

CHAPTER 2

GDP, SAVING AND INVESTMENT

Bangladesh Bureau of Statistics has provisionally estimated the GDP growth rate to 5.88 percent in FY 2008-09. The GDP growth rate is assumed slightly lower compared to the previous fiscal year due to the adverse effects of global recession and the decline of growth in manufacturing and wholesale and retail trade sectors. It may be noted here that, according to the final estimate, the GDP growth rate was 6.19 percent in FY 2007-08. The Medium Term Macroeconomic Framework (MTMF) envisages the real growth of GDP for the fiscal year 2009-10, 2010-11 and 2011-12 are 5.5 percent, 6.0 percent and 6.5 percent respectively.

The growth rate of agriculture sector is estimated an increase of 2 percentage points in FY 2008-09. Growth rate of industry sector, in particular, manufacturing sector is assumed to decline slightly. In spite of growth in some sectors, overall growth in services sector estimated to decline. The GDP growth rate and per capita GDP growth at constant prices for FY 2003-04 to FY 2008-09 are shown in graph 2.1. Table 2.1 shows the GDP, GNI, Per Capita GDP and GNI at Current Market Prices

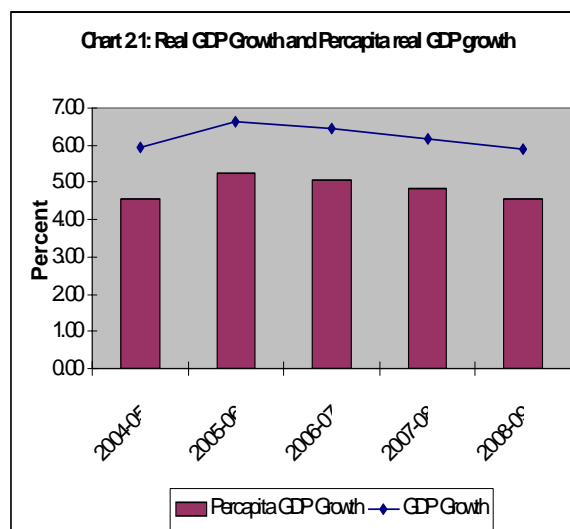


Table 2.1: GDP, GNI, Per Capita GDP and GNI at Current Market Prices

Item	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09 ^p
GDP (In Crore Tk.)	332973	370707	415728	472477	545822	614943
GNI (In Crore Tk.)	350526	389635	442935	507752	594212	683231
Population (In Crore)	13.52	13.70	13.88	14.06	14.24	14.42
Per Capita GDP (In Tk.)	24628	27061	29955	33607	38330	42638
Per Capita GNI (In Tk.)	25926	28443	31915	36116	41728	47373
Per Capita GDP (In US\$)	418	441	447	487	559	621
Per Capita GNI (In US\$)	440	463	476	523	608	690

Source: Bangladesh Bureau of Statistics (BBS); p- Provisional.

From table 2.1 it is observed that the per capita GDP and national income is increasing over the years and in FY2008-09 per capita GDP exceeded the US\$600 mark for the first time. In FY 2008-09, the per capita national income and GDP are US\$ 690 and US\$ 621 respectively. At current prices, the per capita GNI for FY 2008-09 is estimated at Tk. 47,373 which is 13.53 percent higher compared to the

previous fiscal year. Per capita GDP was Tk. 38,330 in FY 2007-08 which increased to Tk. 42,638 in FY 2008-09. In FY 2008-09, the growth rate of per capita GDP is 11.24 percent which was 14.05 percent in the preceding fiscal year. Table 2.2 shows the Gross Domestic Product (GDP) at current prices from fiscal year 2003-04 to 2008-09.

Table 2.2: Gross Domestic Product (GDP) at Current Market Prices

(In Crore Taka)

