal of court has improved and the Supreme Court has assumed responsibility for all judicial and administrative function, including inspection, supervision and control of the subordinate judiciary, judicial magistrates and the criminal justice system.

## **Democratic practice:**

Bangladesh is making steady progress in strengthening parliamentary democracy. Parliament sessions are regularly holding debate on various policy issues of national importance. Parliamentary Standing Committees on different ministries and other Parliamentary bodies are actively scrutinizing the performance of the government and thus ensuring a balance of power among different organs of the state.

## **Right to Information:**

The present government understands the importance of a transparent public sector and committed to improving the state of openness in its operation. Consequently, to address this agenda, the government enacted the Right to Information Act (2009). The major purpose is to:

- Increase its ability to track data at different levels (national, district and upazila) on RTI applications, responses, appeals and decisions.
- Enhance proactive disclosure through the adoption of proactive disclosure policies by different ministries, particularly those that enjoy a high level of government-citizen interface.

## **Regulatory Functions in Energy Sector:**

Bangladesh Energy Regulatory Commission (BERC) has been established to create an atmosphere conducive to private investment in the generation of electricity, and transmission, transportation and

marketing of gas resources and petroleum products, to ensure transparency in the management, operation and tariff determination in these sectors; to protect consumers' interest and to promote the creation of a competitive market. Determination of tariff, issuing license, frame codes and standards and make enforcement of those compulsory with a view to ensuring quality of service, and resolve disputes between the licensees and between licensees and consumers and refer those to arbitration if considered necessary are the three major functions of the Commission.

### **Participation in regional and international forum:**

In recent years, a number of important steps have taken place to deal with regional and international partners. Notable among these are:

- Establishing a framework to counter prevention of money laundering and financing of terrorism.
- Establishing and operating a legal framework to counter corruption through national and international channels, including joining and regularly reporting on the UN Convention against Corruption (UNCC)

## **Success Story in Governance**



Electronic-governance (e-governance in short) involves the use of Information and Communication Technology (ICT) and its numerous applications by the government for the provision of information and e-services (that is services by electronic means) to the citizens of the country. Broadly speaking, e-governance can be referred to as the uses and applications of ICT in public administration to conduct processes to effectively manage data and information to enhance public service delivery for empowerment of the citizens. Use of e-governance has made public administration fast and effective, provide better services, and respond to the demands of transparency and accountability. E-governance has also enhanced economic growth and promoted social inclusion of disabled and vulnerable sections of society.

E-governance can provide benefits in the form of new employment, better health, better education, knowledge sharing, skills developments and capacity building for sustainable development under SDG framework.

Examples of e-government services in Bangladesh are e-tax, e-transportation, e-health and the like. E-government is also termed as e-go, Internet government, digital government, online government, connected government by different authors and agencies. E-government encompasses online



interactions between citizens and government (C2G), between government and agencies (G2G), between government and citizens (G2C), between government and employees (G2E), between government and business (G2B) etc. Basically e-government refers to the utilisation of ICT including web-based communications to enhance speed, efficiency and effectiveness of service delivery by the government to the citizens of different sections of society

The vision of “Digital Bangladesh” of the Government of Bangladesh had special significance for e-governance for national development. Digital Bangladesh with Vision 2021 is a big impetus for the use of digital technology for e-governance in the country. In spite of several bottlenecks and limitations, works are in progress for realization of e-governance in all areas of administration. The nation, with well over 120 million mobile subscribers and 43 million Internet subscribers, enjoys the fruits of e-governance in numerous areas of activities. The ultimate objective is to make more and more e-services available to the people with increased digitalization.

It is useful to assess the status of e-government in Bangladesh in global perspective. As mentioned earlier, every two years the UN publishes the e-government survey with ranking of e-government developments of the member countries. EGDI is the basis of measuring the status of e-government of the countries. In spite of mentionable achievements in the recent past in the use of ICT for governance and expansion of e-service delivery to the citizens, it will be worthwhile to examine our position in a global perspective. This can be explained by the benchmarking indexes of responsible international organizations like UN, World Economic Forum, and ITU.

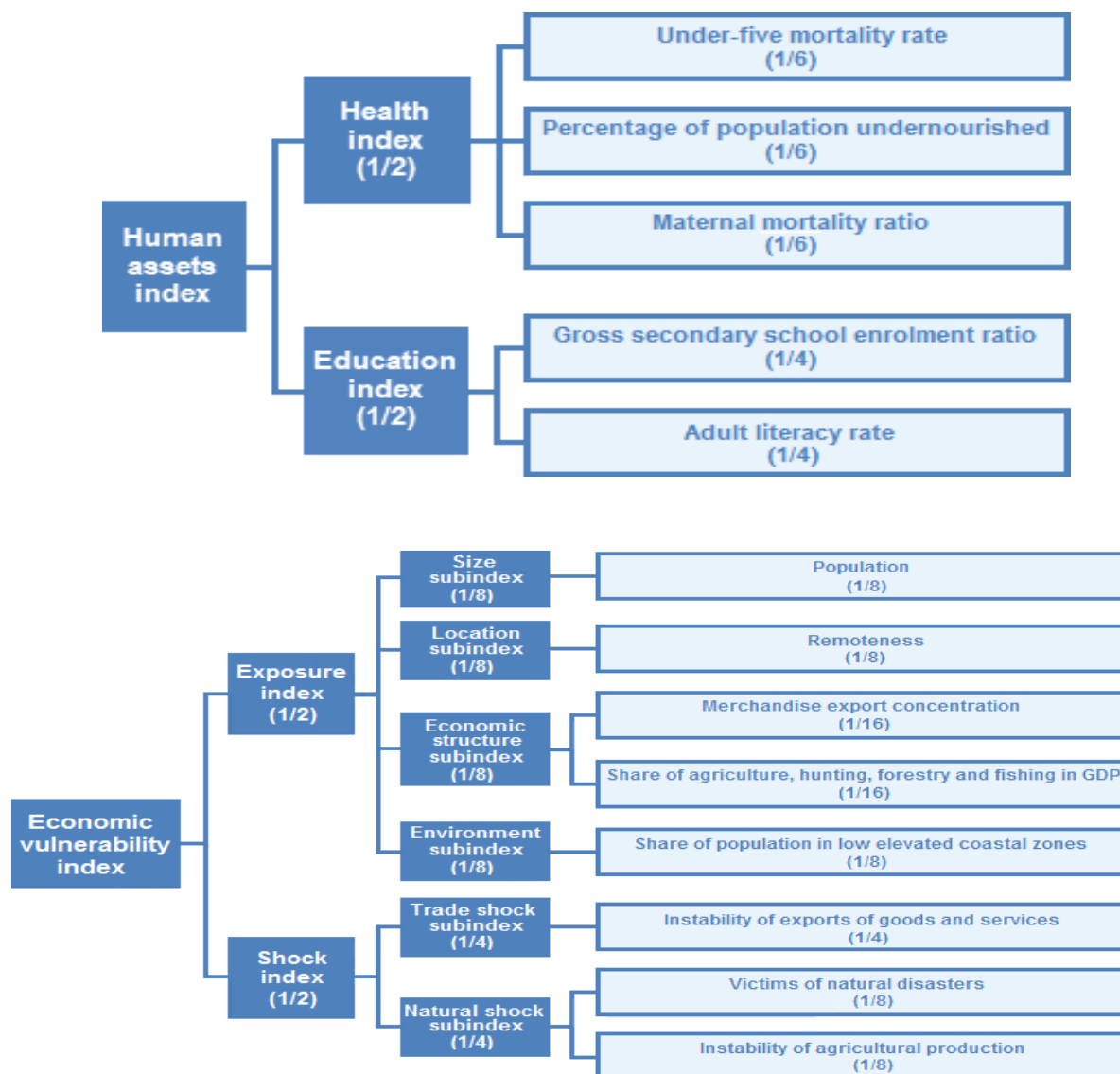
EGDI of UN evaluates the impact of ICT on the status of e-government of a country including delivery of electronic services to its citizens. According to the UN survey report of 2014, Bangladesh (EGDI score 0.2757) is ranked 148th among 193 countries of the world. However, Bangladesh moved two steps forward from its previous position of 150 according to 2012 survey. In the SAARC region, Bangladesh is fifth after Sri Lanka (score 0.5418), Maldives (score 0.4813), India (score 0.3834) and Bhutan (score 0.2829). Bhutan, with score of 0.2829, made a mentionable progress in e-government by moving forward by 9 steps from its previous positions (152 in 2012).

