

## BANGLADESH

# Bangladesh needs to fight against illicit finance flow and to achieve SDGs

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According to recent government report claims that, despite various challenges Bangladesh is on track to achieve Sustainable Development Goals. The report titled Sustainable Development Goals: Bangladesh progress Report 2018 says, Bangladesh is performing well in various aspects including poverty reduction, gender equality, electricity, sanitation and annual GDP growth. The first three SDGs pertain to ending poverty, hunger and improving public health and Bangladesh has made good progress on all three and is on track to achieve the targets. Of the 17 targets under the three SDGs, four have already been met, six are on track and five need more attention.

But some challenges have been so far identified, one major challenge is the lack of proper data. Bangladesh has data for only 70 indicators out of the 232 prescribed by the United Nations to assess progress of SDGs.<sup>1</sup> Bangladesh government also highlights the need for improved international cooperation and support to meet 41 out of the 169 targets that fall within the 17 SDGs.<sup>2</sup>

Even though, the government official report is pretty much hopeful to achieve almost all the SDGs within the expected timeline, there are some challenges which will be hard to overcome for the government. Along with the lack of proper data, quality of already collected data is also another concern. There are also some issues those are not getting proper focus in the development discourse of Bangladesh. Inequality among the rich and poor, urban and rural people are pretty much evident, but it is not getting proper attention. Illicit finance flow is eating a huge chunk

of Bangladesh potentials, which is one again an issue concern people are reluctant to discuss more. Unemployment of youth population is also another big hurdle for Bangladesh which is hard to address. Some following paragraphs tries to highlights these hurdles for Bangladesh in achieving the SDGs within the timeline. It also highlights Bangladesh's success in achieving the MDGs, which inspire Bangladesh to be confident in achieving the SDGs too. The report also highlights government level initiative, specially integration of SDGs in government policies.

### Achievements of MDGs: Success inspire a lot

It is now evident that, international communities had not kept their commitment on providing financial supports towards the achievement of MDGs in Bangladesh. It was estimated that US\$ 78.2 billion was required to achieve MDGs in Bangladesh during 2011-15<sup>3</sup>. Bangladesh needed foreign assistance of US\$ 5.0 and US\$ 3.0 billion per year, but from 1990-91 to 2013-14, Bangladesh, on an average, received US\$ 1.74 billion ODA per year<sup>4</sup>

Even though Bangladesh was not able to get international support that was supposed to be in place, this country was impressive in achieving many targets of MDGs. Bangladesh showed an impressive poverty reduction from 56.7% in 1991-92 to 24.8% in 2015. Significant progress was made in increasing equitable access in education with net enrolment rate of 97.7per cent and

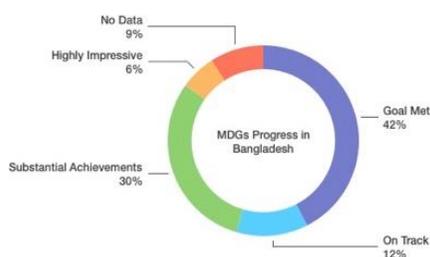
<sup>1</sup> The Daily Star online, February 3, 2019

<sup>2</sup> The Daily Independent online, February 3, 2019.

<sup>3</sup> Bangladesh Planning Commission: MDG Financing Strategy for Bangladesh April, 2011).

<sup>4</sup> Bangladesh Planning Commission: Bangladesh Progress Report (September, 2015)

completion rate of 81.3 per cent at primary level in 2015. Bangladesh achieved the targets of gender parity in primary and secondary education at the national level long before 2015.<sup>5</sup> Maternal mortality declined from 322 in 2001 to 170 in 2014, about 47% decline in nine years<sup>6</sup>, obviously a leapfrogging though not hitting the bull's eye. Bangladesh performed well in halting communicable diseases under this goal. The prevalence of HIV/AIDS in Bangladesh is less than 0.1 per cent and thus is still below an epidemic level. At present there is only 13.40 per cent of land in Bangladesh with tree cover of density of 30 per cent on average which is well below the target set for 2015 of 20%.<sup>7</sup> Target under the indicator Prevalence of underweight children under-5 years of age (6-59 months) was 33.0; it is now 32.6.<sup>8</sup>



From analyzation, it is found that, Bangladesh met 43% of MDGs indicators fully, substantial achievements were made against 30% indicators, for 6% indicators Bangladesh achievements were marked as highly impressive and for 12% indicators Bangladesh was marked as on track. The MDGs progress report of Bangladesh shows that, there is no data on for 9% of the indicators. Table 1 stated the results in details.