Sector/Sub-sector	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09 ^p
1. Agriculture & Forestry	52419	56167	62223	70124	80201	88601
a. Crops & vegetables	38883	41482	46118	52468	60578	66709
b. Livestock	7916	8680	9682	10780	12118	13726
c. Forestry	5620	6006	6423	6876	7505	8166
2. Fishery	14783	15456	16317	17783	19790	21814
3. Mining & Quarrying	3643	4041	4643	5322	6152	7032
a. Natural gas & crude petroleum	2085	2295	2568	2845	3164	3572
b. Other mineral resources	1558	1746	2075	2476	2988	3460
4. Industry (Manufacturing)	51527	58795	68923	81178	93901	105890
a. Large & medium-scale	36364	41535	48974	57688	66759	75092
b. Small-scale	15163	17260	19949	23490	27142	30798
5. Electricity, Gas & Water	4424	4909	5392	5590	6070	6452
a. Electricity	3683	4065	4455	4567	4955	5223
b. Gas	480	532	594	651	716	789
c. Water	261	312	342	372	399	440
6. Construction	25397	29061	32797	37543	43854	50085
7. Wholesale & Retail Trade	44103	50278	56984	66011	78220	87677
8. Hotel & Restaurant	2202	2512	2853	3289	3889	4437
9. Transport, Storage & Communication	34444	38289	43206	48908	56907	65250
a. Surface transport	26860	29374	32841	36853	42857	49357
b. Water transport	2886	2994	3137	3307	3621	3904
c. Air transport	438	467	500	509	546	635
d. Support transport services, storage	1070	1171	1260	1420	1569	1721
e. Post & telecommunication	3190	4283	5467	6820	8314	9633
10. Financial Intermediations	5197	5934	6684	7744	8955	10172
a. Bank	3889	4451	4995	5797	6656	7501
b. Insurance	1111	1259	1430	1640	1930	2234
c. Others	198	225	260	307	368	437
11. Real Estate, Renting & other Business Activities	27601	29744	32157	34929	38058	41604
12. Public Administration and Defence	8624	9637	11036	12743	14427	16420
13. Education	7873	8788	9935	11776	13531	15587
14. Health and Social Work	7197	8104	9022	10307	11819	13508
15. Community, Social and Personal Services	30028	33876	38283	43568	50200	57878
Import Duty	13510	15113	15274	15662	11733	12625
GDP at Current Market Price	332973	370707	415728	472477	545822	614943
Growth Rate (%)	10.78	11.33	12.14	13.65	15.52	12.66

Source: Bangladesh Bureau of Statistics. p- Provisional.

Sector wise Growth of GDP

Table 2.3 shows the sectoral growth rate of GDP at constant prices for the fiscal year 2003-04 to 2008-09. The overall growth rate of GDP at constant price is 5.88 percent in FY 2008-09, which was 6.19 percent in FY 2007-08.

Table 2.3: Sectoral Growth Rate of GDP at Constant Prices (Base Year: 1995-96)

Sector/Sub-sector	(In Percentage)					
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09 ^p
1. Agriculture & Forestry	4.38	1.80	5.23	4.69	2.93	4.81
a. Crops & vegetables	4.27	0.15	5.03	4.43	2.67	5.02
b. Livestock	4.98	7.23	6.15	5.49	2.44	3.46
c. Forestry	4.18	5.09	5.18	5.24	5.47	5.53
2. Fishery	3.09	3.65	3.91	4.07	4.18	4.01
3. Mining & Quarrying	7.66	8.38	9.26	8.33	8.94	9.37
a. Natural gas & crude petroleum	8.98	9.02	9.52	8.03	8.26	9.69
b. Other mineral resources	5.68	7.40	8.84	8.80	10.01	8.88
4. Industry (Manufacturing)	7.10	8.19	10.77	9.72	7.21	5.92
a. Large & medium-scale	6.95	8.30	11.41	9.74	7.26	5.65
b. Small-scale	7.45	7.93	9.21	9.69	7.10	6.59
5. Electricity, Gas & Water	9.09	8.90	7.67	2.10	6.77	4.52
a. Electricity	9.19	8.58	7.45	1.08	6.68	3.64
b. Gas	8.81	8.87	9.37	7.37	7.72	8.63
c. Water	8.00	14.44	7.55	7.08	6.00	8.91
6. Construction	8.25	8.31	8.31	7.01	5.68	5.72
7. Wholesale & Retail Trade	6.57	7.06	6.75	8.04	6.82	6.35
8. Hotel & Restaurant	7.05	7.12	7.45	7.52	7.55	7.58
9. Transport, Storage & Communication	6.21	7.97	7.98	8.03	8.55	7.61
a. Surface transport	6.02	4.25	4.14	4.18	4.54	4.81
b. Water transport	0.16	1.95	1.95	1.73	2.54	2.20
c. Air transport	0.84	2.49	5.25	2.01	6.20	15.33
d. Support transport services, storage	-1.35	2.92	6.13	8.93	8.45	8.72
e. Post & telecommunication	14.56	31.79	26.70	23.29	21.64	15.28
10. Financial Intermediations	7.02	8.92	8.50	9.18	8.89	8.00
a. Bank	6.73	9.11	8.19	9.34	8.38	7.22
b. Insurance	8.06	8.34	9.16	8.21	10.03	9.88
c. Others	6.91	8.51	10.94	11.62	12.47	12.35
11. Real Estate, Renting & other Business Activities	3.58	3.65	3.69	3.76	3.75	3.81
12. Public Ad. & Defence	7.06	8.02	8.15	8.41	6.21	7.02
13. Education	7.69	7.90	9.05	8.96	7.80	8.04
14. Health and Social Work	6.17	7.40	7.79	7.64	7.02	7.55
15. Community, Social and Personal Services	3.97	4.05	4.09	4.58	4.62	4.68
Growth Rate (%)	6.27	5.96	6.63	6.43	6.19	5.88