## **J. Progress towards graduation**

The United Nations Committee for Development Policy (CDP) reviews the Least Developed Countries category every three years. For a country to graduate from the category, it must meet graduation criteria during two consecutive triennial reviews by the CDP. At the 2018 Triennial Review, the criteria were as follows:

- GNI per capita of US\$1,230 or above,
- Human Assets Index (HAI) of 66 or above – the HAI is a measure of the level of human capital,
- Economic Vulnerability Index (EVI) of 32 or below – the EVI is a measure structural vulnerability to economic and environmental shocks.





Bangladesh has made remarkable progress in various socio-economic indicators since the adoption of the IPoA in 2011. As a result, Bangladesh met all the three graduation criteria for the first time in the latest triennial review conducted by the CDP in 2018. Bangladesh's score against each criteria has been show in the figure below.

	Gross National Income	Human Assets Index	Economic Vulnerability Index
Required	\$1,230 or above	66 or above	32 or below
Income Only Criteria	GNI of \$2,460 or above		
Bangladesh Score at 2018	\$1,274	72.8	25.2

According to the UN rules, as mentioned above, for graduation Bangladesh will need to meet the criteria again in the next triennial CDP review to be held in 2021, and Bangladesh will be recommended for final graduation in 2024 after enjoying three year grace period.

Available data and information show that Bangladesh will be able to meet the criteria in the 2021 review. Current status, according to the data of Bangladesh Bureau of Statistics (BBS) and other relevant sources, in various indicators and sub-indicators has been show below.

Since its inception in 1971, the LDCs as a group has been heterogeneous in their economic dimension and geographic character and hence it was difficult to put one size fits all policy prescription to address all their developmental challenges and structural impediments in one single policy framework. Far more interesting, the graduation criterions' containing their yardsticks and thresholds has evolved through a seven folds phases of change so far since 1971. The saga began with a phrase called “structural handicap” measured through three yardsticks: low income per capita, low adult literacy rate and share of merchandise export. Basic idea was that these countries are least developed because of their poverty trap as reflected in their low income per capita and low human capital and for

Bangladesh LDC Status, 2019					
Indicators	2018 review		Current Status (Oct-2019)		Graduation threshold
	Value	Index	Value	Index	
<b>1. GNI Per Capita</b>		<b>1,274</b>	<b>1,539</b>		<b>&gt; 1230</b>
1.1 GNI per capita (US\$)	1,274		1,539	-	
<b>2. Human assets index (HAI)</b>		<b>73.2</b>	<b>-</b>	<b>76.8</b>	<b>&gt; 66</b>
2.1 Percentage of population undernourished	15.1	83.2	14.7	83.8	
2.2 Mortality rate for children aged 5 years and under	34.2	85.3	29.0	88.5	
2.3 Gross secondary school enrolment ratio	63.5	59.5	72.7	69.7	
2.4 Adult literacy rate	72.8	63.7	73.9	65.2	
2.5 Maternal mortality	176.0	85.7	169.0	86.3	
<b>3. Economic vulnerability index (EVI)</b>		<b>25.2</b>	<b>-</b>	<b>25.1</b>	<b>&lt; 32</b>
<b>Exposure Index</b>		<b>22.8</b>	<b>-</b>	<b>22.5</b>	
3.1 Population (Million), 1st July	163.0	-	164.6	-	
3.2 Trade Remoteness	38.5	35.7	38.5	35.6	
3.3 Share of population in low elevated Coastal area	8.9	25.5	8.9	25.4	
3.4 Merchandise export concentration	0.41	36.0	0.4	35.9	
3.5 Share of agriculture, forestry and fisheries in GDP	15.40	24.4	14.19	22.4	
<b>Shock Index</b>		<b>27.6</b>	<b>-</b>	<b>27.6</b>	
3.6 Victims of Natural Disaster per 100000 population	4.0	87.9	4.0	87.9	
3.7 Instability of agricultural production	3.1	8.6	3.1	8.6	
3.8 Instability of merchandise exports	7.1	7.0	7.1	7.0	

Source: Bangladesh Bureau of Statistics (BBS)

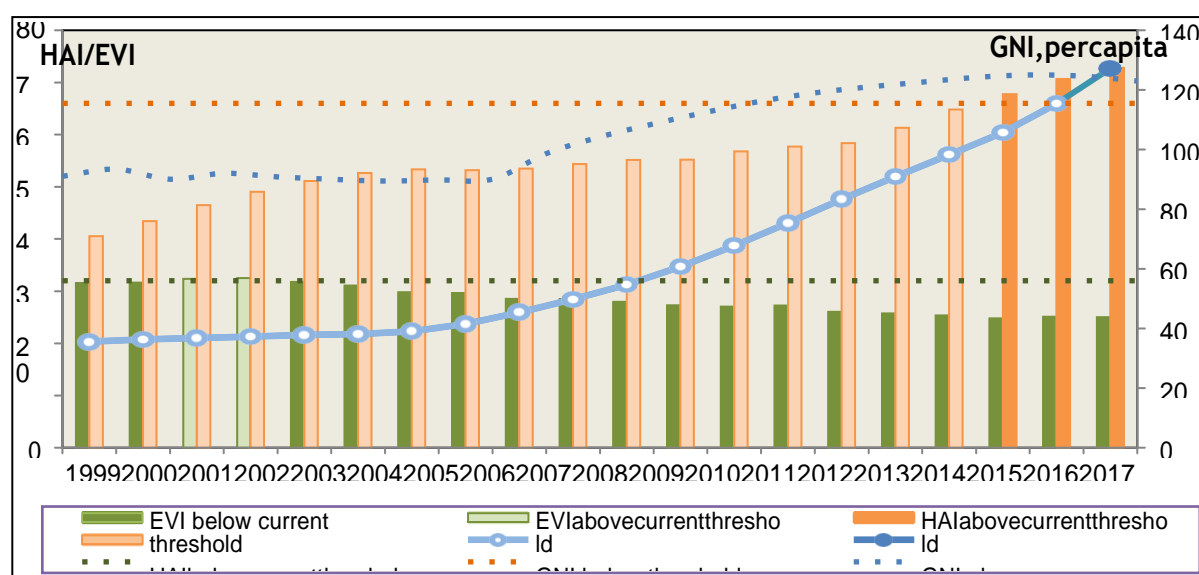
their commodity trap as reflected in their low share in merchandise export and low skill content in these exports due to low adult literacy. But, over the passage of past 4 decades since 1971, as diagnosis capacity of under development continuously improved along with lessons and experience, so did the continuous evolution of LDC graduation criteria. As a result, only five countries have graduated from LDC category since 1971, namely Botswana, Cape Verde, the Maldives, Samoa and Equatorial Guinea. These countries are extremely heterogeneous in the size of their economy, population, geography, climate and location characteristics. In this context, Bangladesh's graduation would be considered as a momentous gain for CDP as it is the largest country among the LDC graduating candidates in terms of population, size of the economy, export volume, poverty alleviation and lower dependency on extractive sectors and Official Development Assistance (ODA).

In addition, it is poised to leave the LDC behind as the only country meeting all three graduation criteria- the income criteria of gross national income, (GNI) per capita, the Human Asset Index (HAI) and the Economic Vulnerability Index (EVI) criteria during the evaluation process.

While Bangladesh maintains its developmental progression, ten (10) countries are expected to graduate between 2015 and 2021 (UNCTAD, 2016). Among them, Equatorial Guinea graduated in 2017 while Angola the second largest oil producing country in sub-Saharan Africa and Vanuatu, a small Pacific island economy has been recommended for graduation.