<sup>5</sup> General Economics Division (GED), Bangladesh Planning Commission: Millennium Development Goals: End-period Stocktaking and Final Evaluation Report (September, 2016).

<sup>6</sup> The Daily Star, October 02, 2014

<sup>7</sup> General Economics Division (GED), Bangladesh Planning Commission: Millennium Development Goals: End-period Stocktaking and Final Evaluation Report (September, 2016).

<sup>8</sup> National Institute of Population Research and Training (NIPORT), Mitra and Associates, and ICF International. Bangladesh Demographic and Health Survey 2014 (March, 2016).

## Bangladesh Progress in SDGs: Underscores the need of International Cooperation

According to the Bangladesh progress report the progress on reducing extreme poverty measured by \$1.90 a day and proportion of government expenditure on services (health, education and social protection) as share of the total government expenditure is on the track. The country is on the track to achieve the SDG on clean water and sanitation. Currently, 87 percent of the population has access to safe water sources and 61 percent has access to safe sanitation. Bangladesh has made an upward shift in average annual growth rate to more than 7 percent in recent years from the above 6 percent rate over the last decade. This coupled with slower population growth led to increasing per person GDP growth and the country is on the track to achieve the 2020 target.

The SDG 9 pertains to providing resilient infrastructure, sustainable industrialization and innovation and much still needs to be done. However, the proportion of population covered by mobile network has reached close to 100 percent in case of 2G technology.

The 2020 milestone in case of 3G technology was achieved in 2017. The SDG 10 entails reducing inequalities and the government has not fared well on this front. The government has been following a pro-poor development strategy, which combines acceleration of economic growth and reduction of poverty and inequality. The country is on the track to achieve SDG 14, 15 and 16. The goals entail conserving the oceans, seas and the terrestrial ecosystems.<sup>9</sup>

Table 2 presents the summary of the Bangladesh Progress in SDGs.

<sup>9</sup> Bangladesh Planning Commission, Sustainable Development Goals: Bangladesh Progress Report 2018 (December, 2018)

Table 1: MDGs achievements of Bangladesh

Goal	Total Indicators	Goal Met	On Track	Substantial Achievements	Highly Impressive	No Data
1	4	3	1			
2	3	1	1	1		
3	3	2		1		
4	3	2		1		
5	5		1	4		
6	6	4	1	1		
7	4	2		2		
8	5				2	3

Table 2: Bangladesh Progress on SDGs<sup>10</sup>

SDGs	Bangladesh Progress
1	<ul style="list-style-type: none"> <li>The progress on reducing extreme poverty measured by \$1.90 a day or by national poverty line (LPL) is on track.</li> </ul>
2	<ul style="list-style-type: none"> <li>Progress on reducing stunting which stood at 36.1 per cent in 2014 is virtually on track at the current rate of reduction. Similarly, progress on reducing wasting which stood at 14.3 per cent is also on track</li> </ul>
3	<ul style="list-style-type: none"> <li>The child related indicators, namely, under 5 mortality rate (U5MR) (31 per thousand live births) and neo natal mortality rate (NMR) (17 per thousand live births) have already surpassed or reached their 2020 milestone targets (U5MR-34 and NMR-17) ahead of time. Some of the women related targets such as number of medically-trained care providers during child birth, proportion of currently married women who use modern contraceptive method (59.2%) and adolescent (women aged 15- 19 years) are very close to reaching their targets in 2020</li> </ul>
4	<ul style="list-style-type: none"> <li>Gender Parity Index (GPI) exceeded 1 at primary and secondary levels of education and has remained above 1 for more than a decade</li> </ul>
5	<ul style="list-style-type: none"> <li>The proportion of women aged 20-24 years who were married or in a union before age 15 years stood at 10.70 per cent and before age 18 years 47 per cent which registered some decline over time</li> <li>About a quarter of women's daily time is spent on such work. The proportion of female members in the Parliament has been slowly increasing over time reaching 20.57 per cent in 2017.</li> <li>Bangladesh ranks 48 in global ranking of countries with a score of 0.721 indicating significantly better performance in promoting women empowerment compared to her South Asian neighbours.</li> </ul>
6	<ul style="list-style-type: none"> <li>Bangladesh is moving steadfastly towards ensuring access of 100 per cent households to electricity well ahead of the target time in 2025; it reached 85.3 per cent in 2017 (91% in 2018 December)</li> <li>The country lags behind in other energy indicators</li> </ul>
7	<ul style="list-style-type: none"> <li>Bangladesh has made an upward shift in the average annual growth rate to more than 7 per cent in the recent years</li> <li>the average annual growth rate of GDP per employed person has already reached the 2020 target in FY2017</li> </ul>

<sup>10</sup> *ibid* (The table has been prepared with the information collected from the Bangladesh progress Report.)