Source: Bangladesh Bureau of Statistics. p- Provisional.

Agriculture Sector

The broad agriculture sector, comprising mainly of agriculture and fisheries, contributes about 20.60 percent of the total GDP in FY2008-09. The real growth rate of the broad agriculture sector for FY 2008-09 is provisionally estimated at 4.63 percent. The sectors and sub-sectors performance under broad agriculture sector are presented below:

Agriculture and Forestry

The agriculture and forestry sector, which contributed about 16.03 percent (Table 2.4) of the total GDP in FY 2008-09 includes three sectors: (i) Crops and Horticulture, (ii) Animal Farming, and (iii) Forest and related services. The growth rate of this sector for FY 2008-09 is provisionally estimated at 4.81 percent which was 2.93 percent in FY 2007-08. The growth rate of agriculture sector is estimated an increase of 2 percentage points in FY 2008-09 due to the increase in production of crops and vegetables. Meanwhile, BBS has estimated cereals production for FY 2008-09 would be 33.81 million metric tons; up by 8.63 percent from the amount of 31.12 million metric tons in FY 2007-08. According to the Bangladesh Bureau of Statistics, in FY 2008-09 the production of Aus, Aman and Boro are expected to be increased by 25.75 percent, 20.19 percent and 8.91 percent respectively. The production of minor crops, which include pulses, spices, sugarcane, fruits, vegetables and tobacco, is expected to be around the level of preceding year.

The output of the animal farming is likely to grow by 3.46 percent which was 2.44 percent in the previous year. The expected growth rate of forestry sub-sector is 5.53 percent in FY 2008-09 compared to 5.47 percent in the previous fiscal year.

Fishery

Total inland and marine catches as estimated by the Directorate of Fisheries (DOF) will be 2.70 million metric tons in FY 2008-09 which was 5.38 percent higher than that in the previous year. The fishery sector is likely to grow by 4.01 percent in FY 2008-09 compared with 4.18 percent in FY 2007-08. At constant prices the contribution of fishery sub-sector is 4.57 percent (Table 2.4) to the total GDP of FY 2008-09.

Industry sector

The broad industry sector comprises of (i) mining and quarrying, (ii) manufacturing, (iii) electricity, gas and water supply and, (iv) construction. The growth rate of the broad industry sector is provisionally estimated at 5.93 percent for FY 2008-09 compared to 6.78 percent for FY 2007-08. The expected sectoral performances are likely to be as follows:

Mining and quarrying

Mining and quarrying sector is projected to grow at a rate of 9.37 percent in FY 2008-09 which was 8.94 percent in FY 2007-08. Of this, the growth rate of natural gas & crude petroleum and other mining sub-sectors would increase by 9.69 percent and 8.88 percent respectively in FY 2008-09 compared to 8.26 percent and 10.01 percent in the previous year.