Bangladesh's performance with co graduating candidates from mainland Asia, like Bhutan, Cambodia, Laos, Myanmar and Nepal are insightful. Since IPoA in 2011, Bangladesh has maintained high growth rate in GDP, export, sound macro- economic balance, external economic relation and relatively low dependence on ODA despite being a large recipient of ODA. However, Bangladesh is small recipient of foreign direct investment compared to other graduating candidates. Its performance in domestic resource mobilization is among the lowest in the world as well as with LDC cluster. One of the cardinal maxims of Istanbul principle and declaration is rapid structural transformations where Bangladesh's performance is relatively better than other co graduating countries and other potential graduates from Asia – Pacific and Africa. Despite having a large and expanding modern sector comprising manufacturing and services, its large labour force still engaged in agriculture constitute one of the lowest labour productivity throughout the entire economy. This is partly due to having a large labour force, large informal sector and low skill endowment. The country also seems to be lagging behind in export diversification with an export concentration of 0.40 compared to Bhutan's 0.36 and Nepal's 0.14 (UNCTAD). For Bangladesh, export diversification will remain vital in its future economic challenges as it has direct implication with Economic Vulnerability Index (EVI) and building capacity to adjust with non GSP framework as regards trade and investment in post LDC period.

The appropriate strategic direction towards Bangladesh sustainable graduation from the LDC category has gained high policy attention since IPoA. As mentioned earlier, Bangladesh's graduation prognosis differs from those of the earlier graduates and present prospective candidates. This is revealed through critically examining the vital indicators around the graduation criteria for 20 countries and 15 candidates. It was found that statistical dispersion between the threshold and actual score on EVI for most countries especially small island economies. In other words, high GNI per capita without commensurate level of HAI or low GNI per capita with high EVI may put the sustainability of an



LDC graduate into a challenge.

From this perspective, Bangladesh with the likelihood of surpassing all three threshold of graduation

criteria seems on firm footing but may not enjoy this significant comfort zone for too long unless some special measures are projected to address the structural features.

This then brings us to the issue of how Bangladesh would navigate its economic and development policy in post LDC environment and development architecture. As a requirement of Istanbul programme action (IPoA), indicators of structural transformation depicts that Bangladesh exhibits better performance in this front thought not sufficient for its domestic and external economic demand. Second lesson is that its run up to graduation and progress in multiple fronts has not ensured concomitant structural transformation. Thirdly, The other Istanbul target is to graduate with momentum. Economic progression and graduation momentum may slack if the following issues are not addressed with focus and vigor:

- The economy must shift to high value added industries and services
- Macroeconomic stability and prudence will be increasingly demanding sharper and bolder macro-financial measures.
- Domestic recourse mobilization must move in tandem with foreign direct investment
- Development is a journey. So graduation is a mile post, not a goalpost.

As mentioned earlier, to graduate with momentum, it will be increasingly demanded to review the critical factors of structural transformation. Because, upon graduation, Bangladesh will be compelled to address the structural deficit of its economy to maintain the high growth spell witnessed since Istanbul PoA. It will be equally interesting to examine that whether goals and targets and 124 indicators adequately affect the desired structural transformation. The annexes illustrates and examines the bench mark situation of IPoA indicators and with monitoring progress in various dimension of structural transformation for Bangladesh vis-a vis other LDCs and the average values of Asia pacific. This was purposely done to obtain a comparing picture of Bangladesh performance and monitor progress in various dimension of structural transformation. This report proposes a required level of structural transformation to satisfy the Istanbul goal as well as CDP goal of ensuring a smooth transition to post graduation phase. The overall framework may be surmised in two drivers: a) graduation contributing to a structural transformation, b) structural transformation led graduation and smooth transition. The first driver can be viewed also as the implementation of the IPoA. Its pragmatic programmatic implementation ultimately and in totality contributes to the mainstream intuitive concept of structural transformation in various socio economic spectrums of country. To that end, there are no country case study on these above scenarios from the LDC groupings as such , yet Bangladesh vows to contemplate both the drivers simultaneously and therefore this report has shed some light on the above two scenarios.

Structural transformation enabled smooth transition upon graduation indicates how structural transformation and LDC graduation are intertwined endogenously connected. As observed from graduating cases and success cases out of LDCs, smooth transition to graduation with momentum difficult in the absence of concomitant structural transformation of the economy, especially when economies begin to lose preferential trading regimes, international support measures and provisions and their traditional comparative advantages in exports begin to wane due to various supply and demand side factors, i.e technological breakthrough, cost of production, poor investment competitiveness.

Second observations from panel data analysis carried out by Macmillan and Dani Rodrik infers that an economy has the potential to trail through the structural transformation pathway if it fulfills the

conditions that:

- a) The economy has a large labour force and employed in agriculture sector and b) its macroeconomic stability is favorable to robust private investment in no farm sector.

UNCTAD reports from the data experience from LDCs over past four decades confirms that investment and output increase in agriculture is the preliminary condition to trigger structural transformation along with other factors that directly affect this pathway. As part of this discourse, Planning Commission and the 7th five year plan has put emphasis on foreign direct investment in manufacturing, international tourism, transport, Information and communication technology as the main drivers of this transformation.

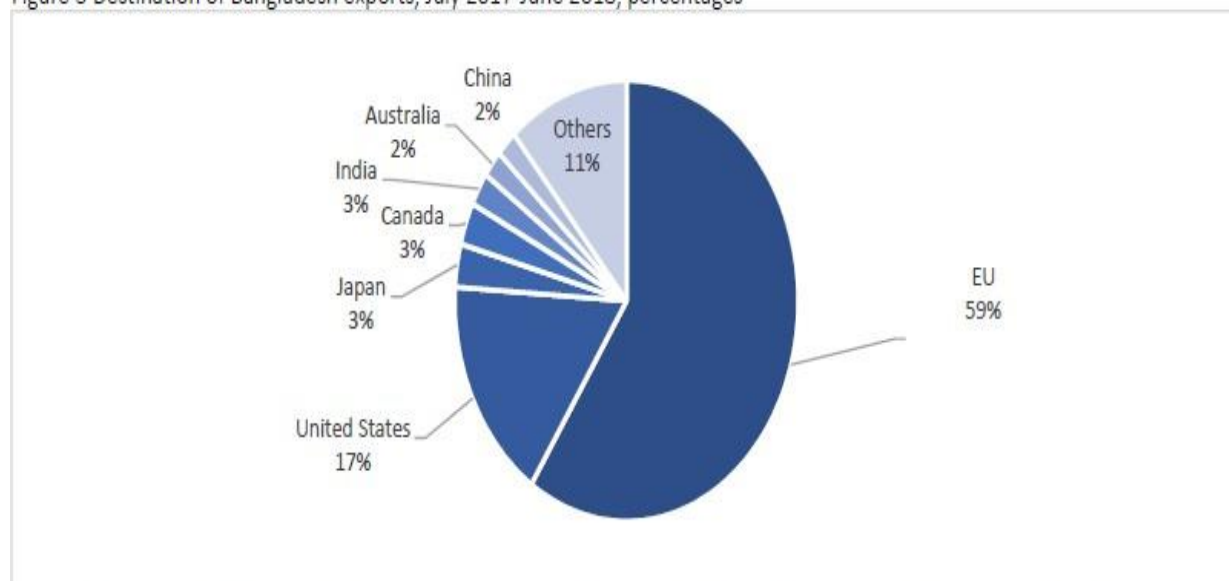
By 2024, at least 15 LDCs will be eligible for graduation and Bangladesh will be observed closely for a number of factors. First, its crossing may very well be irreversible as the new added criteria for an LDC exclude any country having a population more than 75 million. Secondly, ex-ante impact assessment from UN CDP indicates the implication is much larger for Bangladesh compared to other prospective LDCs for its economy being relatively more globally integrated. Thirdly, Bangladesh stands out as a unique graduate with a larger population, economy size and export volume among the 15 prospective candidates. Fourth, its journey towards graduation is progressing at a period when new uncertainties and inertia are looming large in global trade horizon, WTO negotiations and the climate around international support measures for preferential trading arrangements. Fifth, there are indication for change in financing modalities for ODA and FDI. And finally, it will have to navigate through the contracting ODA amidst tensed global trade environment during the SDG implementation period putting additional challenges for financing.