8	<ul style="list-style-type: none"> <li>About 29 per cent of youth was not in education, not in employment (NEET) in the base year which increased to about 30 per cent in the following year. While the proportion of youth male NEET is closer to 10 per cent the proportion of youth female is closer to 50 per cent in 2016/17. Both rates are higher than their levels in the preceding year which puts them off-track.</li> </ul>
9	<ul style="list-style-type: none"> <li>The road density per 100 square kilometer increased to 14.61 kilo meters in 2017 from 14.41 kilo meters in 2010</li> <li>The share of manufacturing value added in GDP has increased significantly already exceeding the 2020 milestone in FY2017</li> </ul>
10	<ul style="list-style-type: none"> <li>According to recent available data (HIES 2016) income inequality has increased while consumption inequality has remained relatively stable.</li> </ul>
11	<ul style="list-style-type: none"> <li>Nearly 44 per cent of the urban population lived in purely temporary structures and 29 per cent lived in semi-permanent structures.</li> </ul>
12	<ul style="list-style-type: none"> <li>An estimated 10 per cent of crop productivity in Bangladesh is lost during postharvest operations.</li> <li>About 5.5 per cent of the total procured food is wasted of which 3 per cent is wasted during procurement and preparation stage, 1.4 per cent during serving, and another 1.1 per cent from the plates.</li> </ul>
13	<ul style="list-style-type: none"> <li>Number of deaths, missing persons and directly affected persons attributed to disasters per 100,000 population (Indicator 13.1.1) have fallen over the years. Now it stands at 12,881 with a target of 6500 by 2020 and 1500 by 2030.</li> </ul>
14	<ul style="list-style-type: none"> <li>Total protected area now stands at 2.05% of the marine area (Target 14.5). Major success has been achieved in Hilsa protection with production almost doubling in last 15 years.</li> </ul>
15	<ul style="list-style-type: none"> <li>The forest coverage of the country now stands at 17.5% which is targeted to increase to 20% by 2020.</li> </ul>
16	<ul style="list-style-type: none"> <li>The number of victims of intentional homicide reduced significantly from baseline values. Appropriate measures undertaken by the government of Bangladesh contributed significantly to improving human trafficking and youth mental and physical abuse.</li> </ul>
17	<ul style="list-style-type: none"> <li>Achieving SDGs will critically depend on the availability of resources including external resources. The need for enhanced international cooperation and support has been emphasized for achieving 41 of the 169 targets of SDGs. International community will have to provide adequate and timely support to Bangladesh to help implement a comprehensive and all-encompassing development agenda like SDGs 2030.</li> </ul>

### SDGs integration in Government Policies

Bangladesh government is pretty much positive and enthusiastic regarding the SDGs. Prime Minister of Bangladesh has already demonstrated her commitments towards the SDGs. She has established an Inter-Ministerial Committee on SDGs Implementation. 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. GED is the secretariat for the committee to coordinate implementation at the policy level along with monitoring and reporting SDGs status.

Commitment and enthusiasm of the Prime Minister has been also reflected in the policy level. One of major important development policies of Bangladesh is its Five Year Plan (FYP), all the 17 goals of SDGs are already integrated into the running 7<sup>th</sup> FYP. Among the 17 goals, 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<sup>11</sup>. It is rationally expected that, achievement of the FYP objectives and targets will contribute towards achievement of SDGs. Bangladesh's achievement in implementing the 7th FYP will be rewarding internationally for fulfilling the global commitments. The 7FYP has made a reflection on the core goal of SDGs especially in ending poverty in all its form. Bangladesh has achieved remarkable success in reducing the poverty in last few decades. Nevertheless, about a quarter of the population of 160 million is still living below the poverty line, hence setting that target is a necessary condition for attacking poverty with delineating 7.4% expected annual growth rate that was suggested by SDGs (SDG 8.1). Table 3 reflects the major SDGs' targets that are integrated with government 7FYP.

