INTEGRATED SDG INSIGHTS
BANGLADESH

This initiative supports the articulation of national commitments to SDG transformation, towards accelerated SDG action in the second half of the 2030 Agenda.

HOW TO READ THIS REPORT

Integrated SDG Insights provides an overview of a country's economic growth trajectory, highlighting potential conflicts between growth, environmental concerns, and societal well-being (referred to as the **SDG Moment**).

It builds from the foundation of national SDG progress through the lens of the 5Ps and uses machine learning to analyse national development ambition with an SDG lens (**SDG Trends & Priorities**).

Combined, these insights are mapped against SDG interlinkages to define policy choices the accelerate SDG progress, tailored to national context (**SDG Interlinkages**).

These policy choices are made against fiscal constraints and opportunities for stimulus to ensure choices translate to development impact and leave no one behind (**Finance & Stimulus**).

SDG MOMENT:
BANGLADESH

While economic growth is a key element in achieving the SDGs, many countries are intent on moving beyond growth as a yardstick for progress. In the short run, growth enables the SDGs; but in the long run, the SDGs aim to transform the pattern of growth itself.

Bangladesh's economic growth cycle in 2023-2025 is in acceleration, with growth rates projected to be more than twice that of the world's forecast and converging with the country's growth trajectory projected before the pandemic.[1] However, rising income inequality is a concern for ensuring inclusiveness during this economic growth. Accordingly, Bangladesh's commitments to achieving the SDGs are focused on increasing people's well-being.

This pace of economic growth is expected to exert a positive effect on reducing poverty at $2.15 and $3.65 a day, although there are still significant distributional challenges to accelerate progress — with persistent regional disparities within the country. Moreover, the manufacturing-based economic expansion would be somewhat more dependent on carbon emissions, as the country's carbon emissions intensity of GDP is expected to increase at annual rates of 1.1%-1.4%.[2]

In November 2026, Bangladesh will graduate from its LDC status, therefore the achievement of the SDG agenda is contingent upon its efficient preparation to face the graduation challenges and to utilize new opportunities.
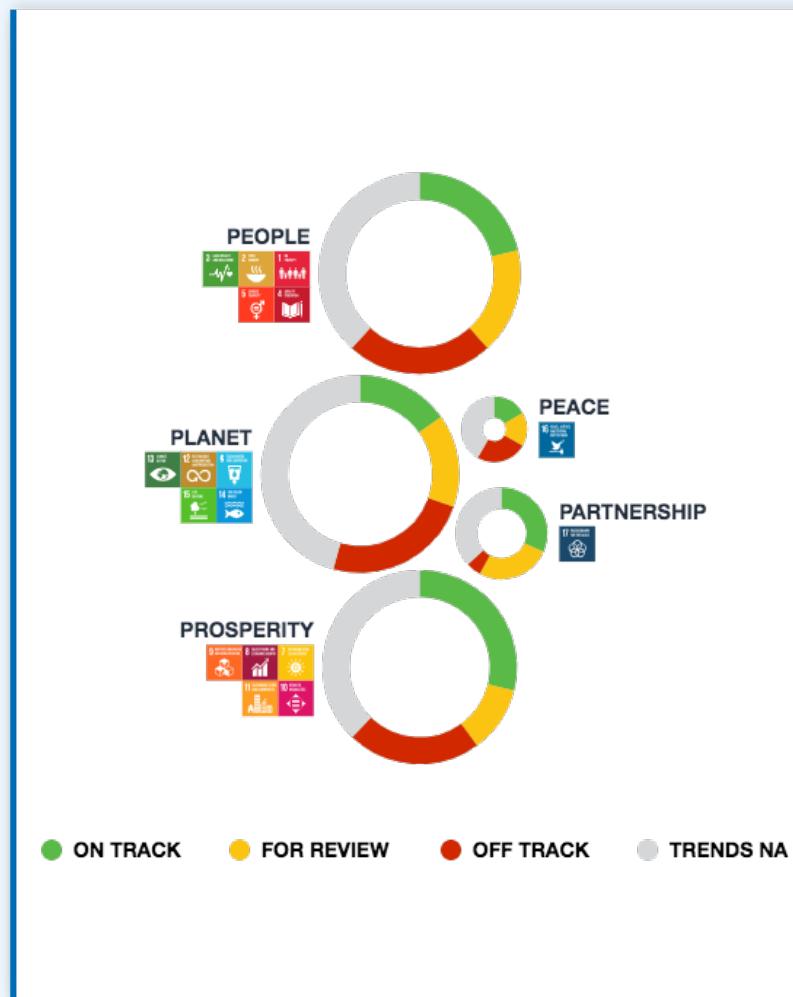
[1] The economic cycle is determined by adjusting the country's current GDP growth forecasts (April 2023) by their gap relative to the forecasts made before the pandemic and subsequent crises (October 2019). If the adjusted rates (not shown) are below 2%, the economy is considered in mitigation; it is coping if the adjusted rates range between 2%-4%, and it is in acceleration if they are above 4%.
[2] CO2 emissions intensity of GDP is computed as tonnes of CO2 per $1,000 (2017 PPP).

GDP

Growth Pathways

— GDP Projection (April 2023) — GDP Projection (October 2019) — World GDP Projection (April 2023)

Source: IMF World Economic Outlook (WEO) (April 2023 and October 2019).