### **Post-Graduation Scenario and their Potential Impact in ISM**

The development processes leading to LDC graduation albeit a remarkable triumph, at the same time opens new challenges for Bangladesh. Potentially sizeable economic costs are predominantly important for the loss of access to various International Support Measures (ISMs) associated with LDC status. The available support measures for LDCs encompass a range of concessions, commitments and provisions made by international agencies and development partners across the fields of development finance, trade, technology and technical assistance. The magnitude of any costs will depend on the extent to which a country benefits from such measures prior to graduation. Hence, for Bangladesh, while graduation out of LDC status inspires hope of greater prosperity, the transition also comes with the potential of economic shocks unless policy makers have before them an assessment of possible country-wide impacts and make timely preparation for addressing any emerging challenges.

Under the broader gamut of LDC framework, there are nearly 136 LDC International specific support measures (ISMs) across the spectrum of trade, market access, development finance, technology

Figure 3 Destination of Bangladesh exports, July 2017-June 2018, percentages



Source: Data from the National Board of Revenue contained in Export Promotion Bureau report, "Region Wise Export (Goods) 2017-2018 for the month of July-June" (<http://epb.portal.gov.bd/site/files/51916ae6-a9a3-462e-a6bd-9ef074d835af/Statistic-Data-2016-2017>)

transfer and technical assistance. Hence the country's graduation must proceed with a smooth transition to adjust with the impact on the above areas. Among them, trade and investment stands out as a major area of implication. Bangladesh's share is about 25% among the 15 prospective candidates and approximately 58% of our total foreign exchange earnings that pays our import bills. The loss of GSP will be pronounced in EU market where more than 60 % of our apparel exports enter under current GSP facility.

Bangladesh faces a unique post-graduation challenge when it comes to preference erosion in international trade. In FY18, Bangladesh accounted for approximately one fourth of total exports by LDCs (\$36.66 billion out of a total of \$145.44 billion), making it the largest exporter among LDCs. Simultaneously, Bangladesh was also the largest importer of foreign products among LDCs. While these numbers express strong capacity of economy, it also shows the underlying stake for Bangladesh in the global trade. Upon graduation, the country by default will be excluded from LDC specific preferential access, and will have to start further liberalizing existing import restrictions.

- The loss of preferences in the markets of Canada, Australia, Japan, India and China in (the year which will mark the end of preferences if the country officially graduate from the LDC status in 2024) and in 2027 in EU might lead to a challenging situation for exports of Bangladesh.
- Secondly, many of the exemptions of WTO provisions, including the cut in tariff and subsidies and adherence to intellectual property rights (especially for pharmaceuticals sector) will no longer be available after 2024.
- Much of the preference erosion will originate from the fact that Bangladesh will no longer be

considered for concessional tariff rates it enjoys as an LDC. In some cases, Bangladeshi products will face steeper tariff rates with standard GSP. But in most cases, there are no standard GSP and export items will be subject to MFN tariffs, which are significantly higher than the current rate of concessional tariffs under LDC specific preferential schemes.

Following Table provides information about what benefits Bangladeshi exports can avail in key export destinations at the post-graduation era.

Table: LDC-specific Preferences Before and After Graduation in Prominent Export Destinations

Countries	LDC-Specific Schemes	Applicable schemes after graduation*
European Union	Everything But Arms (DFQF)	Standard GSP or GSP+ (after 3-year smooth transition)
Turkey	Everything But Arms (DFQF)	Standard GSP or GSP+ (after 3-year smooth transition)
USA	GSP for LDCs	Standard GSP; AGOA for African states. Bangladesh currently receives no preference
China	Preferential tariffs for LDCs	MFN for WTO members, general duty rates for non-members
Japan	GSP for LDCs	Standard GSP (no transition support)
Canada	GSP for LDCs	Standard GSP (no transition support)
South Korea	Preferential tariffs for LDCs	MFN
India	Preferential tariffs for LDCs	MFN
Switzerland	GSP for LDCs	Standard GSP
Russia	GSP for LDCs	Standard GSP
Australia	GSP for LDCs	Standard GSP/ MFN tariff

Source: (UNCDP, 2018)

\*Note: Apart from EU and Turkey, transition period supports are not guaranteed. Some exceptions can be made- which depends on trade negotiations.

- It is expected that the highest impact of preference erosion will generate from the EU market being the destination for approximately two-third of total exported items from Bangladesh. No impact of LDC- graduation is likely to be felt in the US market as it does not presently benefit from any preferential access in USA. Among other developed country markets, in Canada, Japan, Australia, Switzerland and Russia, the standard GSP does not cover an important part of Bangladesh's exports, which will face MFN tariffs (UNDESA, 2019). But the biggest issue with post-graduation preferential systems like standard GSP in developed country markets (including EU) is that Bangladesh would no longer be able to use dedicated rules of origin for LDCs, making it more difficult to use preferences for the tariff lines covered by the standard GSPs than it is to use GSP for LDCs.
- The derogated ROO of EBA preferential system is one of the most favourable treatments enjoyed by Bangladesh. In post-graduation era, Bangladesh can apply for two lesser preferential systems in the EU, the GSP+ and general GSP. The GSP+ system will be quite favourable for Bangladesh in terms of tariff rates (zero tariffs for 66 percent of tariff line)



with preference for apparel exports. However, the ROO system of GSP+ is much stricter than EBA, requiring double transformation of textile goods. The general GSP system is least preferential. Although it provides zero tariff on 66 percent of the EU tariff line, apparel items are subject to substantial levels of tariff. At the same time, they must fulfill double transformation ROO. For any other exported items, local value addition has to be 50 percent or more, under both GSP+ and GSP.

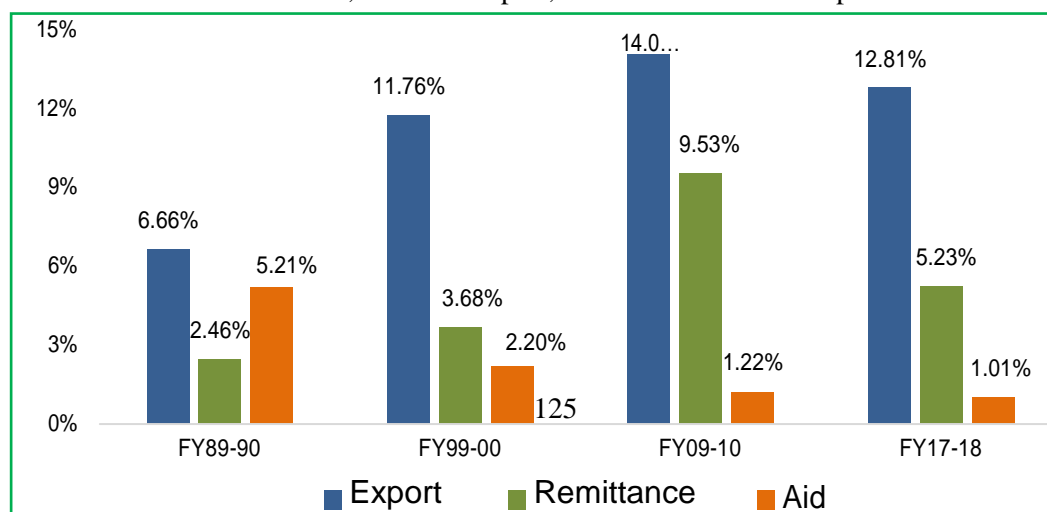
- According to the guidelines of European Union, any export vulnerable/developing country must fulfill three (3) important criteria (shown in table below), among others, before applying for the GSP+ status.

No	Criteria	Current status of Bangladesh
1	Must ratify and effectively implement 27 international conventions on labour rights, human rights, environmental protection and good governance.	X; Convention of the Minimum Age for Admission to Employment is yet to be ratified by Bangladesh.
2	Has a share in GSP-covered imports of less than 6.5 percent of GSP-covered imports of all GSP countries	X; GSP-covered imports from Bangladesh is more than 17 percent of all EU GSP-covered imports
3	Has at least 75 per cent of its total GSP imports coming from the seven largest sections of GSP-covered imports.	✓; Bangladesh fulfills this criterion without facing any problem.