<sup>11</sup> The Dhaka Tribune, February 4, 2019

Table 3: Integration of SDGs in 7FYP<sup>12</sup>

SDGs	Integrated Issues (Development Targets in 7FYP)
SDG 1. End poverty in all its forms everywhere.	<ul style="list-style-type: none"> <li>Reduction in the headcount poverty ratio by about 6.2 percentage points (from 24.8% to 18.6%).</li> <li>Reduction in extreme poverty by about 4.0 percentage points (i.e. 8.9 % in 2020).</li> <li>Spending on Social Protection as a share of GDP to be increased to 2.3</li> </ul>
SDG 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture.	<ul style="list-style-type: none"> <li>Consolidation of Food Transfer Program as suggested by National Social Security Programme.</li> <li>Reduce proportion of stunting among under-five children from 36.1% to 25%. iii. Reduce proportion of underweight children among under-five children from 32.6% to 20%.</li> </ul>
SDG 3. Ensure healthy lives and promote wellbeing For all at all ages.	<ul style="list-style-type: none"> <li>Under 5 mortality rates to be reduced from 41 to 37 per 1000 live births.</li> <li>Maternal Mortality Ratio to be reduced from 170 to 105 per 100,000 live births.</li> <li>Immunization, measles (percent of children under 12 months) to be increased to 100 percent.</li> <li>Births attended by skilled health staff to be increased to 65 percent.</li> <li>Reduction of Total Fertility Rate to 2.0</li> <li>Increasing Contraceptive Prevalence Rate to 75%</li> </ul>
SDG 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	<ul style="list-style-type: none"> <li>Achieving 100% net enrollment rate for primary and secondary education.</li> <li>Ensure quality education at primary, secondary and tertiary education.</li> <li>Percentage of cohort reaching grade 5 to be increased to 100% from current 80%.</li> </ul>
SDG 5. Achieve gender equality and empower all women and girls.	<ul style="list-style-type: none"> <li>Gender Parity Index in tertiary education to be raised from current 0.70 to 1.0.</li> <li>The ratio of literate female to male for age group 20-24 to be raised to 100% from the current 86%.</li> <li>Increase the share of female officers (Grade-9 and above) in the public sector to 25% by 2020.</li> </ul>
SDG 6. Ensure availability and sustainable management of water and sanitation for all.	<ul style="list-style-type: none"> <li>Safe drinking water to be made available for all rural and urban population.</li> <li>Proportion of urban population with access to sanitary latrines to be increased to 100 percent and 90 percent for rural population.</li> </ul>
SDG 7. Ensure access to affordable, reliable, sustainable and modern energy for all.	<ul style="list-style-type: none"> <li>Generation of electricity to be increased to 23,000 MW.</li> <li>Electricity coverage to be increased to 96%.</li> <li>Increase energy efficiency by 10%</li> </ul>
SDG 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	<ul style="list-style-type: none"> <li>Attaining average real GDP growth rate of 7.4% per year over the plan period.</li> <li>Total revenue to be raised from 10.7% of GDP to 16.1% by FY20.</li> <li>12.9 million additional jobs will be available during 7th FYP including some 2 million jobs in abroad.</li> <li>FDI (Foreign Direct Investment) to be increased substantially to \$9.6 billion by FY20 from present \$1.57 billion.</li> </ul>
SDG 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	<ul style="list-style-type: none"> <li>Focus on fast tracking a number of transformational infrastructure projects.</li> <li>Increase the contribution of the manufacturing sector to 21.5% of GDP by FY20 from 17.8% of FY15.</li> </ul>
SDG 10. Reduce inequality within and among countries.	<ul style="list-style-type: none"> <li>Spending on Social Protection as a share of GDP to be increased to 2.3% of GDP.</li> </ul>

<sup>12</sup> Equity and Justice Working Group Bangladesh (equityBD): SDGs and country process in Bangladesh: The Missing Links and where Assistance is an Obligation of International Community especially in Climate Compensation and Stopping Illicit Flow (March, 2017)

	<ul style="list-style-type: none"> <li>• Reduce Income Inequality from 0.458 to downward.</li> </ul>
SDG 11. Make cities and human settlements inclusive, safe, resilient and sustainable.	<ul style="list-style-type: none"> <li>• Access to improved water source will be ensured for all urban dwellers.</li> <li>• Ensure sustainable urban development that supports increased productivity, investment and employment.</li> </ul>
SDG 12. Ensure sustainable consumption and production patterns.	<ul style="list-style-type: none"> <li>• No Action Plan</li> </ul>
SDG 13. Take urgent action to combat climate change and its impacts.	<ul style="list-style-type: none"> <li>• Environmental, Climate Change and disaster risk reduction considerations are integrated into project design, budgetary allocations and implementation process.</li> <li>• 500-meter-wide green belt to be established and protected along the coast</li> </ul>
SDG 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development.	<ul style="list-style-type: none"> <li>• Develop law and regulation in pollution control including sea vessel and ship breaking industries.</li> </ul>
SDG 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.	<ul style="list-style-type: none"> <li>• Increase productive forest coverage to 20 percent with 70% tree density.</li> </ul>
SDG 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	<ul style="list-style-type: none"> <li>• To ensure all persons are able to live securely under the rule of law.</li> <li>• Enhancing Integrity &amp; Controlling Corruption.</li> <li>• Strengthen Right to Information (RTI) and Access to Information process.</li> <li>• Making parliamentary process effective.</li> </ul>

