

BANGLADESH

Extreme poverty (defined in notes) has been falling in Bangladesh, though it remains high with over 40% of people living on less than \$1.25 (PPP 2005) a day by latest available data (2010).

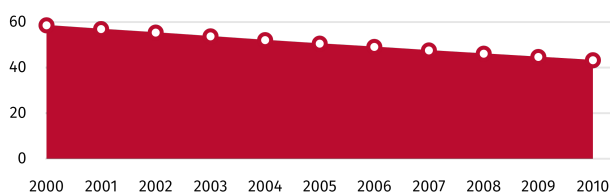
- Remittances are by far the largest international resource at 65%; ODA accounts for 16% of total international flows
- Government spending is just \$442 (PPP 2014) per person; VAT and supplementary duties are the largest source of revenue
- 75% of the US\$3.2 billion received in ODA in 2014 is cash, mostly concessional loans

Overview



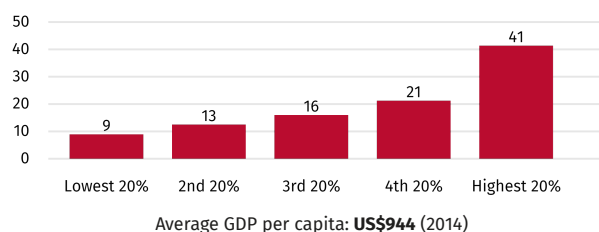
Extreme poverty has declined steadily since 2000, though it remains high

2000-2014, % of population living on under \$1.25 per day



The richest 20% of Bangladesh's population has four times the income of the poorest 20%

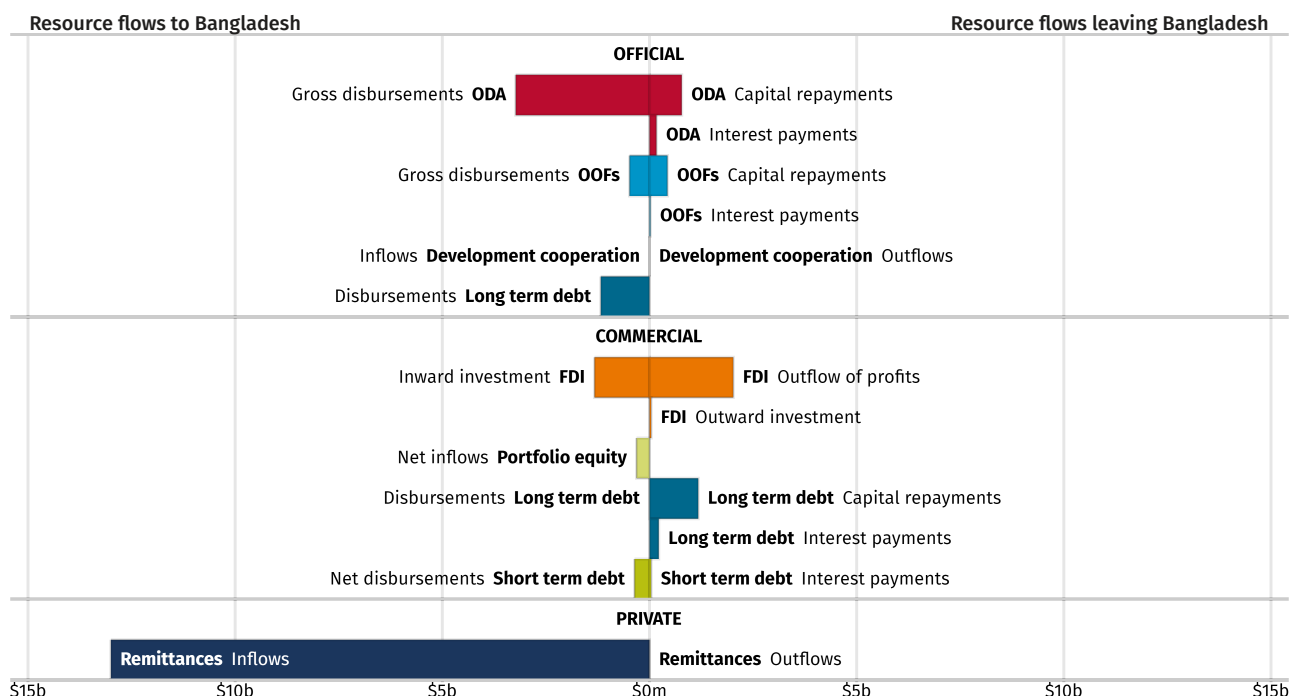
2014, share of income of bottom 20% of population