PEOPLE

Poverty: Percentage of the population under each threshold (PPP$ a day)

● 2023 ● 2025

Source: Projections based on binned distributions ($0.10-bins, 2017 PPP) reconstructed from the World Bank's Poverty and Inequality Platform through the pip: Stata Module.

PLANET

Carbon Intensity: CO_2 emissions intensity of GDP (tCO2 per PPP $1,000)

● 2023 ● 2025

Source: Projections based on GDP data from the IMF WEO Database (April 2023), and on CO2 emissions from the Global Carbon Budget 2022 and EDGAR (JRC and IEA).

SDG TRENDS

Understanding how Bangladesh performs against the SDG targets provides a baseline landscape against which to build integrated SDG pathways. SDG progress tracking follows [UN Stats](#) standards and [methodology](#), and is aligned with country profiles.

Trends in detail:
https://data.undp.org/sdg-push-diagnostic/BGD/sdg-trends

SDG PRIORITIES

Bangladesh's national priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents. This analysis uses a custom-built model for SDG classification. It considers 100k+ terms, including phrases and expressions.

Key documents for analysis:

1. Bangladesh Preparedness for Graduation with Momentum (Feb 2023)
2. Bangladesh Delta Plan 2100
3. Leaving No One Behind (LNOB) in Bangladesh: Recommendations for the 8th Five Year Plan for Implementing Sustainable Development Goals (SDGs) (September 2020)
4. Medium-Term Macro Economic Policy Statement 2022-23
5. National Five Year Plan July 2020-June2025
6. National Human Development Report 2021
7. National Social Security Strategy
8. PERSPECTIVE PLAN of Bangladesh 2021-2041
9. SDGs Financing Strategy: Bangladesh Perspective (*Analysis Pending)
10. SDGs Progress Report 2022 Bangladesh (February-2023)

Priorities in detail:
https://data.undp.org/sdg-push-diagnostic/BGD/current-priorities

SDG INTERLINKAGES

SDG interlinkages reveal how actions directed towards one SDG can impact others. Uncovering and understanding these interactions can help Bangladesh to achieve the 2030 Agenda for Sustainable Development and to navigate trade-offs.

Based on a global framework for interlinkages, Bangladesh's SDG progress is colour-coded at the target level.

Building from national trends and priorities, the following integrated SDG pathways reflect policy choices with the most potential to accelerate the SDGs for Bangladesh:

- Target 1.1: Eradicate extreme poverty
- Target 8.1: Sustainable economic growth
- Target 8.5: Full employment and decent work with equal pay
- Target 10.1: Reduce income inequalities

ACCELERATION PATHWAYS

SYNERGIES

TRADE-OFFS

SDG INTERLINKAGES

1.1: By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than $1.90 a day.

