

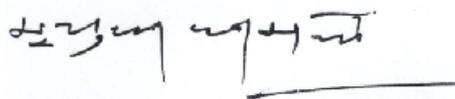
PREFACE

It is delightful to be informed that the Economic Relations Division (ERD), Ministry of Finance is publishing forty-third edition of its flagship annual publication '**Flow of External Resources into Bangladesh**' for 2020. This publication has already received wide appreciation from readership from home and abroad, including the policy makers, researchers, academics, students and others for catering to their needs and uses. In line with previous record it is expected that this publication would provide more useful insights to all concerned.

02. Bangladesh has been maintaining macroeconomic stability and rapid development over the last decade under dynamic and pragmatic leadership of our Honorable Prime Minister Sheikh Hasina. This pace of development in Bangladesh got momentum thru the first half of in the FY 19 until the outbreak of corona virus (COVID-19) emerged as global pandemic. Bangladesh was not exception from the negative fallout of this pandemic. In response to this situation, ERD has mobilized external resources amounting to USD 1 billion budget supports to finance COVID-19 recovery measures & response related project and programs out of regular resources mobilization in the FY 2019-20. Moreover, since independence, external resources amounting to USD 152 billion has been mobilized to finance development projects and programs. On the other hand, for the first time, the disbursement crossed the landmark of USD 7 billion in FY 2019-20. It is noteworthy that the long established policy of following a prudent borrowing strategy helps us to keep the external debt to GDP 15.49% in 2020, far below the threshold level of 40%. Despite some exceptions, most of the mobilized loans are concessional in nature with long tenure with generous grace period.

03. This document mainly provides updated information on resource flows to Bangladesh from our tested development partners and repayment on account of such flows from the internal sources. A summary data on borrowings from International Monetary Fund (IMF), external debts of autonomous, semi-autonomous and corporate bodies and grants extended to the Non-Government Organizations (NGOs) are also included. However, data on aid to the private sector and debt of the defense establishment remain outside the purview of this publication. This document is prepared on the basis of latest information available with ERD and supplemented, where necessary, by the reports of the development partners, the Bangladesh Bank and other corporate bodies.

04. Undoubtedly, this publication is the outcome of sincere efforts put in by the officials of **the Foreign Aid Budget and Accounts (FABA)** branch under the supervision of Secretary, ERD. I express thanks and appreciation to the officials of ERD for their efforts in bringing out the of this important document.



Date: 31 December 2020

A H M Mustafa Kamal, FCA, MP
Minister for Finance