Resource flows to and from Bangladesh

Remittances are by far the largest international inflow of resources, four times greater than ODA

2014, international resource inflows and outflows (US\$ billions, constant 2012 prices)



Notes: We define extreme poverty as measured using the \$1.25 (PPP 2005) extreme poverty line. Purchasing power parity (PPP) prices are the rate at which a country's currency would have to be converted into that of another country to buy the same amount of goods and services in each country. PPPs are constructed by comparing the cost of a common basket of goods in different countries. Depth of poverty is a measure of the average gap in incomes for people living below the poverty line spread across the population of the whole country, expressed as a percentage of the \$1.25 a day poverty line. 'Domestic public resources available' refers to the total non-grant revenue either collected or projected to be collected by the government in the financial year 2014. Across countries in South and Central Asia the richest 20% of the population have five times the income of the poorest 20% on average. Acronyms: ODA: official development assistance.

Government finance

Value added tax and supplementary duties dominate government revenue collection, accounting for over 40% of the total, with grants at 3%. Financing from domestic and international sources is an important part of resource generation. Of government expenditure, 57% is recurrent and 38% is spent on development programmes.

Value added tax and supplementary duties account for 44% of total revenue

2013, latest year of actual revenue (US\$ billions, constant 2012 prices)

Total Revenue and grants 100% of total US\$15.6bn	revenue 97% of total US\$15.2bn	Tax Revenue 86% of total US\$13.4bn	National Board of Revenue NBR taxes 83% of total US\$12.9bn
		Non-Tax Revenue 11% of total US\$1.8bn	

Domestic non-bank financing provides an important financial stream to the government

2013, latest year of actual financing (US\$ billions, constant 2012 prices)

Financing 100% of total US\$6.2bn	Net External Finance 19% of total US\$1.2bn	Amortization -32% of total US\$-0.8bn
	Cash Float and Discrepancy 20% of total US\$1.3bn	Disbursements 32% of total US\$2bn
	Net Domestic Finance 60% of total US\$3.7bn	Nonbank Financing 64% of total US\$4bn

Interest payments make up 25% of recurrent expenditure and 15% of total spending

2013, latest year of actual expenditure (US\$ billions, constant 2012 prices)

Total Expenditure 100% of total US\$21.9bn	Development Expenditure 38% of total US\$8.2bn	Annual Development Program ADP 31% of total US\$6.8bn
		Non-Annual Development Program ADP capital spending 7% of total US\$1.4bn
	Recurrent Expenditure 57% of total US\$12.5bn	Goods And Services 8% of total US\$1.7bn
		Interest Payments 15% of total US\$3.2bn
		Subsidies And Transfers 21% of total US\$4.5bn
Not Labeled 1% of total US\$0.1bn		Pay and Allowances 14% of total US\$3bn

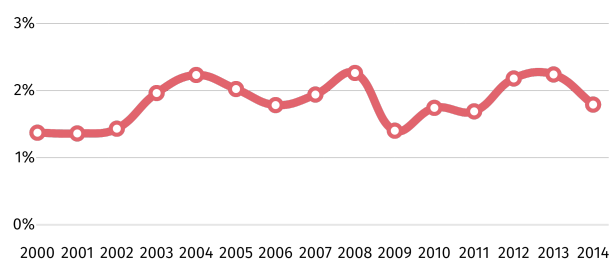
Notes: Year of data refers to the 2015 fiscal year running from July 2014 to June 2015. The pink boxes represent negative values, typically showing repayments of loans under financing. Some labels have been omitted from these visualisations; for these, and those that are too small to read, please refer to the online country profile page on the Development Data Hub for more details.

ODA

Gross ODA to Bangladesh totalled US\$3.2 billion in 2014, down slightly from 2013 though remaining above previous years. Three-quarters of ODA to Bangladesh is cash, mostly in the form of loans and equity investments, though with over US\$500 million in grants. IDA, Japan and the Asian Development Bank provide the most: over half of all ODA, primarily as concessional lending. By sector, infrastructure receives the most: US\$640 million or 20% of total ODA. Japan is the largest provider of infrastructure ODA. Health and education each receive over US\$400 million; IDA is the largest provider to both sectors.