The most recent official poverty estimate in Bangladesh shows remarkable progress in extreme poverty reduction. The extreme poverty rate in the country fell to 5.6% in 2022 (Household Income and Expenditure Survey, HIES, 2022) from 12.9% in 2016. The upper poverty rate has fallen to 18.7% in 2022 from 24.3% in 2016.
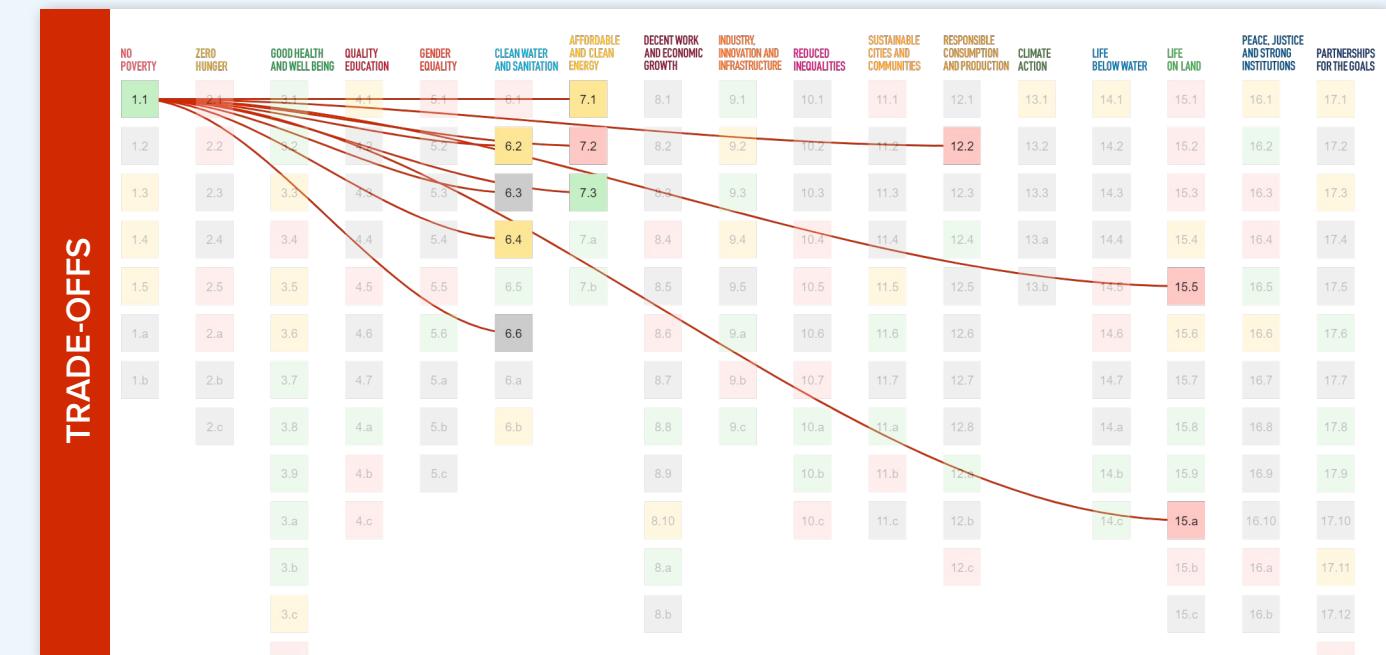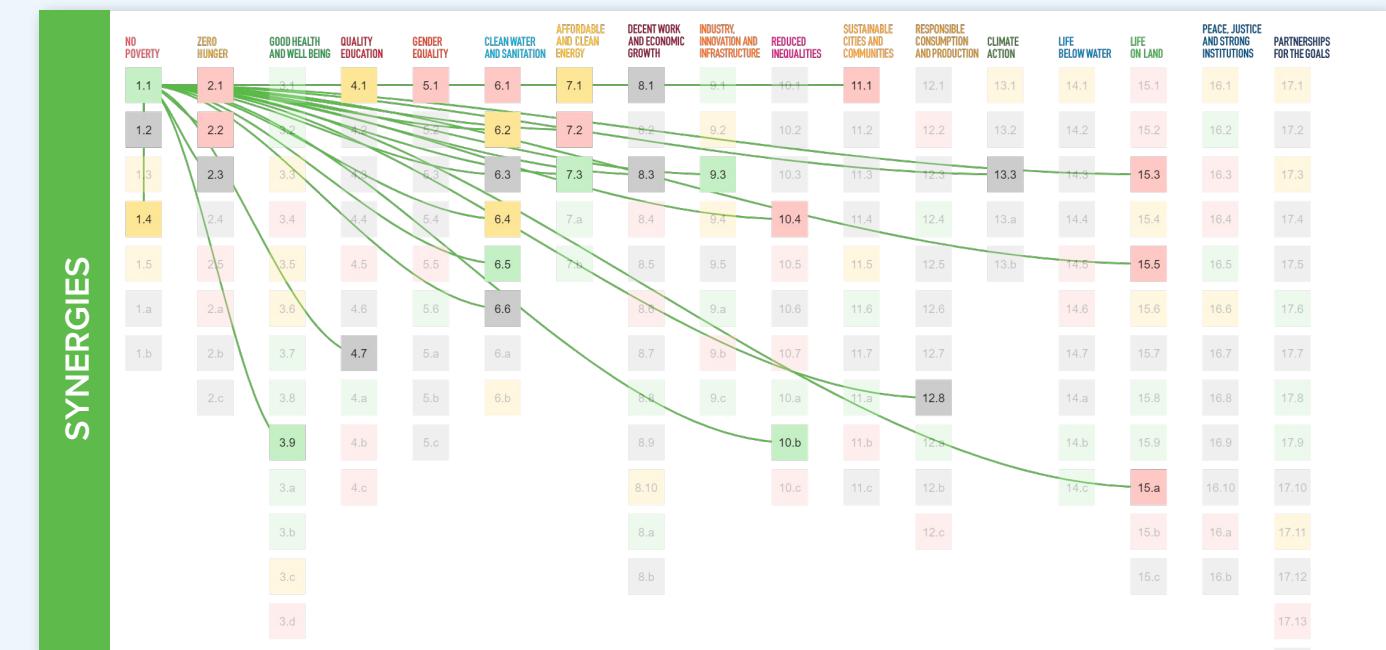
Bangladesh is progressively stepping forward to zero hunger, the daily per-capita calorie intake reached 2,393 kilocalories which was 2,210 kilocalories in 2016. Simultaneously, both income and consumption inequality are increasing and creating new vulnerable poor groups.

Bangladesh is committed to investing more in poverty reduction. In particular, investment for skills development programmes, such as the "Skills for Employment Investment Programme" and the "Employment Generation Programme for the Poorest", are aimed at enhancing the income-generating capacity of the poor. More investment is needed for the vulnerable non-poor and multidimensional deprivation indicators. Such investment will drive positive impacts on other SDG indicators, such as health indicators (SDG 3), sustainable water and sanitation (SDG 6), gender parity (SDG 5), productivity through education (SDG 4), overall economic growth (SDG 8), development of small enterprises (SDG 9) and mobilizing financial resources for biodiversity and sustainable ecosystems (SDG 15).

However, initiatives for poverty reduction may have trade-offs with initiatives for water conservation; reducing degradation of natural habitats; financing for biodiversity and ecosystems and sustainable management of natural resources. Therefore, poverty-eradicating initiatives should be based on the responsible use of natural resources and on developing biodiversity-resilient sustainable urbanization.

Source: Household Income and Expenditure Survey (HIES), 2022, Bangladesh Bureau of Statistics.