## Impact on ODA

Thirdly, the graduation has implication to Bangladesh's concessional finance under ODA which presently amount around US \$ 3.5 billion. Although as a share of GDP it is minimal, it has enormous impact in the development finance under Annual Development Programme (ADP) where bulk of the large donors are multilateral BWIs, and UN systems. While the World Bank and other render financing in income criteria as the country is already lower middle income group, loss of LDC status will have impact on UN system finance and other major bilateral donors, though they have their own respective criteria in making financing decision and modality choice. The Economic Relations Division may be witnessing a gradual shift from IDA grants and concessional loans to multilateral blended finance. Usually the volume of such finance is much larger though not aid enjoyed under ISM of LDC regime.

Figure: Scenario of three decades; Share of Export, Remittance and Aid as percent of GDP





Although the impending decrease in the amount of Official Development Assistances in post-LDC era for Bangladesh may seem worrying at the hindsight, however, Bangladesh no longer significantly relies on aid receipts for government revenue spending. It still has a large portion the development expenditure approximately 37%. Instead, it welcomes foreign direct investment (FDI) and indirect foreign investment. Despite the fact that a great deal of government activities is currently being funded by development partners, share of foreign aid has steadily kept falling in the last four decades as the economy progressed and domestic savings, exports and remittances grew.

### **Impact on Other Trade- related Support Measures (Aid-for-Trade and others)**

While preferential trade access provides significant benefit to Bangladesh and other LDCs, other trade related ISMs have not been so effective due to the narrow scope, vague formulation and non-binding clause, unequal distribution of preference, slow operationalization, and lack of commitment from international community. Thus, any slashed support or funding of ISMs in the post- graduation era is not going to cause too much headache for Bangladesh.

Aid for trade is another issue that is likely to be affected by LDC graduation. Global Aid for Trade trends reveal that LDCs do receive more funding. Bangladesh have received increasingly higher amount of Aid-for- Trade in past years, and they have been utilized in improving infrastructure and building human assets for trade. But these amounts are not very significant as compared to the size of the GDP or amount of support that is necessary for improving trade related condition in Bangladesh. The country on average received around \$935.54 million support as Aid for Trade. Energy sector was the most prominent recipient (38.34 percent) during that time, followed by transport and storage (23.25 percent), and agriculture (15.10percent).

In light of the above challenges, it is imperative to keep an important dictum in sight that graduation is milestone, not a final destiny in this marathon. Hence, while surpassing the graduation criteria renders a sense of accomplishment from the country' resilience and economic capacity, but graduation with momentum will undoubtedly require a rigorous implementation of the IPoA that would corroborate a multi-sectoral structural transformations reducing its vulnerability and building productive, human and institutional capacity as contained in its 44 goals and targets and measured by 124 monitoring indicators.

## **V. Coherence and linkages with the 2030Agenda and other global process**

Bangladesh will be facing several challenges and hurdles while implementing the 2030 agenda of Sustainable Development Goals or SDGs. One obvious reason is that the SDGs are sets of much larger and broader development agenda that contained in the MDGs. Secondly, the development context and goals are much different now both internally and externally than what it was during the

early LDC years or MDG period. Thirdly, the first five years of SDG coincides with the last five years of the implementation of IPoA period (2011-2020) for Bangladesh which vows to graduate from the LDC category by 2024 through fulfilling graduation criteria for the second time in 2021 triennial review. At the hindsight, pursuing SDG goals and targets contributing to IPoA and vice versa as the following table illustrates that as many as 83 SDG targets are juxtaposed with IPoA goals and targets. In other words, rigorous implementation of IPoA has been contributing to achieving the threshold level of graduation from LDC criteria while contemplating the attainment of SDG. This section sheds some light on the linkages of SDG and other global development commitment with IPoA and examines how Bangladesh's national planning process and strategies can facilitate the early and sustain achievement of both in a constantly changing local context and global environment.

Essentially, there are as many as 169 targets under the broader framework of SDGs that boils down to triangulating economic development with universal inclusion and sustainable environment. In other words, pursuing economic growth while caring for planet and leaving no one behind in development gains and process. Examining the LDC criteria, as many as 60 targets under 13 SDGs have clear potential linkages with GNI per capita. Over the Human Asset Index (HAI), SDGs that are addressing poverty, hunger, health, education basic social services and protection contribute to achieving the threshold. A total of 17 targets under 6 SDGs have robust connection with HAI and IPoA pillar 2 and 5. Economic Vulnerability Index (EVI) addresses a country's multitude of susceptibility to shocks coming from natural disasters along with instability in export earnings and fragility in resilience due to population size or geographic remoteness. SDG targets 2.3 that calls for doubling agriculture productivity will contribute to IPoA pillar 2 and 1. To be more precise, the EVI indicator that measures share of agriculture in forestry and fisheries in GDP is directly related to SDGs. At the hindsight, it is evident that the network of targets and indicators of both the global framework (SDGs and IPoA) are so intertwined that their mutual simultaneity in progress is simply a developmental architectural truism. Some SDGs directly contribute to GNI per capita, HAI and EVI while others indirectly but invariably most SDGs make contribution to the goals and targets of IPoA under its broader rubric of 8 pillars.

Bangladesh has certain advantage in its rigorous pursuit of attaining SDGs. One is population and demographic features' being extremely dense and homogeneous. This gives an added advantage of bringing and mobilizing larger portion people in deprivation under massive programme coverage, provision of public service in low cost per capita and past successful experience in implementing MDGs in primary sectors with globally acclaimed solutions and remedies.

Developing infrastructure for promoting regional connectivity is addressed in the SDG Target 9 where developing quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being are stated.

Promotion of investment in agricultural sector is discussed at the SDG 2. The SDG target 2a urges to increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene banks in order to enhance agricultural productive capacity in developing countries, in particular LDCs. The Target 2b stated that the correct and prevent trade restrictions and distortions in world agricultural markets, including through the parallel elimination of all forms of agricultural export subsidies and all export measures with equivalent effect, in accordance with the mandate of the Doha Development Round.

Increasing trade aid support for LDCs to the Enhanced Integrated Framework for Trade-Related Technical Assistance is discussed at the SDG Target 8a. Target 17.12 urges for realizing timely implementation of duty-free and quota-free market access on a lasting basis for all LDCs, consistent with World Trade Organization decisions, by ensuring that preferential rules of origin applicable to imports from LDCs are simple, transparent and contribute to facilitating market access.

Facilitating sharing of experiences and best practices between countries is also highlighted in the SDG Target

17.6 where a target has been set to enhance North-South, South-South and triangular regional and international cooperation on and access to science, technology, innovation and enhance knowledge sharing on mutually agreed terms, including through improved coordination among existing mechanisms, in particular at the UN level, and through a global technology facilitation mechanism.

Migration has been a key issue in the negotiation process of the 2030 Agenda where Bangladesh proposes to include migration in the SDGs. After successful negotiation, Bangladesh prevailed in its position. The migration issue is placed at Target 10.7 where it is urged to facilitate orderly, safe, regular and responsible migration and mobility of people through the implementation of planned and well-managed migration policies. The Target 10c calls for reducing to less than 3 per cent the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5 per cent by 2030.