ODA relative to GDP fell in the 2000s but rose in 2012 and remains above 2%

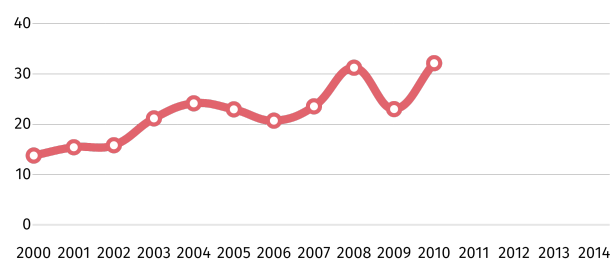
Gross ODA % of GDP



■ Total ODA as a % of GDP ■ Total ODA (excl-non-transfer) % of GDP

ODA per poor person has been relatively constant overall between 2000 and 2010

ODA per person living under \$1.25 a day



■ Total ODA as a % of GDP ■ Total ODA (excl-non-transfer) % of GDP

Cash (loans/equity) and cash grants account for over three-quarters of all aid to Bangladesh

2014, gross disbursements



Note: GPGs, global public goods; NNGOs, Northern non-governmental organisations.

IDA provides all its aid as loans/equity; Japan and ADB provide most of their aid in this way

2014, US\$ millions, gross disbursements

Aid from the ten largest donors



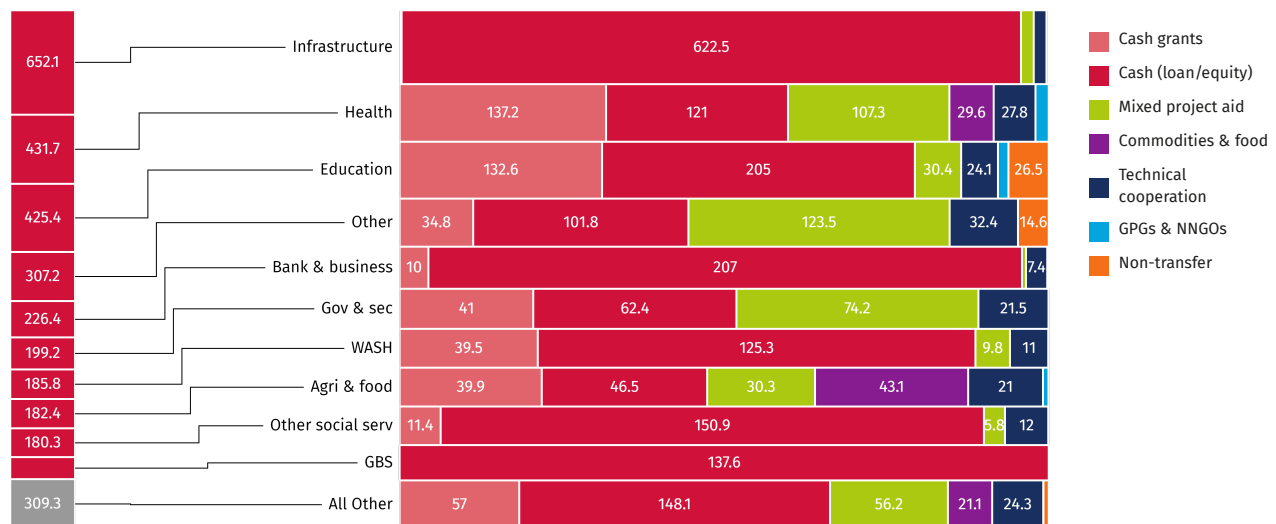
Note: ODA is equivalent to 0.64% of GDP in all developing countries and 0.8% in South and Central Asia in 2014. Acronyms: ADB: Asian Development Bank; IDA: International Development Association.

What is aid spent on?