Explore the interlinkages at:
https://data.undp.org/sdg-push-diagnostic/BGD/synergies-and-tradeoffs

SDG INTERLINKAGES

8.1: Sustain per capita economic growth, in accordance with national circumstances and, in particular, with at least 7 per cent gross domestic product growth per annum in the least developed countries
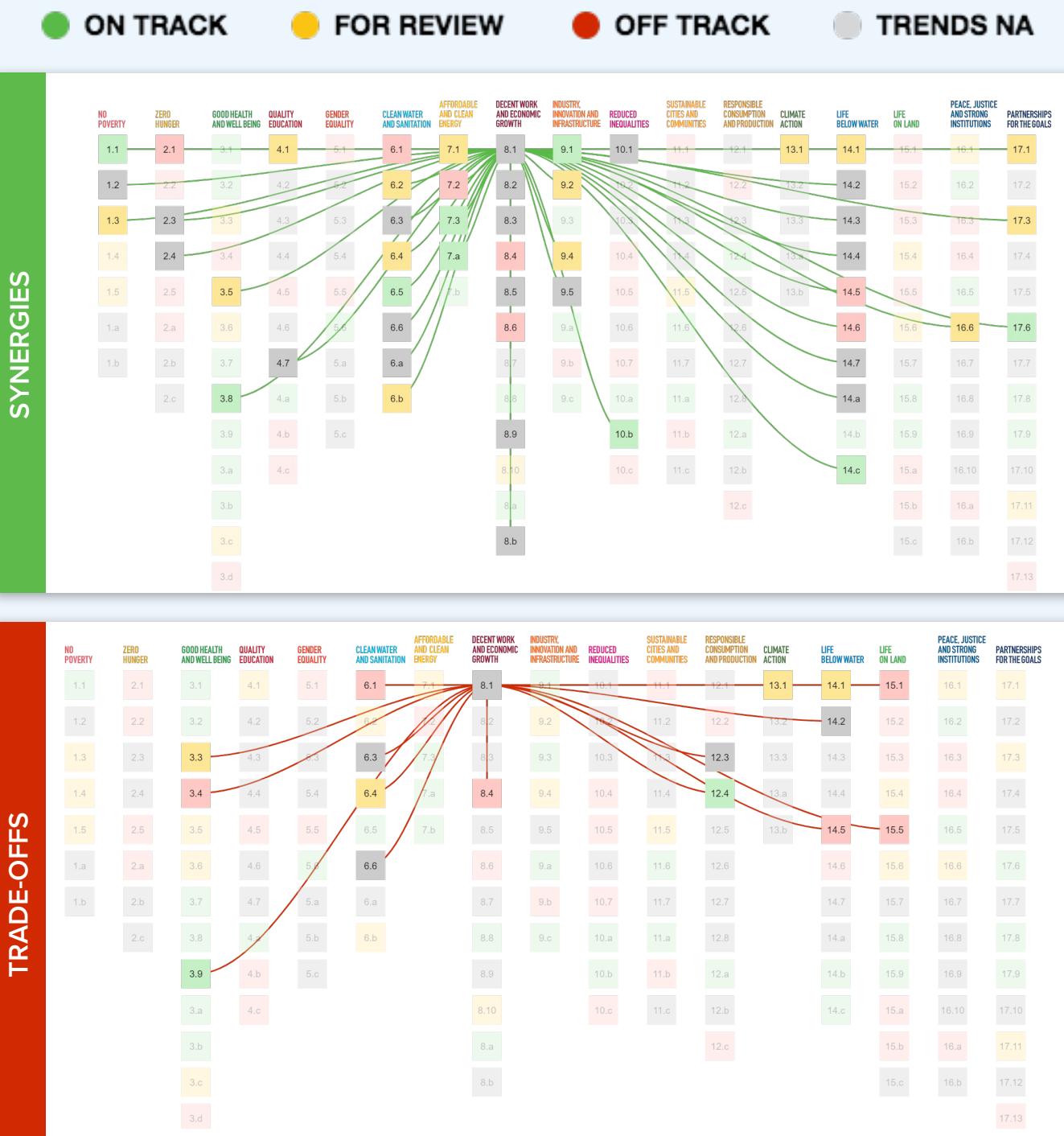
Bangladesh successfully maintained a GDP growth rate of more than 7% during the first three years of SDG implementation. In the fiscal year (July-June) 2018-2019, the GDP growth rate was 7.9%. It decreased to 3.5% due to COVID-19. While the GDP growth rate is on the path to recovery, Bangladesh needs higher and more productive investment as a percentage of GDP that has remained at 30-32% for several years against the ongoing national five-year plan target of 36.59% by 2025.

Bangladesh's higher GDP growth is driven by several factors, notably a robust demographic dividend, a large domestic market, a vibrant ready-made garments sector, resilient remittance inflows, expanding grassroot-level entrepreneurs, investment in girls' education and women's empowerment, infrastructure development for digital connectivity and overall macroeconomic stability.

Even during COVID-19, Bangladesh's per capita income continued rising and reached $2,688 in 2022. More investment for sustaining GDP growth may extend this positive impact to other SDGs, such as poverty reduction (SDG 1), better health outcomes (SDG 3), and more efforts towards resource management, including integrated water resources management (SDG 6), even transboundary cooperation.