<b>SYNERGIES BETWEEN IPoA and SDG goals and targets(2030)</b>	
<b>IPoA Pillars</b>	<b>SDG Areas</b>
IPoA 1: Productive Capacity (Infrastructure, Energy, Science, Technology, Innovation and Private Sector Development )	SDG 7: Affordable and clean Energy SDG 9: Industry Innovation and Infrastructure SDG 11: Sustainable cities and communities SDG 17: Partnership for the goals
IPoA2:Agriculture,Food Security and Rural Development	SDG 2: Zero Hunger SDG 12: Responsible Consumption and production
IPoA 3 : Trade	SDG 2 : Zero hunger SDG8:Decentwork/Economic growth SDG10:ReducedInequalities SDG 17: partnership for the goals
IPoA 4: Commodities	SDG 2: Zero Hunger
IPoA 5 : Human Social Development ( Education, Health, Youth, Shelter, Water and Sanitation, Gender Equality and Social Protection)	SDG1:Nopoverty SDG2:ZeroHunger SDG3:GoodhealthandwellbeingSDG4:Qualityeducation SDG 5: Gender equality SDG 6: Clean water and sanitation SDG8:Decentwork/Economic growth SDG 11: Sustainable cities and communities

IPoA 6: Multiple crises and other emerging challenges ( Economic shocks, Climate, disaster)	SDG 1: No poverty SDG 11: Sustainable cities and communities SDG 12: Responsible Consumption / production SDG 13: Climate action
IPoA 7: Mobilizing financial resources (DRM, Ext. Debt. FDI, Remittances)	SDG 10: Reduced inequalities SDG 17: Partnerships for the goals
IPoA8: Good governance	SDG 16 : Peace Justice and strong Institution
Beyond IPoA	SDG 14: Life below water SDG 15: Life on Land

## Bangladesh's Progress in SDG Implementation

Bangladesh has been widely acclaimed as one of the forerunners of MDGs implementation. It made outstanding progress in the areas of poverty alleviation, ensuring food security, primary school enrolment, and gender parity in primary and secondary level education, lowering infant and under-five mortality rate and maternal mortality ratio, improving immunization coverage, and reducing the incidence of communicable diseases. Many targets were achieved ahead of time and some others were attained within the 2015 deadline.

Bangladesh had been an active participant in the global leading to the preparation of the post-2015 Development Agenda. The country's proposals to the United Nations were similar to the proposals made by the Open Working Group (OWG) of the UN where 9 out of 11 goals were similar and other goals proposed by OWG were also there in Bangladesh proposal but as targets of deferent goals. Bangladesh could thus articulate the sustainable development problems that the world would have to grapple with in the coming one and a half decade.

The starting time of the Sustainable Development Goals (2016-2030) and the 7th Five Year Plan (2016-20) was a mere coincidence but it provided the country a good opportunity to integrate SDGs in the 7th FYP and Bangladesh was an early starter of implementing SDGs. All the 17 goals were integrated into the plan - 14 goals (82%) are thematically fully aligned 3 goals (Goal 14, Goal 16 and Goal 17) of the SDGs (18%) are partially aligned with the 7FYP. Thus achievement of Plan objectives and targets will contribute towards achievement of SDGs. Bangladesh's accomplishment in implementing the 7th FYP will be rewarding internationally for fulfilling the global commitments.

Recognizing the challenge of coordination of various ministries and agencies responsible for implementing projects/programmes contributing toward attaining SDGs and providing data and information for monitoring and evaluation of progress at the national level, the Honorable Prime Minister established an Inter-Ministerial Committee on SDGs Implementation and Review demonstrating her commitment. The Committee comprising Secretaries from 20 Ministries/ Divisions coordinates SDGs monitoring and implementation. The Principal Coordinator (SDGs Affairs), a newly created high level position in the Prime Minister's office, heads the Committee.

The Government has been following "whole of society" approach in carrying out the task of SDGs implementation by involving various stakeholders. Several important documents, quick in succession, have been prepared to identify the Ministries and Agencies responsible for SDGs implementation and guide them in their actions. These include Mapping of Ministries by Targets in the Implementation of

SDGs aligning with 7th Five Year Plan (2016-2020), Preparation of Ministry/Division action plan to achieve SDGs, National Action Plan of Ministries/Divisions by Targets for the Implementation of SDGs, Data gap analysis for SDGs, Monitoring and Evaluation Framework of SDGs, SDGs financing strategy and Education Sector Strategy.

## **VI. Towards the Next LDC Agenda:**

Bangladesh has been a recipient of development assistance since its independence. Assistance from the international partners helped the country to reduce the degree of prevailing poverty. International support from numerous development partners supported Bangladesh's progress towards graduation from the LDC category to a lower-middle income country. Political will and the country's approach to prioritize equitable, inclusive, and sustainable growth has been conducive to the smooth graduation process. To prepare itself for further international cooperation, national plans and policies have been aligned with the SDGs.

The Sustainable Development Goals (SDGs) aims to end poverty, hunger and inequality, act on climate change and environment, people and plant strengthening institutions and partnerships, and so forth. The ambitious agenda envisages a number of critical challenges, particularly mobilizing adequate resources is most important to implement SDGs in stipulated time. At the same time, there are some unique and emerging potential challenges that might be stemmed from the formal graduation of Bangladesh from the LDC by 2024. Bangladesh, being LDC, has been enjoying some special facilities in various areas of International Support Measures (ISM), which will no longer remain eligible to benefit after 2024. Bangladesh may face higher duties, may need to fully comply with TRIPS agreement on pharmaceuticals, may also lose LDC special technical assistance such as Enhanced Integrated Framework (EIF), Least Developed Countries Fund (LDCF), access to LDC Technology Bank, etc.

It is assumed that successful implementation of 2030 agenda for Sustainable Development would be catalyst for ensuring sustainable graduation as they deemed to be highly complementary. Simultaneous implementation of the two agendas would enhance the effectiveness and lowers administrative and logistical costs. There is a need for an intermediary function in the government, which is the national budgeting system that will be critical for catalyzing ODA and other resources. The key strategies for an effective implementation of the 2030 agenda and for Sustainable Development as well as Graduation include integration of the global agendas into national plans and programmes, prioritization of the goals, domestic resource mobilization including private finance and FDI, international cooperation and greater collaboration and coordination between government and its potential stakeholders both at the national, international and regional levels.

Progress of international cooperation in financing has remained largely short of the commitments. The trend of grants and bilateral aid have declined while project aid and multilateral development assistance saw a rise. The impact of the modernization of ODA over the willingness of the donors to maintain their commitment is yet to be specified. Only a few developed countries have reached the target of providing 0.7 per cent of GNI as ODA. ODA received by the LDCs from members of the Development Assistance Committee of the OECD increased. The share of total ODA to the LDCs increased from 27% in 2016 to 29% in 2017, while the overall share of ODA to the LDCs in the GNI of donor states remained constant, at 0.09%.

As for Bangladesh, the share of grant has been gradually declining while the loan showing upward trend giving away to project aid, which now forms the largest component of external assistance received. The support from the World Bank and Asian Development Bank (ADB) have been notable. As bilateral partner, Japan ranks at the top, far ahead of the rest of the pack. For the SDGs to be attained, committed external resource flow, capacity development, strengthening of political and

administrative institutions, transparency, public participation, engagement with youth and communities, and private sector participation are imperative. Without multi-stakeholders' participation, the SDGs and Post Graduation Agenda will find little success towards its ambitions.

### **International Cooperation would be required for sustainable graduation in the following areas:**

#### **For Continuation of Trade-related ISMs**

Bangladesh has been able to make maximum utilization of trade-related International Support Measures (ISMs) provided under the WTO System. Among those ISMs, Duty-Free & Quota-Free (DFQF) market access provided by both developed and developing countries is the most important one for Bangladesh. Along with wide product coverage, simplified and flexible rules of origin criteria have also been adopted for the DFQF schemes. Bangladesh has been able to make the best use of these DFQF market access facilities. Currently, major part of Bangladesh's total export is carried out under the DFQF market access. The facility is considered as one of the main reasons for Bangladesh's continuous export growth. Increased exports has been contributing to overall socio-economic milieu of the country.

In the absence of this facility after the graduation, Bangladesh's export will face crucial challenges. Various studies, including the one conducted by UNCDP, forecasted that Bangladesh's export will be decreased in the absence of the DFQF market access.

Bangladesh has also been able to make best use of the exemptions under the TRIPS Agreement of the WTO. For example, utilizing the exemption related to pharmaceutical products, domestic pharmaceutical industry has achieved remarkable progress. The industry is now meeting almost 98% of the local demands of medicines with affordable price, which has ensured access to medicines for millions of people of the country. In addition, Bangladesh has been exporting pharmaceutical products to many countries around the globe, including LDCs with no capacity for producing medicines. Therefore, Bangladesh's pharmaceutical industry is not only meeting the demands of local consumers but also the demands of many LDCs' people.

However, after the graduation, Bangladesh, in the absence of TRIPS transition, will not be able to produce pharmaceutical products at affordable price, which will endanger healthcare system of Bangladesh as well as of many LDCs. These are just few examples. There are many other areas where Bangladesh will face difficulties in the absence of Special & Differential (S&D) facilities under the WTO system.