Manufacturing

Based on the data available up to December 2008 and also taking into consideration the trend of production, the growth rate of this sector is provisionally estimated for FY 2008-09. A brief analysis of the performance of this sector is given below:

- Production of large and medium scale manufacturing industries, in particular readymade garments, knitwear, cotton textile, pharmaceuticals, plastic products, wood products, iron and steel, ceramic, cement, electronics goods, transport equipments etc showed moderate growth in the first half of FY 2008-09. Readymade garments and knitwear showed substantial growth in the 1st and 2nd quarter of FY 2008-09 compared to corresponding period of the previous year. But due to global recession it is assumed that the growth rate will decline in the 2nd half of FY 2008-09. The performance of other major industries also registered significant growth except frozen food, sugar, tanning and finished leather, fertilizer, petroleum product, and engineering products.
- Small and cottage industries showed an upward trend in production during the first half of FY 2008-09 over the same period of the previous year.
- Quantum Index of Industrial Production (QIP) which has been estimated for estimating value added of large and medium scale industries showed a growth of 5.65 percent in FY2008-09.
- The Quarterly Index of Industrial Production for small scale manufacturing industries also showed significant growth. This sub-sector contributes about 25-30 percent of the total output of the manufacturing sector. The productions of this sub-sector mostly depend on indigenous raw materials and are generally immune to external shocks. It is expected that the small scale industries will attain 6.59 percent growth in FY 2008-09 compared to 7.10 percent in FY 2007-08.

Power, Gas and Water

A total of about 26,415 million-kilowatt hours (Mkwh) of net energy (15,449 Mkwh in public sector and 10,966 Mkwh in private sector) were generated during FY 2008-09. Of the total net energy generation, 58.49 percent was generated in public sector while the remaining 41.51

percent was generated in the private sector. There is an increasing trend in the production of gas, and 75 percent of total commercial consumption is fulfilled by gas. The total production of gas in FY 2007-08 and FY 2008-09 were 600.72 billion cubic feet and 653.70 billion cubic feet respectively. The total actual consumption of gas for FY 2008-09 is 643.16 billion cubic feet which is 10.03 percent higher than actual consumption of the previous fiscal year. The overall growth rate of the power, gas and water supply sector is expected to be 4.52 percent in FY 2008-09 as compared to 6.77 percent in FY 2007-08.

Construction

Cement, iron and steel are the major inputs of the construction sector. The domestic production of cement in the first six months of FY 2008-09 is higher than that of the same period of previous year. The construction sector is, therefore, projected to grow by 5.72 percent during FY 2008-09 against 5.68 percent in FY 2007-08.

Services Sector

Total output of the services sector consists of the collective outputs of the wholesale and retail trade; hotel and restaurant; transport, storage and communication; financial intermediations; real estate, renting and business activities; public administration and defense; education; health and social work, and community, social and personal services activities. The share of the services sector is 49.67 percent of the total GDP of FY 2008-09. Growth scenarios of the services sector for FY 2007-08 are briefly as follows:

Wholesale and Retail Trade

The output of this sector is estimated to grow at a rate of 6.35 percent in FY 2008-09 compared to 6.82 percent in the previous year. In FY 2008-09 the GDP contribution of this sector is estimated at 14.44 percent.

Hotel and Restaurant

In FY 2008-09 the growth rate of this sector is expected to increase by 7.58 percent compared to 7.55 percent in the previous year.

Transport, Storage and Communication Sector:

The transport, storage and communication sector is expected to achieve a growth rate of 7.61 percent in FY 2008-09. It is noted that the growth rate of this sector was 8.55 percent in FY 2007-08. Post and telecommunication services stood at the forefront with a growth of 15.24 percent in FY 2008-09. Despite a decrease of 5 percentage points compared to the growth rate of FY 2007-08 the mobile phone services market continued to push the telecommunications industry that led

to the high growth of post and telecommunication sub-sector. The contribution of this sector is 10.61 percent in FY 2008-09 which is 0.17 percentage point higher than previous year.

Real Estate, Renting and Business Activities Sector:

The growth rate in this sector is provisionally estimated at 3.81 percent in FY 2008-09 compared to 3.75 percent in FY 2007-08.

Other Services Sectors:

Among the other services sectors the growth rate of public administration and defense, education, and health and social services are 7.02 percent, 8.04 percent and 7.55 percent respectively in FY 2008-09. Besides these, community, social and personal service sector is projected to grow by 4.68 percent in FY 2008-09 over FY 2007-08.