The efforts for GDP growth are also expected to push SDG targets related to improving energy efficiency (SDG 7), infrastructure development and the upgrade of technology for supplying modern and sustainable energy services. However, due consideration is needed for potential trade-offs, where growth-enhancing activities could push back SDG progress to reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination; access to safe water, protection of water-related ecosystems and several other SDGs.

Therefore, efforts towards GDP growth should be more climate resilient, environmentally compliant and sustainable. More initiatives for disaster loss recovery, including the development of sustainable housing, are necessary to sustain economic growth.

Source: National Budget Speech 2023-24, Ministry of Finance; World Bank (https://data.worldbank.org/country/bangladesh).

Explore the interlinkages at:
https://data.undp.org/sdg-push-diagnostic/BGD/synergies-and-tradeoffs

SDG INTERLINKAGES

8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

Productive employment is the primary avenue via which Bangladesh's rising GDP and per capita income growth may become more inclusive and reduce inequality. Bangladesh has a total population of 169.4 million that includes a working-age population of 120.35 million, and 61% of the working-age population is part of the labour force (Labour Force Survey, 2022). The participation of women in the labour force is 42.7%, almost half the participation rate among men. Moreover, the fact that more than 80% of the workers are informally employed raises question about the quality of employment.

The Government has undertaken several skills-development initiatives to improve the employability of the labour force, ensuring decent work and creating job opportunities, especially, for the youth. One key programme is the Skills for Employment Investment Programme (SEIP)[1]. Moreover, the Economic Acceleration and Resilience for NEET[2] (EARN) project is aimed at youths.

Bangladesh has a significant youth population reflected in labour force statistics, namely 36.5% of the total labour force are in the 15-29 years age group. Depending on whether or not youths are employed productively will have two possible outcomes: the country may benefit from the demographic dividend or face demographic disaster.

Bangladesh's rising labour force participation is driven mainly by the youths, more particularly by young women. However, there is still a digital divide between the rich and the poor, between men and women, between rural and urban areas. The Aspire to Innovate (a2i) project of the government, supported by UNDP, is working for digital transformation throughout the country, with the aim of lowering the digital divide and creating greater employment opportunities. While there are no gender discrepancies in the formal sector wage rates, huge gaps are noted in informal sector employment.

To remove the bottlenecks in boosting female employment, the prime focus must be on dealing with certain inherent constraints like child marriage, women's safety and security in the public sphere, along with policy interventions for dealing with the challenges related to gender-centric norms.

More investment in human capital will push other SDG targets, including better health outcomes; more leadership opportunities for women; better management of water and sanitation; international cooperation on and access to science, technology and innovation, and also for further support on capacity building. However, capacity-building initiatives need to consider energy-efficiency targets.

Source: Labour Force Survey 2022; Household Income and Expenditure Survey (2022); Bangladesh Bureau of Statistics.
[1] The SEIP programme (2014 to 2024) aims at transforming the labour market from "low-skill, low-wage equilibrium" to a "higher skill, higher scale virtuous cycle", with a target of training more than 0.8 million people by 2024 and providing 60% of the trained individuals with gainful employment. It's being executed by the finance division of the government of Bangladesh and supported by several ministries, institutions, and industry associations.
[2] Not in employment, education or training.

Explore the interlinkages at:
https://data.undp.org/sdg-push-diagnostic/BGD/synergies-and-tradeoffs

SDG INTERLINKAGES

10.1: By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average.

In Bangladesh, a notable caveat in impressive GDP and per capita income growth is rising inequality. The Gini coefficient, a measurement of inequality, has been on the rise for more than a decade. According to the HIES (2022), the Gini Coefficient is 0.499 which was 0.482 in 2016 and 0.458 in 2010.

According to the SDG tracker, income growth of the bottom 40% of the population in Bangladesh is targeted to be 9.5% by 2025 and 10% by 2030 while it was 7.7% in 2018.

Inequality is a complex challenge. The 8th Five-Year Plan (2020-2025) incorporated six key interventions designed to directly address the immediate drivers of inequality. These include early childhood development and nutrition interventions;, attaining universal health coverage and access to quality education; cash transfer and progressive taxation, and expanding rural infrastructures, such as roads and electrification. While these are all good strategies, the rising inequality indicates that more targeted interventions are needed to make economic growth more inclusive. Programs that prioritize job creation, climate change adaptation, and social protection systems, along with robust revenue-generating institutions, can rapidly reduce income inequality.

Those interventions will have positive synergies on SDG targets toward health outcomes; access to water and sanitation; utilizing the possibilities of the blue economy; achieving gender equality; and others. However, distributional justice in water and sanitation access could be challenging to achieve.