Government has also developed a mapping document including all ministries, division and agencies by SDGs and target for fast track implementation. Bangladesh's long-term development plan (7FYP) and SDGs were both launched in the same year of 2015. Hence opportunities have been created for government to align the development strategies in view of 2030 global goal. The mapping document includes the development ministries, divisions, agencies and authorities by SDG targets for them to implement and achieve.

The 7th FYP has made a primary financing estimation which is amount of US\$ 403.8 billion from both public and private sectors for the fiscal year of 2016-2020<sup>13</sup>. But this amount does not reflect the need or demand based financial allocation to achieve the SDG targets. Expert says that, in achieving the SDGs in Bangladesh, domestic

resource mobilization need to be raised to at least 18 percent from the present 12.1 percent over the next 5 to 10 years, but the projection of domestic resource mobilization is far more distance (14.2-16.2% of GDP) in the 7th FYP<sup>14</sup>.

The 7th FYP said that all these spending plans will essentially entail that the budget size be increased to about 21.1% of GDP<sup>15</sup>. At least 5 percentage points financial allocation will be needed to increase in relation to GDP at the terminal year of the 7th Five Year Plan. The overview and analysis of budgetary expenditures says that the investment in social sector (poverty, health and education) was less than 9% of GDP in last year during MDGs and it would be increased by 13.9% during the 7th FYP (Page-167). So it easily can be said that govt. projection of financing is insufficient indeed. The investment from private sector was also found to be

<sup>13</sup> Equity and Justice Working Group Bangladesh (equityBD): *SDGs and country process in Bangladesh: The Missing Links and where Assistance is an Obligation of International Community especially in Climate Compensation and Stopping Illicit Flow (March, 2017)*

<sup>14</sup> *ibid*

<sup>15</sup> 7th FYP of Bangladesh Government, Chapter-5 "Investment Program and its Financing"

stagnant and moving around 24-25% of GDP in last couple of years which needs to be at least 35% per annum during implementation of the 7th FYP.

### Challenges

The negative impact of climate change is already marked as one of the major challenges towards achieving the sustainable development of this earth. The negative effects of climate change in countries such as Bangladesh are becoming apparent day by day. Bangladesh is one of the most affected and dangerous countries, even being one of the least carbon emitting countries. Per capita carbon emissions rate (in 2015) in the United States is 15.53 M Ton, 10.19 Mt in Russia, and 6.59 Mt in China<sup>16</sup>, In 2016, CO2 emissions per capita for Bangladesh was 0.46 metric tons<sup>17</sup>! It is sensibly proven that Bangladesh is the victim of consumerism of rich countries.

We can easily understand the effects of climate change in Bangladesh. A recently released World Bank report says that, by 2050 the temperature of Bangladesh will increase from one to one and a half degrees and approximately 134 million people will be affected due to that. During this period, the loss of Bangladesh will be about 14 lakh 19 thousand 300 crore! Due to climate change the life expectancy of the people of the country can fall below 6.8% by 2050.<sup>18</sup> According to Germany-based international organization Germanwatch, Bangladesh is the 9th most affected countries in the world due to climate change<sup>19</sup>.

In the [2018 Global Hunger Index](#), Bangladesh ranks **86<sup>th</sup>** out of **119 qualifying countries**. With a score of **26.1**, Bangladesh suffers from a level of hunger that is **serious**. Bangladesh's position is far ahead of India and Pakistan, but Sri Lanka and Nepal are ahead of Bangladeshis in this

regard.

To face the Climate Change impact and to ensure appropriate development Bangladesh need funds. National budget of this country is Tk.2,95,100 crore (17% of GDP) with a deficit of Tk.80,857 crore (5% of GDP). It is obvious that Bangladesh needs international aids and internal resource mobilization. Scope or opportunities of getting international aids have been shrinking. So, Bangladesh will have to emphasize more to mobilize internal resources.