Broad Sectoral Shares of GDP at Current Prices

At current prices, the share of the broad agriculture sector (including fishery) in total GDP is 18.64 percent in FY 2008-09 which were 19.01 percent and 19.24 percent in FY 2007-08 and FY 2006-07 respectively. At current prices, the share of broad industry sector in total GDP is 28.61 percent for FY 2008-09 which were 28.35 percent and 28.38 percent in FY 2007-08 and FY 2006-07 respectively. The share of the service sector in total GDP is 52.76 for FY 2008-09 which were 52.48 percent and 52.38 percent in FY 2007-08 and FY 2006-07 respectively. The data on sectoral shares show that the share of agriculture sector in GDP is gradually decreasing while the contribution of the industry sector is steadily increasing. The contribution of the service sector remains stable.

Broad Sectoral Shares of GDP at Constant Prices

The sectoral share of GDP (%) at constant prices (Base Year: 1995-96) is presented in the table 2.4. It is evident from the table that at constant prices, the share of the broad agriculture sector (including fishery) in total GDP is 20.60 percent in FY 2008-09 which were 20.83 percent and 21.37 percent in FY 2007-08 and FY 2006-07 respectively. At constant prices, the share of broad industry sector in total GDP is 29.73 percent for FY 2008-09, up from 29.70 percent, and 29.45 percent in FY 2007-08 and FY 2006-07 respectively. The share of the service sector in total GDP is 49.67 for FY 2008-09 which were 49.47 percent and 49.18 percent in FY 2007-08 and FY 2006-07 respectively.

Table 2.4: Sectoral Share of GDP (%) at Constant Prices (Base Year: 1995-96)

Sector/Sub-sector	(In percentage)					
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09 ^p
1. Agriculture & Forestry	17.97	17.27	16.98	16.64	16.18	16.03
a. Crops & vegetables	13.2	12.51	12.28	12.00	11.64	11.55
b. Livestock	2.91	2.95	2.92	2.88	2.79	2.73
c. Forestry	1.83	1.82	1.79	1.76	1.75	1.75
2. Fishery	5.11	5.00	4.86	4.73	4.65	4.57
3. Mining & Quarrying	1.11	1.14	1.16	1.18	1.21	1.25
a. Natural gas & crude petroleum	0.68	0.69	0.71	0.72	0.74	0.76
b. Other mineral resources	0.43	0.44	0.45	0.46	0.47	0.49
4. Industry (Manufacturing)	16.16	16.51	17.08	17.55	17.77	17.78
a. Large & medium-scale	11.41	11.66	12.14	12.47	12.63	12.61
b. Small-scale	4.76	4.85	4.94	5.08	5.14	5.17
5. Electricity, Gas & Water	1.59	1.64	1.65	1.57	1.59	1.57
a. Electricity	1.34	1.37	1.38	1.30	1.31	1.29
b. Gas	0.18	0.18	0.19	0.19	0.19	0.19
c. Water	0.08	0.08	0.08	0.09	0.09	0.09
6. Construction	8.83	9.03	9.14	9.15	9.13	9.13
7. Wholesale & Retail Trade	13.97	14.12	14.08	14.24	14.37	14.44
8. Hotel & Restaurant	0.68	0.68	0.69	0.69	0.70	0.71
9. Transport, Storage & Communication	9.79	9.98	10.07	10.18	10.44	10.61
a. Surface transport	6.96	6.85	6.67	6.50	6.42	6.36
b. Water transport	0.97	0.93	0.89	0.85	0.82	0.79
c. Air transport	0.12	0.12	0.12	0.11	0.11	0.12
d. Support transport services, storage	0.33	0.32	0.31	0.32	0.33	0.34
e. Post & telecommunication	1.41	1.76	2.08	2.40	2.76	3.00
10. Financial Intermediations	1.65	1.69	1.72	1.76	1.81	1.84
a. Bank	1.23	1.27	1.28	1.31	1.34	1.36
b. Insurance	0.35	0.36	0.37	0.37	0.39	0.40
c. Others	0.06	0.06	0.07	0.07	0.07	0.08
11. Real Estate, Renting & other Business Activities	8.30	8.12	7.87	7.64	7.49	7.35
12. Public Administration and Defence	2.63	2.68	2.71	2.75	2.76	2.79
13. Education	2.40	2.44	2.49	2.54	2.58	2.64
14. Health and Social Work	2.22	2.25	2.27	2.29	2.31	2.35
15. Community, Social and Personal Services	7.59	7.45	7.25	7.09	7.01	6.93
Total	100.00	100.00	100.00	100.00	100.00	100.00

Source: Bangladesh Bureau of Statistics. p- Provisional.