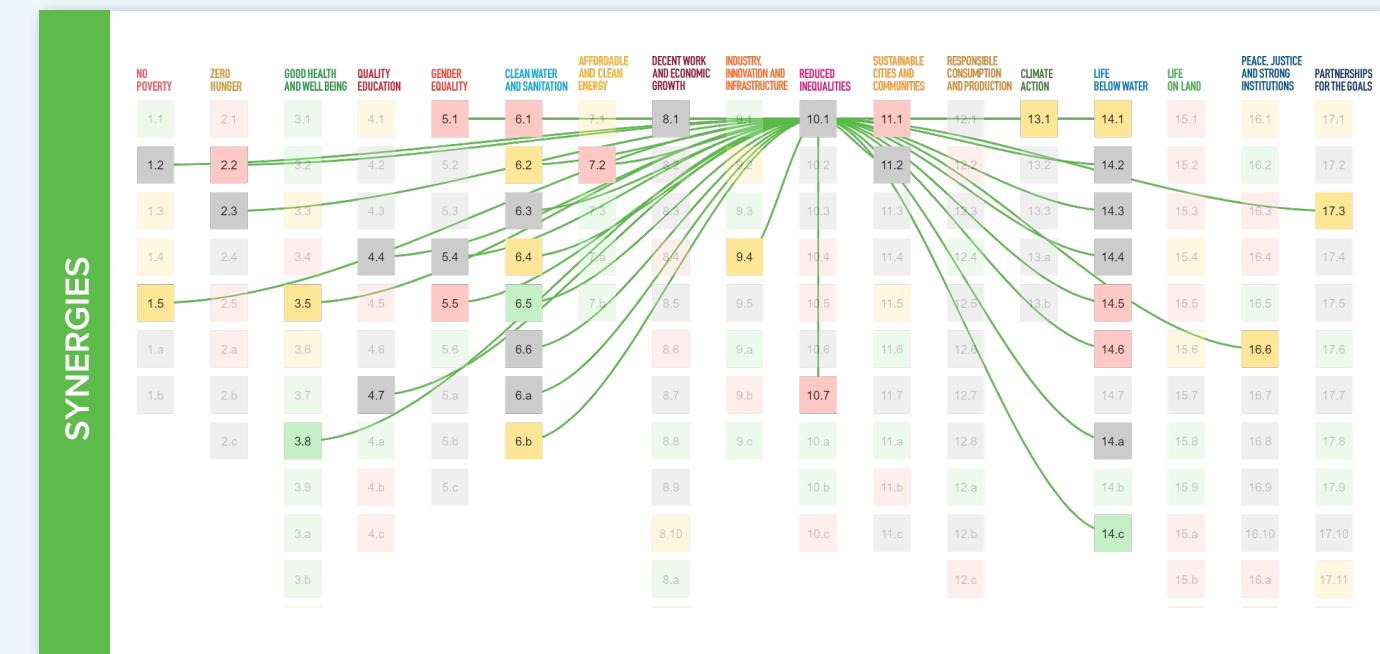Source: Household Income and Expenditure Survey (HIES), 2022.

Explore the interlinkages at:
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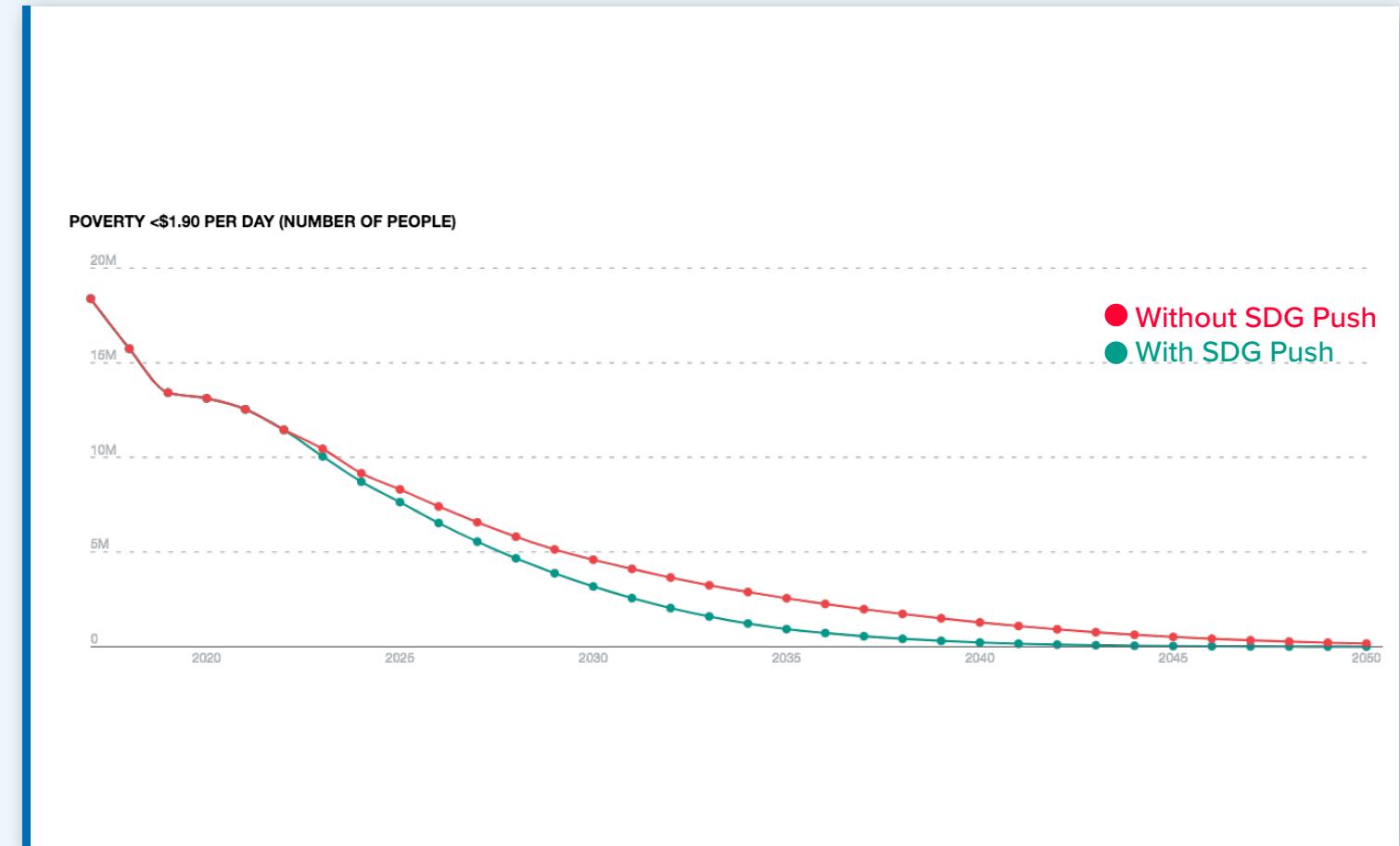
FUTURES SCENARIOS

