# **BANGLADESH**

According to the most recent estimates (2013), extreme poverty in Bangladesh has been declining with 11.7% of the population living on less than PPP\$1.90 a day; meanwhile income distribution remains uneven.

- Remittances account for 64% of all international resource flows, ODA for 13%
- In 2015, spending by the Bangladesh government equated to PPP\$468 per person, which is among the 25 lowest amounts globally
- · Over half (54%) of all ODA to Bangladesh is provided by three donors: IDA, Japan and the ADB

#### **Overview**

HOW MANY OF THE POOREST 20% OF PEOPLE GLOBALLY LIVE IN BANGLADESH?

49.8m

WHAT RESOURCES
ARE AVAILABLE?
Domestic public

US\$18.6bn
International
US\$24.2bn

HOW MUCH DOES THE GOVERNMENT SPEND PER PERSON?

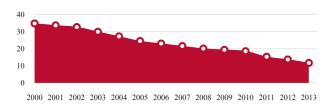
PPP\$468

HOW DEEP IS POVERTY?

2%
Depth of poverty

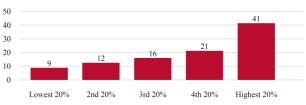
# The share of people living in extreme poverty more than halved between 2002 and 2013

% of population living on under \$1.90 per day



# The poorest 20% of the population holds 8.9% of total income

2010, share of income by quintile of population

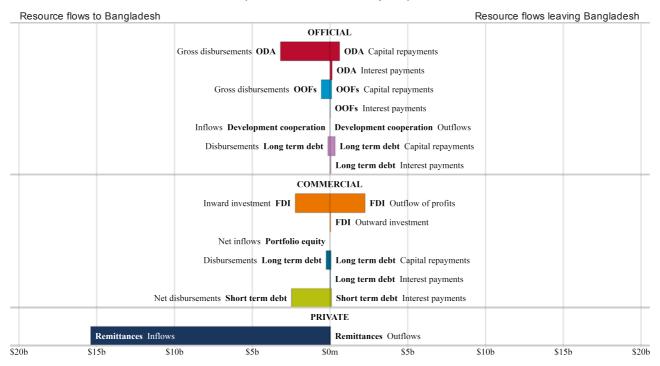


#### Average GDP per capita: US\$1,212 (2015)

## Resource flows to and from Bangladesh

#### Remittances are the largest international inflow to Bangladesh, almost five times the volume of ODA

2015, international resource inflows and outflows (US\$ billions, constant 2015 prices)



Notes: We define extreme poverty as measured using the 2011PPP\$1.90 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 PPP\$1.90 a day poverty line. Poverty data in the overview boxes is for the year 2013. '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 2015. Data on 'international resources available' also refers to the year 2015. Data on government spending per person is expressed in 2015 PPP\$, as estimated by the IMF, and refers to the year 2015 or most recent year prior. Acronyms: ADB: Asian Development Bank; GDP: gross domestic product; IDA: International Development Association; IMF: International Monetary Fund; ODA: official development assistance.

### **Government finance**

Value-added tax and supplementary duties make up a significant proportion of 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

2015, latest year of actual revenue (US\$ billions, constant 2015 prices)

Total Revenue And Grants 100% of total   US\$19bn	Revenue 97% of total   US\$19bn	Non-Tax Revenue 11% of total   US\$2bn	
		Tax Revenue 86% of total   US\$16bn	National Board Of Revenue Nbr Taxes 82% of total   US\$16bn
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### Domestic non-bank financing provides an important financial stream to the government

2015, latest year of actual financing (US\$ billions, constant 2015 prices)

Financing 100% of total   USS7bn	Net Domestic Finance 61% of total   USS5bn	Nonbank Financing 65% of total   US\$5bn
		Market or Control of the Control of
	Cash Float And Discrepancy 19% of total   US\$1bn	
	Net External Finance 20% of total   USS1bn	Disbursements 32% of total   US\$2bn

### Interest payments make up 26% of recurrent expenditure and 15% of total spending

2015, latest year of actual expenditure (US\$ billions, constant 2015 prices)