This is very pertinent to mention that the United Nations, in a series of resolutions, has called upon development partners as well as trading partners to show greater flexibility towards graduated LDCs, given their continued structural vulnerability. The latest resolution, A/RES/67/221, reiterated the calls for action made in earlier resolutions, starting with the resolution adopted in 2005, which laid out the founding principles of a smooth transition strategy. Relating to trade preferences, A/RES/67/221 invited the WTO 'to consider extending to graduated countries the existing Special and Deferential Treatments (S&DTs) and exemptions available to LDCs for a period appropriate to the development situation of the country'.

Considering the UN resolutions in support of smooth transition seriously, the EU has extended EBA

preferences for LDCs by three years after graduation. At the WTO, LDC graduates continue to benefit from the Enhanced Integrated Framework (EIF) supports for an extended period of five years after the graduation.

Given, this context, the fifth UN Conference on LDCs, i.e., LDC-V should include provisions for continuation of the trade-related ISMs under the WTO system for the graduating LDCs till the implementation of the SDGs, i.e., till 2030.

#### **For SDG Financing:**

It is assumed that sustainable graduation largely depends on the successful implementation of SDGs. To achieve the SDGs by 2030, mobilization of significant amount of financial resources is essential. Targets 17.1 to 17.5 mention the five key sources of finance in achieving the SDGs. GED (2017) estimated the cost of implementing SDGs and indicated that an additional \$928.48 billion, at constant 2015-16 currency, would be required from both domestic and foreign sources during 2017-2030 for implementing the SDGs. The potential sources, identified for financing the resource gap, would be private sector (42.09%), public sector (35.50%), public-private partnership (5.59%), and external financing (14.89%), and non-governmental organizations (3.39%).

#### **For ODA:**

From development partners' perspective, Bangladesh must fulfill the commitment of 0.7% of GNI to achieve the SDGs. Even though, Bangladesh is reducing dependency on aid, it is crucial to meet SDGs, particularly in education, health and infrastructure. Therefore, the commitments need to be reiterated in the international arena. On the other hand, as Bangladesh is not able to fully utilize their foreign aid pipeline, international cooperation is required to develop GoB implementing agencies capacity to utilize funds. This might be through training on administrative mechanism, human resource development, improvement and Standardization of Procedure (SOP). Development partners urgently need to expedite more responsibilities to their country offices to ease procurement and disbursement activities and speed up project implementation.

#### **To Scale-up South-South Cooperation:**

There is a need for the heterogeneous partners involved in South-South Cooperation to reach a consensus as to what it means and how best to quantify that cooperation. Therefore, international cooperation is needed to develop common reference indicators and a central database for this important source of cooperation. Tracking data in a systematic manner will allow GoB agencies to effectively understand the extent of cooperation and engage further. As multilateral aid and cooperation grows and becomes more diverse, it will be important that the concepts underlying South-South cooperation are coordinated and transparent and that data are properly maintain in a public database to enhance transparency and information exchange to ensure the extent of this cooperation is understood.

#### **For Institutional Capacity Building:**

While capacity building is extremely relevant and important for Bangladesh to develop its transition plans and execute them at the regional and global level, there has been less attention to orient, educate and build capacity to address those challenges. Capacity building may cover a great deal of areas from project management to financial management to human resource development to developing legal and regulatory framework to raising productivity to competitiveness to refining dispute resolution to developing skills for conducting negotiations to advance common interests. The UN Secretary General in his Report on 'the Progress Towards Sustainable Development Goals, 8 May 2018'



underscored the importance of this issue in this way, “Capacities also needed to be strengthened for national resource mobilization and the expansion of fiscal space, preventing and tackling illicit financial flows and gaining access to available financing, as well as in trade-related aspects, in particular in the least developed countries.”

#### **To Climate Finance:**

The commitment to mobilize \$100 billion annually by 2020 to support affected countries in managing the effects of climate change has not been realized yet. According to latest information around \$10 billion has so far been mobilized, which falls far short of the need and commitment given. Bangladesh faces numerous challenges due to the adverse effect of the climate change, an issue of growing concern. One of the challenges is that the country does not have necessary financing or institutional capacity to implement its many climate-related policy frameworks, which may impede the access to international finance, especially direct access to Green Climate Fund. This calls for sustained engagement to ensure that not only Bangladesh gets its share of the fund, its potential climate calamities must be brought to the attention of the international community.

#### **For Debt sustainability**

Bangladesh has constantly shown track record to have a good debt service trend despite implementation of mega projects. Even though Bangladesh appears to have a good debt service trend, debt sustainability would be a major concern for the country in the coming decades. As Bangladesh is moving from an era of concessional finance to finance of more commercial nature involving much higher debt service liabilities, it will have to borrow money at more commercial terms. Continuous support from the international development partners, might help to manage its debt service record in an effective manner.

#### **For New Instruments:**

The services of new instruments such as the Technology Bank and the Investment Support Programme for LDCs need to be fully explored. Bangladesh will have access to both instruments for five years after graduation. Under the Technology Bank, Bangladesh is already being considered for a baseline science, technology and innovation review. Bangladesh need to avail the services for a substantial period after graduation based on its requirements.

## VI. Statistical Annex

**Table 1. Gross Domestic Product of Bangladesh at Current Prices, 2015-16 to 2018-19**

(Million US\$)

Industrial origin sector		2015-16	2016-17	2017-18	2018-19
1.	Agriculture and forestry	24,316	25,961	27,692	29,529
2.	Fishing	6,781	7,536	8,146	8,839
3.	Mining and quarrying	3,651	4,313	4,736	5,232
4.	Manufacturing	37,706	43,204	49,225	57,287
5.	Electricity, gas and water supply	3,045	3,317	3,573	3,819
6.	Construction	16,144	18,467	20,689	23,374
7.	Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	27,376	30,834	34,083	38,407
8.	Hotel and restaurants	2,180	2,442	2,695	3,003
9.	Transport, storage & communication	21,614	23,645	24,924	26,899
10.	Financial intermediations	8,126	9,252	10,198	11,211
11.	Real estate, renting and business activities	15,810	18,269	20,270	22,670
12.	Public administration and defence	8,524	9,914	10,990	11,777
13.	Education	5,943	7,186	7,853	8,699
14.	Health and social works	4,441	4,928	5,367	6,189
15.	Community, social and personal services	24,819	27,075	28,791	31,057
	Tax less subsidy	10,931	13,384	14,879	14,590
	GDP at current market price	221,407	249,726	274,111	302,582

**Table 2. Sectoral Share of GDP at Current Prices, 2015-16 to 2018-19**

Industrial origin sector		2015-16	2016-17	2017-18	2018-19
1.	Agriculture and forestry	11.55	10.98	10.68	10.25
2.	Fishing	3.22	3.19	3.14	3.07
3.	Mining and quarrying	1.73	1.83	1.83	1.82
4.	Manufacturing	17.91	18.28	18.99	19.89
5.	Electricity, gas and water supply	1.45	1.40	1.38	1.33
6.	Construction	7.67	7.81	7.98	8.12
7.	Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	13.01	13.05	13.15	13.34
8.	Hotel and restaurants	1.04	1.03	1.04	1.04
9.	Transport, storage & communication	10.27	10.00	9.61	9.34
10.	Financial intermediations	3.86	3.91	3.93	3.89
11.	Real estate, renting and business activities	7.51	7.73	7.82	7.87
12.	Public administration and defence	4.05	4.19	4.24	4.09
13.	Education	2.82	3.04	3.03	3.02
14.	Health and social works	2.11	2.08	2.07	2.15
15.	Community, social and personal services	11.79	11.46	11.11	10.78
GVA at current basic price		100.00	100.00	100.00	100.00