In the service sector, the contribution of wholesale and retail trade is the highest (14.44%) in FY 2008-09. The contributions of these two trades were 14.37 percent and 14.24 percent in FY 2007-08 and FY 2006-07. The second largest share of this sector is the 'transport, storage and

communication' sector. The contribution of this sector has reached 10.61 percent in FY 2008-09, which were 10.44 percent and 10.18 percent in FY 2007-08 and FY 2006-07.

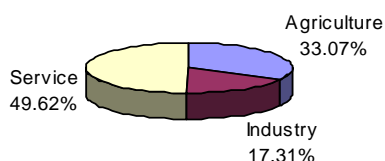
From the table it is revealed that there is a positive trend of structural change of the share of agriculture sector to non-agriculture sector continues to prevail in the current fiscal year. The trend of structural transformation of broad sectoral shares in GDP and growth rate at constant prices has been shown in the table 2.5 and graphs below.

Table 2.5: Trend of Structural Transformation of Broad Sectoral Shares in GDP and Growth Rate at Constant Prices (Base year: 1995-96)

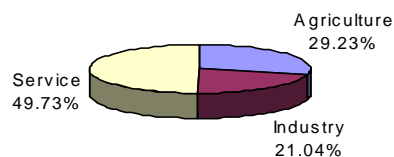
Share (in percent)								
Sector	1980-81	1985-86	1990-91	1995-96	2000- 01	2005-06	2007-08	2008-09 ^p
Agriculture	33.07	31.15	29.23	25.68	25.03	21.84	20.83	20.60
Industry	17.31	19.13	21.04	24.87	26.20	29.03	29.70	29.73
Service	49.62	49.73	49.73	49.45	48.77	49.14	49.47	49.67
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Average growth rate (in percent)								
Agriculture	3.31	3.31	2.23	3.10	3.14	2.21	3.20	4.63
Industry	5.13	6.72	4.57	6.98	7.45	8.28	6.78	5.93
Service	3.55	4.10	3.28	3.96	5.53	6.36	6.49	6.25
GDP (At producer prices)	3.74	3.34	3.24	4.47	5.41	5.93	5.87	5.82

Source: Bangladesh Bureau of Statistics (BBS). p- Provisional.

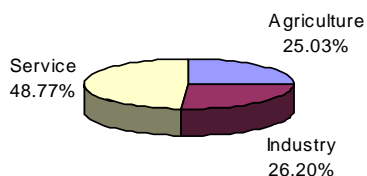
Graph 2.3.1: Contribution of Broad Sector in GDP of 1980-81



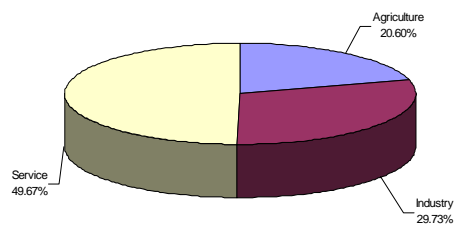
Graph 2.3.2: Contribution of Broad Sector in GDP of 1990-91



Graph 2.3.3: Contribution of Broad Sector in GDP of 2000-01



Graph 2.2.4: Contribution of broad sector in GDP in FY2008-09



The share of agriculture sector in GDP at the beginning of eighties (1980-81) was 33.07 percent which reduced gradually to 29.23 percent in 1990-91 and 25.03 percent in 2000-01. In FY 2008-09, this share stood at 20.60 percent. On the other hand, the share of industry sector in GDP at the beginning of eighties was 17.31 percent which gradually increased to 21.04 percent in 1990-91 and 26.20 in 2000-01. In FY 2008-09, this share is 29.73 percent. By analysing the sectoral growth rate within this period, it is observed that industry sector shows significant success in increasing growth compared to agriculture and service sector. Though there is a trend of transformation of the share of agriculture and industry sector over the last two decades, the share of service sector remained constant during the same period with exception to minor year to year variation.