Almost half of aid goes to infrastructure, health and education, and to these mostly as loans and equity

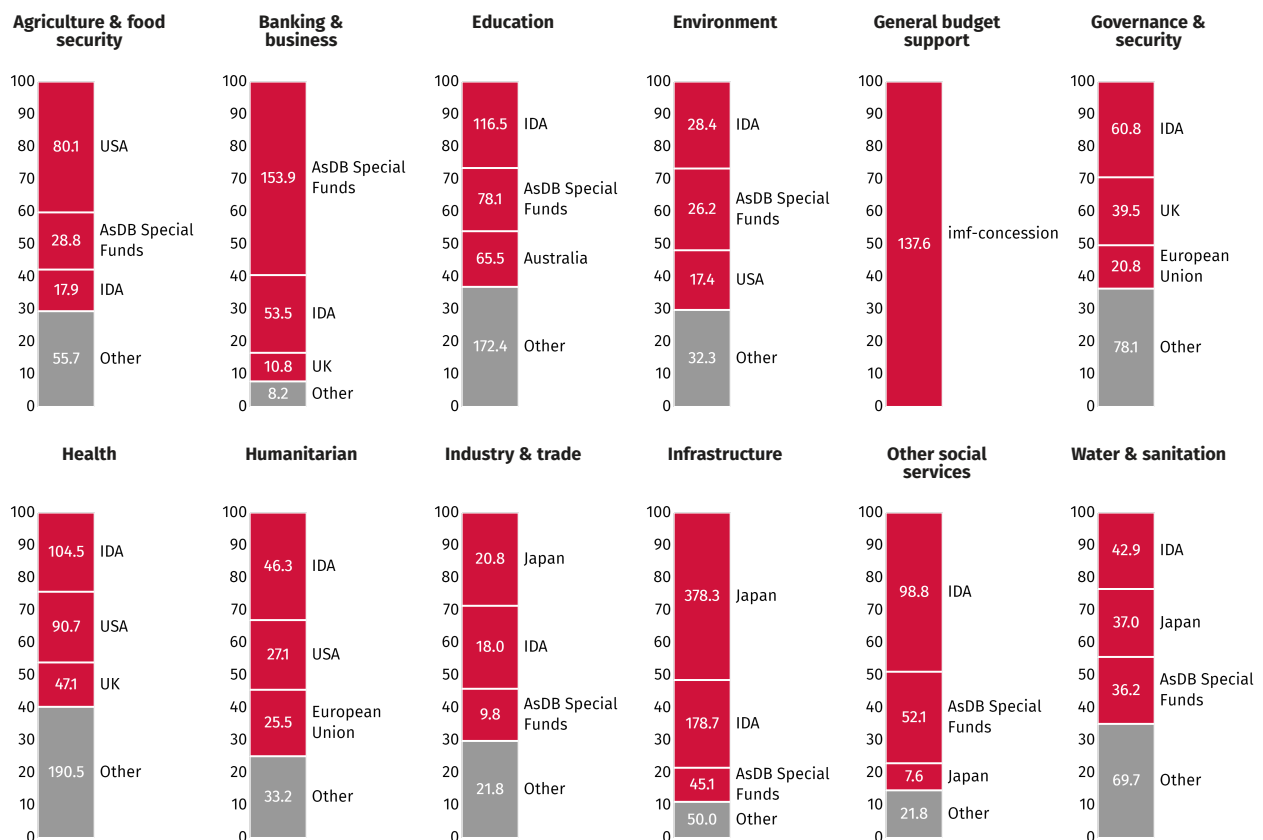
2014, US\$ millions, gross disbursements

Total aid by sector



IDA provides the most aid to seven sectors; the IMF provides 100% of budget support ODA

2014, gross ODA, % of total (US\$ disbursements in columns)



Notes: Data is from the OECD Development Assistance Committee (ODA and other official flows data), the World Bank (long-term debt, remittances, gross national income (GNI) and poverty), the United Nations Conference on Trade and Development (FDI), IMF article IV publications (domestic revenue and expenditure), Global Financial Integrity (illicit financing and trade mispricing). Other official flows (OOFs) are typically loans that are either not sufficiently concessional to count as ODA, or are mainly in support of commercial objectives, such as donor exports. All data in US\$ is in 2012 prices. 'Other' sector aid includes multisector ODA, administrative costs, support for refugees in the donor country and unallocated or unspecified ODA. Acronyms: FDI: foreign direct investment; IMF: International Monetary Fund; OECD: Organisation for Economic Co-operation and Development; OOFs: other official flows.