Total Expenditure 100% of total   US\$27bn	Development Expenditure 38% of total   US\$10bn	Non-Annual Development Program Adp Capital Spending 7% of total   USS2bn  Annual Development Program Adp 31% of total   US\$8bn
	Not Londing 4% of total (1551ba	
	Recurrent Expenditure 57% of total   US\$15bn	Goods And Services 8% of total   USS2bn  Pay And Allowances 14% of total   US\$4bn  Subsidies And Transfers 20% of total   US\$5bn
		Interest Payments 15% of total   US\$4bn

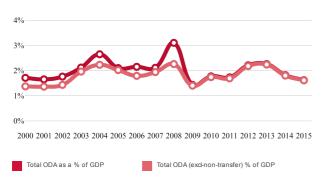
Notes: Year of data refers to the fiscal year 2015 running from July to June. The pink boxes represent negative values, typically showing repayments of loans under financing. Some labels have been omitted from these visualisations; for these, and those that are too small to read, please refer to the online country profile page on the Development Data Hub. For the specific source information see here: https://github.com/devinit/digital-platform/blob/master/user-data/domestic/csv/domestic-sources.csv

#### **ODA**

Gross ODA to Bangladesh totalled US\$3.2 billion in 2015, representing the highest volume since 2000 and a 10% rise from levels in 2014. Over three-quarters of ODA to Bangladesh is cash, mostly in the form of loans and equity investments (64%), though over US\$400 million is grants (14%). IDA, Japan and the ADB provide the most ODA: over half of the total, primarily as concessional lending. By sector, infrastructure receives the most: US\$605 million, just under a fifth of total ODA. Japan is the largest provider of infrastructure ODA. Health and education each received over US\$450 million in 2015; the US is the largest provider to health and IDA is the largest provider to education.

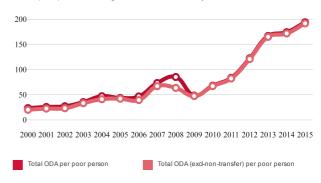
# After increasing over 2009-2013, ODA relative to GDP decreased to 1.6% in 2015

Gross ODA % of GDP



# ODA per poor person has been increasing since 2009, reaching US\$195 in 2015

ODA per person living under \$1.90 a day



## Almost two-thirds of ODA is channelled in the form of loans and equity; another 14% as grants

2015, gross disbursements

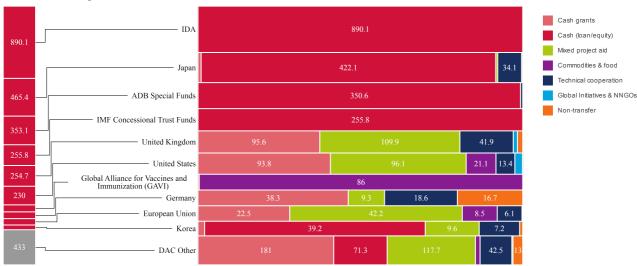


Note: NNGOs, Northern non-governmental organisations.

#### IDA provides over a quarter of all ODA to Bangladesh, all in the form of loans and equity

2015, US\$ millions, gross disbursements

Aid from the ten largest donors

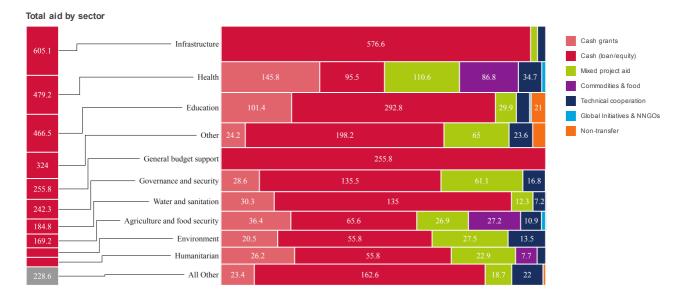


Note: ODA is equivalent to 0.48% of GDP in all developing countries and 0.76% in South and Central Asia in 2015. ODA per capita is equivalent to US\$13 in South and Central Asia. Acronyms: NNGOs: northern non-governmental organisations.

## What is aid spent on?

# Loans and equity dominate as financing modality for ODA in all major sectors except health

2015, US\$ millions, gross disbursements



# IDA is the largest donor in the majority of sectors, while the IMF provides all budget support

2015, gross ODA, % of total (US\$ millions 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 UN Conference on Trade and Development (FDI), IMF article IV publications (domestic revenue and expenditure). 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 2015 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; OECD: Organisation for Economic Co-operation and Development.