### 1 Financial Challenge: Hard to arrange the fund needed

The key challenge of SDG implementation is the appropriate finance needed for its implementation. It is so far estimated that to achieve SDGs for all countries additional global investments of \$5 trillion to \$7 trillion per year up to 2030 will be required<sup>20</sup>. From the experiences of Millennium Development Goals (MDGs) period, it is clear once again that, there will be commitment from rich countries to support the least developed countries in achieving SDGs, but reality will be far clearly from the hope. As mentioned earlier, to achieve the MDGs within the timeline, the annual requirements of aid for Bangladesh were estimated at US\$ 3.5 billion per year. In actual terms, Bangladesh received US\$ 1.58 billion on average annually from the donors. Bangladesh is not getting the support promised by the international community. The developed countries' commitment of providing 0.7 percentage of their GDP but only Sweden, Norway, Luxembourg, UK and the Netherlands can claim to have met the target so far. The contributions from other rich countries are way below. So it is clear that, to achieve the SDGs Bangladesh will have to mobilize internal resources.

Country like Bangladesh will need huge investment for basic infrastructure like roads, rail and ports; power stations; water and sanitation and also for the sector like

16 Information has been collected from the website of Union of Concerned Scientist (<https://www.ucsusa.org/global-warming/science-and-impacts/science/each-countrys-share-of-co2.html#XGvjWC2B1QI>)

17 <https://knoema.com/atlas/Bangladesh/CO2-emissions-per-capita>

18 World Bank: South Asia's Hotspots : Impacts of Temperature and Precipitation Changes on Living Standards (June, 2018)

19 David Eckstein, Marie-Lena Hutflits and Maik Wings, Global Climate Risk Index 2019: Who Suffers Most from Extreme Weather Events? Weather-related Loss Events in 2017 and 1998 to 2017, Germanwatch (December 2018)

20 Final Report, the Intergovernmental Committee of Experts on Sustainable Development Financing (ICESDF)—Excerpted from Debapriya Battachariya, The Agenda of Sustainable Development Goals: Implementation <http://cpd.org.bd/wp-content/uploads/2015/10/The-Agenda-of-Sustainable-Development-Goals-Implementation-Challenges-for-Bangladesh-CPD-Debapriya-Bhattacharya.pdf>

agriculture and rural development, climate change mitigation and adaptation, health and education.

But recent trends of Bangladesh in investing to the important sectors are not up to desired level. Budgetary allocation on social security is about 2% of GDP in FY 2010-2015 period, average allocation for the health sector is about 0.7% of GDP during FY 2003-2014, WHO suggest the allocation should be 5% of GDP. Education gets 2% of GDP during FY 2003-2014, UNESCO suggests the allocation should be 6% of GDP. Average allocation for the agriculture and food security was 10.3% while it was around 1.3% of GDP during FY2010-2015.<sup>21</sup>

## 2 Climate Change

The 5th Assessment Report of Intergovernmental Panel on Climate Change (IPCC-AR5) has predicted that sea-level rise threatens coastal and deltaic rice production areas in Asia, such as those in Bangladesh and the Mekong River Delta. By 2050, Bangladesh will face incremental cost to flood protection of US\$ 2.6 billion initial costs and US\$ 54 million annual recurring costs (Planning Commission, Bangladesh). Therefore it is evident that, climate change will be a serious threat to Bangladesh in achieving the SDGs.

## 3 Lack of Good Governance

Lack of good governance has always been a huge problem for Bangladesh in achieving desired development. Corruption is one of the serious problems in ensuring good governance in Bangladesh. The Transparency International ranked Bangladesh the most corrupt country during 2001 to 2005. Evidently the Bangladesh has improved in securing the rank, it is 149<sup>th</sup> among 180 countries in 2018 Corruption Perception Index.

Good governance is must to ensure the basic needs of the people, socio-economic safety and enough employment opportunities for the growing population. But unfortunately, the situation of Bangladesh is far from the good governance. Some key preconditions of good governance are people's participation in decision making,

existence of rule of law, transparency in all public and private sector, consensus building among all the power structures and accountability. Unfortunately, in the present Bangladesh all these must needed criteria are almost struggling. Absolute power exercise by the ruling party, inefficient and corrupt bureaucracy, politicization and nepotism in public administration, hardly any transparency in public procurement, lack of accountability to the mass people from the service providers, deterioration in the law and order situation, lethal attack on freedom of speech are ruling the days herein Bangladesh. With this type of governance, it is impossible to ensure any sustainable development.