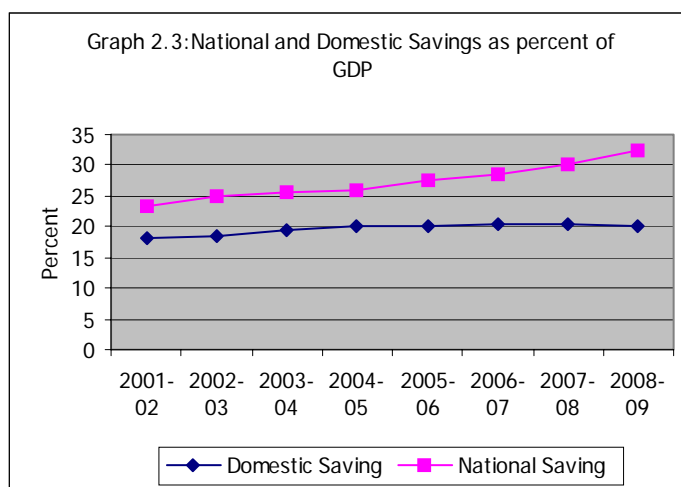
Savings

Table 2.6 and graph 2.3 present the year-wise rates of domestic and national savings for the last few years. In FY 2001-02 the domestic and national savings as percentage of GDP were 18.16 and 23.44 percent respectively. Domestic and national savings had reached to 20.31 and 30.21 percent of GDP respectively in FY 2007-08. According to provisional estimates, the rates of domestic and national savings have been assessed to be 20.01 and 32.37 percent of GDP in FY 2008-09. From the table it is clear that there is a continuous increasing trend of national savings but domestic savings as percent of GDP has been decreasing since FY2007-08.

Table 2.6: Saving as Percentage of Gross Domestic Product (GDP)

FY	Domestic Saving	National Saving
2001-02	18.16	23.44
2002-03	18.63	24.87
2003-04	19.53	25.44
2004-05	20.01	25.84
2005-06	20.25	27.67
2006-07	20.35	28.66
2007-08	20.31	30.21
2008-09 (prov.)	20.01	32.37

Source: Bangladesh Bureau of Statistics (BBS).



Investment

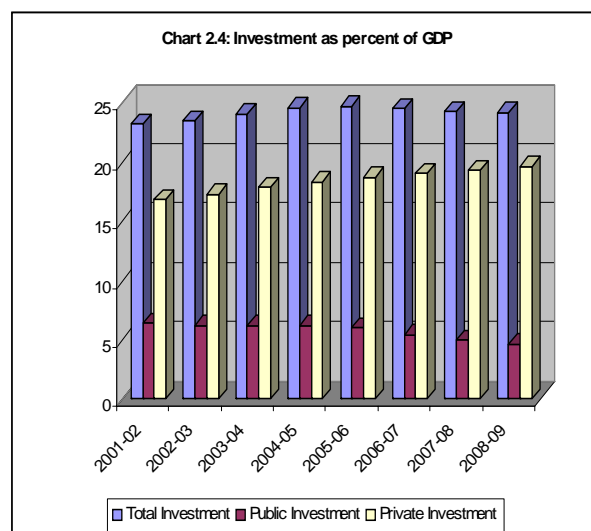
At the beginning of the nineties, the share of private investment in total investment was about 60 percent, which stood at 80.84 percent in FY 2008-09. An analysis of the investment data reveals that the contribution of public sector in total investment is gradually decreasing whilst the

contribution of private sector investment is gradually increasing. Table 2.7 and graph 2.4 show the year-wise investment as percentage of GDP for the last few years.

Table 2.7: Investment as Percent of Gross Domestic Product (GDP)

FY	Total Investment	Public Investment	Private Investment
2001-02	23.15	6.37	16.78
2002-03	23.41	6.20	17.21
2003-04	24.02	6.19	17.83
2004-05	24.53	6.21	18.32
2005-06	24.65	6.00	18.65
2006-07	24.46	5.45	19.02
2007-08	24.21	4.95	19.25
2008-09 (prov)	24.18	4.63	19.55

Source: Bangladesh Bureau of Statistics (BBS).



In FY 2001-02, the rate of total investment was 23.15 percent of GDP in which the shares of public and private sector were 6.37 percent and 16.78 percent respectively. The rate of national investment gradually picked up to 24.65 percent of GDP in FY 2005-06 but in FY 2006-07 it declined to 24.46 percent. In FY 2008-09 the rate of national investment further declined to 24.18 percent. The present government has started to prepare and implement the short, medium and long term plans for the creation of an investment friendly environment and a competitive market system, adoption of innovative technology, and provision of infrastructural facilities that are able to attract entrepreneurs and expand domestic market.