**Table 3. Sectoral Growth Rate of GDP at Current Prices, 2015-16 to 2018-19**

Industrial origin sector		2015-16	2016-17	2017-18	2018-19
1.	Agriculture and forestry	7.83	7.93	10.69	9.13
2.	Fishing	11.55	12.34	12.17	11.05
3.	Mining and quarrying	19.69	19.42	13.94	13.06
4.	Manufacturing	15.96	15.83	18.23	19.11
5.	Electricity, gas and water supply	19.94	10.13	11.78	9.38
6.	Construction	16.47	15.63	16.25	15.63
7.	Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	11.25	13.86	14.70	15.33
8.	Hotel and restaurants	14.27	13.25	14.52	14.06
9.	Transport, storage & communication	12.76	10.59	9.38	10.46
10.	Financial intermediations	14.06	15.10	14.38	12.51
11.	Real estate, renting and business activities	16.67	16.81	15.14	14.46
12.	Public administration and defence	31.65	17.58	15.03	9.68
13.	Education	23.62	22.24	13.41	13.36
14.	Health and social works	15.34	12.17	13.02	18.02
15.	Community, social and personal services	10.12	10.28	10.35	10.40
	Tax less subsidy	20.81	23.78	15.36	0.36
	GDP at current market price	14.32	14.02	13.90	12.98

**Table 4. Per capita GDP and GNI at Current Prices, 2015-16 to 2018-19**

		2015-16	2016-17	2017-18	2018-19
GDP	(Mill. US\$)	221,407	249,726	274,111	302,582
GNI	(Mill. US\$)	234,160	260,457	286,612	316,103
Per capita GDP	(In US \$)	1,385	1,544	1,675	1,828
Per capita GNI	(In US \$)	1,465	1,610	1,751	1,909
Exchange rate	(Taka per US\$)	78.27	79.12	82.10	84.03

**Table 5. Gross Domestic Product at Current Prices by Broad Industry Sector, 2015-16 to 2018-19**

	Broad industry sector	2015-16	2016-17	2017-18	2018-19
<b>GDP (Million US\$)</b>					
1.	AGRICULTURE	31,098	33,497	35,838	38,368
2.	INDUSTRY	60,546	69,301	78,223	89,711
3.	SERVICES	118,832	133,544	145,171	159,912
	GDP at current basic price	210,476	236,343	259,233	287,992
<b>Share</b>					
1.	AGRICULTURE	14.77	14.17	13.82	13.32
2.	INDUSTRY	28.77	29.32	30.17	31.15
3.	SERVICES	56.46	56.50	56.00	55.53
	GDP at current basic price	100.00	100.00	100.00	100.00
<b>Growth rate</b>					
1.	AGRICULTURE	8.62	8.89	11.02	9.57
2.	INDUSTRY	16.51	15.71	17.13	17.38
3.	SERVICES	14.23	13.61	12.80	12.74
	GDP at current basic price	14.00	13.51	13.82	13.70

**Table 6: Mortality rate of Bangladesh, 2014 to 2018**

	Indicator	2014	2015	2016	2017	2018
<b>1</b>	<b>National Population (Estimated) Population(in million) : July 1</b>					
	Both Sexes	156.8	158.9	160.8	162.7	164.6
	Male	78.6	79.6	80.5	81.4	82.4
	Female	78.2	79.3	80.3	81.3	82.2
<b>2</b>	<b>Under 5 Mortality Rate (per 1000 live births)</b>					
	Total					
	Both Sexes	38	36	35	31	29

**Table 6: Mortality rate of Bangladesh, 2014 to 2018**

	Indicator	2014	2015	2016	2017	2018
	Male	38	39	35	32	31
	Female	37	34	34	29	27
	Rural					
	Both Sexes	40	39	36	33	31
	Male	40	42	36	36	34
	Female	40	35	35	31	28
	Urban					
	Both Sexes	30	32	32	27	27
	Male	34	33	32	27	28
	Female	26	31	33	27	25
<b>3</b>	<b>Maternal Mortality Ratio (per 1000 live births)</b>					
	Total	1.93	1.81	1.78	1.72	1.69
	Rural	1.96	1.91	1.90	1.82	1.93
	Urban	1.82	1.62	1.60	1.57	1.32
<b>4</b>	<b>Infant Mortality Rate (per 1000 live births)</b>					
	Total					
	Both sexes	30	29	28	24	22
	Male	31	30	27	25	23
	Female	28	28	28	23	21
	Rural					
	Both Sexes	31	29	28	25	22
	Male	32	31	26	27	23
	Female	29	28	28	23	21
	Urban					
	Both Sexes	26	28	28	22	21
	Male	29	29	28	22	21
	Female	22	28	28	23	21
<b>5</b>	<b>Neo-natal Mortality Rate (per 1000 live births)</b>					
	Total					
	Both Sexes	21	20	19	17	16
	Male	22	20	18	18	17
	Female	19	20	20	17	15
	Rural					
	Both Sexes	21	20	19	17	16
	Male	22	21	17	18	17
	Female	20	19	19	16	15
	Urban					

**Table 6: Mortality rate of Bangladesh, 2014 to 2018**

	Indicator	2014	2015	2016	2017	2018
	Both Sexes	19	20	20	17	16
	Male	21	19	20	17	16
	Female	16	22	20	18	15
<b>6</b>	<b>Post-Neo-natal Mortality Rate (per 1000 live births)</b>					
	Total					
	Both Sexes	9	9	9	7	6
	Male	9	10	9	7	6
	Female	9	8	8	6	6
	Rural					
	Both Sexes	9	9	9	8	6
	Male	9	10	9	9	6
	Female	9	9	9	7	6
	Urban					
	Both Sexes	7	8	8	5	5
	Male	8	10	8	5	5
	Female	6	6	8	5	6
<b>7</b>	<b>Child Death Rate (per 1000 children aged 1-4 years)</b>					
	Both Sexes	2.0	2.0	1.8	1.8	1.7
	Male	1.8	2.3	2.1	2.1	1.9
	Female	2.3	1.7	1.6	1.6	1.4
<b>8</b>	<b>Life Expectancy at Birth</b>					
	Expectation of Life at birth (Years)					
	Both Sexes	70.7	70.9	71.6	72.0	72.3
	Male	69.1	69.4	70.3	70.6	70.8
	Female	71.6	72.0	72.9	73.5	73.8
<b>9</b>	<b>Literacy Rate of Population 7+ yrs (percent)</b>					
	Total					
	Both Sexes	58.6	63.6	71.0	72.3	73.2
	Male	60.7	65.6	73.0	74.3	75.2
	Female	56.6	61.6	68.9	70.2	71.2
	Rural					
	Both Sexes	55.2	57.2	65.5	66.5	67.6
	Male	57.2	59.2	67.7	68.6	69.7
	Female	53.1	55.1	63.3	64.4	65.5
	Urban					
	Both Sexes	70.5	73.3	77.7	79.5	80.1
	Male	72.6	75.3	79.6	81.5	82.0

**Table 6: Mortality rate of Bangladesh, 2014 to 2018**

	Indicator	2014	2015	2016	2017	2018
	Female	68.4	71.2	75.8	77.5	78.2
<b>10</b>	<b>Adult Literacy Rate of Population 15+ yrs (percent)</b>					
	Total					
	Both Sexes	61.4	64.6	72.3	72.9	73.9
	Male	64.7	67.6	75.2	75.7	76.7
	Female	58.2	61.6	69.5	70.1	71.2
	Rural					
	Both Sexes	57.4	57.6	65.4	66.1	67.3
	Male	60.7	60.6	68.4	69.0	70.3
	Female	54.1	54.6	62.4	63.2	64.4
	Urban					
	Both Sexes	74.6	74.7	80.7	81.1	81.7
	Male	77.7	77.7	83.3	83.8	84.3
	Female	71.5	71.8	77.9	78.4	79.2

Source: Bangladesh Sample Vital Statistics, 2019, BBS



**Table 7: Prevalence of undernourishment (percent) (3-year average)**

Year	Unit	Value
1999-2001	%	20.8
2000-2002	%	18.7
2001-2003	%	18.2
2002-2004	%	17.5
2003-2005	%	17.1
2004-2006	%	16.6
2005-2007	%	16.3
2006-2008	%	16.3
2007-2009	%	16.4
2008-2010	%	16.6
2009-2011	%	16.9
2010-2012	%	16.9
2011-2013	%	16.9
2012-2014	%	16.6
2013-2015	%	16.2
2014-2016	%	15.7
2015-2017	%	15.2
2016-2018	%	14.7

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Source: FAO

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