## 4 Income and Development Inequalities

If the economic growth is not shared equally and fairly, if the resources are not distributed properly sustainable economic growth is not possible, rather it creates other types of economic crises. Development and income inequality is pretty much evident in Bangladesh, which has been another challenge for the sustainable development. The incidence of poverty is higher in rural areas than that of the urban areas and the rate of decrease of poverty is also higher in rural areas (1.24 percent) than that of the urban areas (1.13 percent)<sup>22</sup>. The Household and Income Expenditure Survey of 2010 estimates incidence of poverty at 31.5 percent at the national level, 35.2 percent in rural area and 21.3 percent in urban area. Regional disparities are also apparent. It has been found that, the highest decline in poverty incidence occurred for Dhaka division, after Dhaka it is Chittagong and Sylhet. Poverty in Barisal is found stagnated and its found increased slightly in Khulna<sup>23</sup>. Gap between individual incomes is also evident in Bangladesh. The HIES 2010 shows the clear gap between bottom 5% (the poorest of the poor) and the top 5% (richest of the rich). The survey shows that, the income accumulating to top 5% of the household was 24.61%, and it was only 0.78% for the bottom 5% household. Gaps are also evident in the social

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22 Samiya Ferdousi, Wang Dehai, *Economic Growth, Poverty and Inequality Trend in Bangladesh*, *Asian Journal of Social Sciences & Humanities* (February, 2014)

23 *ibid*

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21 *ibid*

Indicators for the Poorest and Richest Quintiles in Bangladesh. For example, one research finds that, households which have less than Tk. 2,000 income per month (\$29) are sending almost 25% fewer of their children to school than those who are in the Tk. 8,000 (\$115) and above income group. 12% of children from households living on incomes below Tk. 2,000 per month had never been enrolled in school at all, while a quarter had started school but dropped out. In families earning more than Tk. 8,000 per month meanwhile, 2.6% of children had never been enrolled and 10.6% had dropped out of school.<sup>24</sup> Child malnutrition rate in Poorest Quintile is 50 while it is 21 in Richest Quintile, Primary school completion rate in Poorest Quintile is 65 and it is 97 in the richest quintile<sup>25</sup>. So, to ensure proper and adequate implementation of the SDGs inequalities, regional disparities issues must be addressed.

### 5. Youth Unemployment

Unemployment among the youth is another huge challenge for Bangladesh towards the SDG achievement. One in ten of the country's 44 million-strong youth population faces unemployment<sup>26</sup>. According to Bangladesh Bureau of Statistics (BBS) 2016-2017, the unemployment rate in Bangladesh is 4.2 per cent, around 2.68 million youths are unemployed; among them, 1.36 million youths are between 15-24 years of age. The number of unemployed youths is increasing in the country. In 2011, youth unemployment rate was 7.27 per cent. The youth unemployment rate increased to 11.37 per cent within five years in 2017<sup>27</sup> Another Reports says, in 2013, the youth unemployment rate was 10.3%, higher than the regional South Asian average (9.45). More than 95% of youth reporting to work in the informal sector in 2013, of

which many work as self-employed (31.7%), or in unpaid family work (11.1%). 80% of young women are at home and not in the labor force. Two-thirds of young women are not in employment, education or training (NEET), and two-thirds of school dropouts are women, 36% of urban youth and 42% of rural youth are in NEET.<sup>28</sup> So ensuring employment is another very important pre-condition of the successful implementation of the SDGs in Bangladesh.

### 6. SDGs 16 and Bangladesh

Regarding the SDG target 16, Bangladesh's main challenges are to stop illicit finance flow and fighting the corruption.

Bangladesh has also a very huge challenge and this is Illicit Finance Flow (IFF) to other countries from Bangladesh. Bangladesh ranks 26th among 149 countries in the 'Illicit Financial Flows from Developing Countries: 2004-2013' report, draining more than \$5.58 billion money per annum.

Illicit financial flow of \$5.9 billion out of Bangladesh in 2015, as estimated by the Washington-based Global Financial Integrity. According to its report published in January 2019, total figure of money siphoned off Bangladesh in 11 years since 2005 to \$81.74 billion. The research group has estimated the 2015 illicit capital flight, calculated to have ranged from \$2.7 billion to \$5.9 billion. The 2014 illicit capital flight is estimated to have ranged from \$6.06 billion to \$8.97 billion. The 2019 report placed Bangladesh in the top 30 countries, among 148 countries.<sup>29</sup>