Achieving the SDGs is possible.

The 'SDG Push' is a futures scenario based on 48 integrated accelerators in the areas of Governance, Social Protection, Green Economy and Digital Disruption. It uses national data to explore the impact on human development by 2030 and by 2050 across key SDG indicators, extrapolating the latest economic growth trends and assuming a reduction in inequalities across time.

Incorporating 'SDG Push' accelerators into development interventions in Bangladesh can reduce the number of people living in poverty over time.

People living in poverty	By 2030	By 2050
Without the SDG Push	4.6 mn	170,000
With the SDG Push	3.2 mn	3,000

POVERTY <$1.90 PER DAY (NUMBER OF PEOPLE)

● Without SDG Push
● With SDG Push

Explore SDG Futures Scenarios at:

https://data.undp.org/sdg-push-diagnostic/BGD/future-scenarios

FINANCE & STIMULUS

Many countries are facing reduced fiscal space, high debt levels, rising interest rates and downgrades on credit ratings. Fiscal and financial constraints tend to slow or even reverse SDG progress.

The radar diagram shows low frequency data points linked to government revenue and debt as a proportion of GDP and the natural resource share of total revenue. The financial indicator graph shows higher frequency data on external debt servicing relative to revenue, the sovereign credit rating and the country's latest Debt Sustainability Assessment (DSA) risk rating.

Bangladesh's gross government debt, projected at 42.1% of GDP in 2023, is 6.2 percentage points below the low-income developing countries (LIDC) average of 48.3%. The country is expected to collect 8.8% of GDP in revenue this year, thus 6.1 percentage points less than the LIDC group's 14.9%. Its external debt servicing this year is expected to be at 11.1% of revenue compared to 14.1% for the LIDC average. The country's credit rating is in the 'non-investment grade speculative' category and thus above the LIDC average of `highly speculative'. Bangladesh's latest World Bank and IMF DSA from January 2023 rates the country 'in low risk of debt distress'.

Reforms of the institutional foundations of public administration are key for ensuring the efficiency and effectiveness of public expenditures and resource mobilization. Domestic resource mobilization will need to respond to two imperatives: first, the decline in official development assistance grants and the shift towards non-concessional funding with graduation; and, second, the need for transformational public investment at scale in infrastructure, technology, high-end services, education, skilling and health, which are important for improving productivity and attracting growing private sector investment, in line with Bangladesh's upper middle-income country aspirations by 2031.
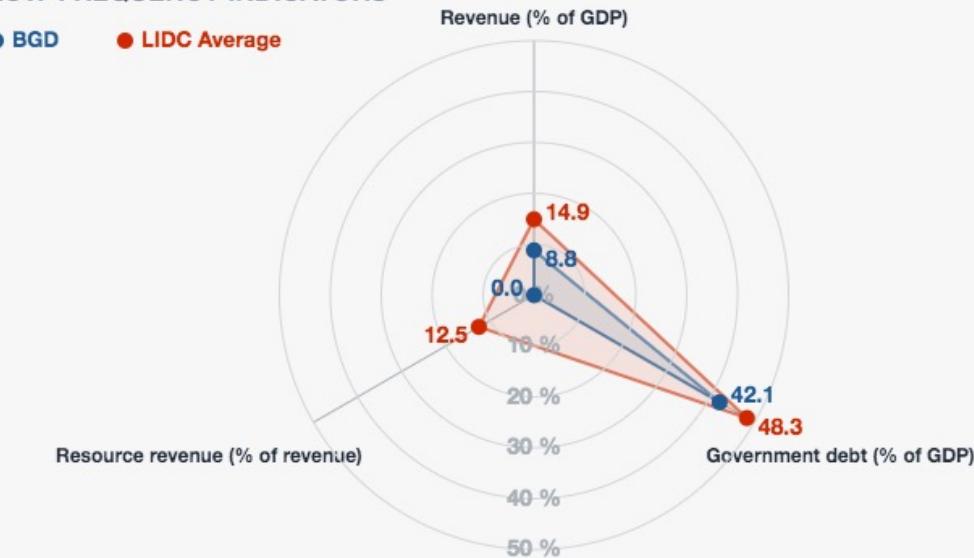
Bangladesh is using an Integrated National Financing Framework to address key fiscal and financial constraints and to build a more sustainable financial architecture at the national level. Priority actions include implementing comprehensive tax and tariff reforms, greater transparency and accountability of public expenditure, combating illicit financial flows, strengthening the debt sustainability framework and strengthening alignment of public expenditures with the SDGs. The actions to leverage private sector capital include improving financial sector governance, strengthening the business climate, developing sustainability-aligned capital markets, and addressing bottlenecks to micro-, small and medium-sized enterprises financing. It also calls for leveraging diaspora savings, investments and remittances to support the SDGs, aligning philanthropy financing with the SDGs and scaling up the public-private partnership financing of infrastructure projects.