The average IFF from Bangladesh has stood at about BDT 435.83 billion over the last ten years. The highest level of IFFs happened in 2013, to the amount of Tk.750 billion-- about 7 percent of GDP and 11 times greater than foreign aid received that year. The Central Bank of Switzerland observed that while overall, the level of illicit financial flows from developed countries to Switzerland is declining, at the same time it is skyrocketing out of Bangladesh. At the end of 2014 total of Swiss Franc

24 Altaf Hossain and B. Zeitlyn. *Poverty and Equity: Access to Education in Bangladesh*. In: *CREATE Pathways to Access Series, Research Monograph Number 51*. (2010)

25 World Development Indicators 2014, <http://data.worldbank.org/sites/default/files/wdi-2014-book.pdf>

26 Dhaka Tribune, 25th September 2018,

<https://www.dhakatribune.com/bangladesh/2018/09/25/4-4-million-youths-face-unemployment-in-bangladesh>

27 Excerpted from Minhazur Rahman Rezvi, *The Financial Express*, August 8, 2018

28 Solutions for Youth Employment, *Toward Solutions for Youth Employment: A 2015 Baseline Report* (2015)

29 *The Global Financial Integrity, Illicit Financial Flows to and from 148 Developing Countries: 2006-2015*, (January 2019)

## Bangladesh

50.60crore (Tk.4,554 crore) were deposited by Bangladeshis<sup>30</sup>.

Bangladesh government has taken some initiatives to stop the illicit finance flow. The country has Money Laundering Prevention Act (MLPA) in 2002, which was the first of its kind among the South Asian countries. Later Bangladesh enacted the Money Laundering Prevention Ordinance in 2008 which was replaced by MLPA 2009<sup>31</sup>. Later the act was replaced by the MLPA 2012 again as per the recommendations of second Mutual Evaluation Report (MER) of Asia Pacific Group (APG) to overcome remaining shortcomings.<sup>32</sup> At the same time, Bangladesh promulgated the Mutual Legal Assistance in Criminal Matters Act 2012 for providing a legal framework for facilitating legal assistance with foreign countries for recovery of stolen assets.

SDG Target 16.5 aspires to “substantially reduce corruption and bribery in all their forms”. Bangladesh has to a lot in this regard. Corruption is another major problem in Bangladesh. The Government of Bangladesh recognises combating corruption as critical to progress towards realising the Perspective Plan – Vision 2021, the 7<sup>th</sup> Five Year Plan (7FYP) and Sustainable Development Goals (SDGs). In the Vision 2021 it has been asserted that “the Government is determined to confront and root out the scourge of corruption from the body politic of Bangladesh ... (and) intends to strengthen transparency and accountability of all government institutions as integral part of a programme of social change to curb corruption<sup>33</sup>”

The present government leadership's high level commitment to address corruption has also been reflected in a number of specific initiatives including enactment of

different strategies, plans laws and rules, accession to different international treaties, and initiatives to introduce information technology in public service delivery as part of the vision of Digital Bangladesh. Moreover, strong commitments.

Transparency International (TI) released its Corruption Perception Index (CPI) 2018 on January 29, 2019. Bangladesh has scored 26 out of 100, two points lower than the 28 in 2017. The slide is worse in terms of ranking. Bangladesh has been ranked in the 149th position from the top among 180 countries, which is six steps lower than the 143<sup>rd</sup> in 2017.<sup>34</sup>

But, in recent time the Anti Corruption Commission is acting heavily against the corruption. many big and top brasses have been brought under its action.

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30 Annual report “Banks in Switzerland 2014” published by central bank of Switzerland – Excerpted from EquityBD, [http://www.equitybd.net/wp-content/uploads/2016/04/Paper\\_Illicit-Flow-Pol-Economy\\_Final.pdf](http://www.equitybd.net/wp-content/uploads/2016/04/Paper_Illicit-Flow-Pol-Economy_Final.pdf)

31 The People's Republic of Bangladesh, National Strategy for Preventing Money Laundering and Combating Financing of Terrorism 2015-17, <https://www.bb.org.bd/pub/special/amlstrategy/introduction.pdf>

32 Asia Pacific Group (APG), Anti-money Laundering and counter-terrorist financing measure- Bangladesh-Mutual Evaluation Report, October 2016, <http://www.fatf-gafi.org/media/fatf/documents/reports/mer-fsrb/APG-MER-Bangladesh-2016.pdf>

33 Planning Commission of Bangladesh, Perspective Plan 2010-21, <http://www.plancomm.gov.bd/perspective-plan/> (13 May 2017).

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34 <https://www.thedailystar.net/opinion/governance/news/bangladesh-descends-corruption-ranking-1694551>