Bangladesh has also developed a Climate Change Financing Framework (CCFF) to better mobilize climate finance and to align it with the national priorities. Under the CCFF, Bangladesh was able to mainstream climate change considerations in the budgetary processes, including the adoption of the Climate Public Finance Tracking Methodology and the introduction of Parliamentary oversight over a climate budget report about climate change allocation.

LOW-FREQUENCY INDICATORS
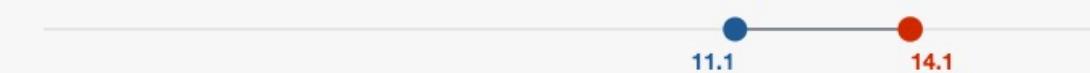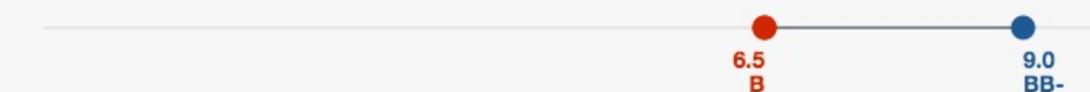
● BGD   ● LIDC Average

FINANCIAL INDICATORS

● BGD   ● LIDC Average

Total external debt servicing (% of revenue)
11.1   14.1

Credit rating
6.5 B   9.0 BB-

DSA Rating
● ○ ○ ○
LOW

Notes: External debt covers public and publicly guaranteed debt. The LIDC average of resource revenue (% of revenue) only includes the 38 countries that reported data for that indicator. The credit rating shows the numerical average of S&P's, Moodys', and FITCH's ratings, expressed in S&P's scale in brackets.

Sources: UNU-WIDER GRD (resource revenue, data from 2021), IMF WEO April 2023 (debt and revenue, forecasts for 2023), IDS (external debt, data from 2023), S&P, Moodys and FITCH (credit ratings, data from 2023), IMF/World Bank (DSA Rating as of 31 May 2023).

SDG STIMULUS

The UN Secretary General's SDG Stimulus Plan lays out a blueprint for action within the existing financial architecture. It includes:

- Providing liquidity to support recovery in the near term
- Enhancing debt relief for vulnerable countries
- Expanding development financing by MDBs
- Aligning financial flows with the SDGs and the Paris Agreement, according to country-level priorities and needs.

Given the projected fiscal and financial constraints faced by Bangladesh, possible funding options for the investments derived from the identified interlinkages are as follows:

- Tax and revenue reform
- Climate finance
- Blended and public-private finance
- SDG-aligned business environment and investment
- Accessing financial markets and insurance
- Remittances and faith-based financing

United Nations Secretary-General's SDG Stimulus to Deliver Agenda 2030

FEBRUARY 2023

United Nations

METHODOLOGY

Click here to view the Methodological Note for the Integrated SDG Insights

SDG MOMENT

Methodology
Assesses challenges and opportunities in national growth trajectories with insights on environmental sustainability and inclusiveness.

Data Sources
Future trajectories to 2025 are based on IMF-WEO GDP projections, distributions of per capita income or consumption from the World Bank, and CO_2 emissions from the Global Carbon Budget 2022 and EDGAR (JRC and IEA).

TRENDS & PRIORITIES

Methodology
SDG trends tracks progress from 2015 to date for the 231 indicators. National priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents.

Data Source
Trends utilizes official UN statistics to assess SDG progress, supplemented with national data when available. Priorities uses a custom-built model for SDG classification. The policy documents analyses are provided by Governments.

INTERLINKAGES

Methodology
Global target-level interlinkages are drawn from the KnowSDGs Platform by European Commission. SDG interlinkages were retrieved through a structured literature review in Scopus and Google Scholar to tap both grey literature and peer-reviewed publications as a source of information.

Data Source
The exercise globally considered a total of 454 documents published from 2015 to August 2022. (Miola et al., 2019 updated in 2021-2022)

FINANCE & STIMULUS

Methodology
Provides insight into indicators of fiscal and financial stress with options (INFF) for stimulus and other means to accelerate progress.

Data Source
Most recent resource data from UNU-WIDER GRD (between 2018 and 2021), debt and revenue from IMF WEO (between 2020 and forecasts for 2023), external debt from IDS (2023), yields from Haver Analytics (8 June 2023), credit ratings from S&P, Moodys and FITCH (2023), and DSA ratings from World Bank/IMF (31 May 2023).