

Preface

‘Bangladesh Economic Review’ is a regular annual publication of the government. The review mainly contains the overall macroeconomic situation, different policies and strategies adopted by the government and sector wise development and progress of the economy. As an important budget document ‘Bangladesh Economic Review’ (Bangla Version) placed before the parliament every year during the budget session. Accordingly, ‘Bangladesh Economic Review-2019’ has been published including updated information of FY2018-19. In addition, this year for the first time ‘Bangladesh Economic Review-2019’ (English Version) has been published along with Bangla Version.

2. In spite of various national and international adverse situations, Bangladesh has been able to continue her economic development and high growth trend. In the 7th Five Year Plan, it is projected to achieve GDP growth rate 8 percent by 2020. However, Bangladesh has achieved the target approximately two years prior to the stipulated time. According to the initial estimation of Bangladesh Bureau of Statistics, the GDP growth of FY2018-19 stood at 8.13 percent. At present, the average per capita national income is US\$1,909 which was US\$1,751 in FY2017-18.

3. The government led by Honourable Prime Minister Sheikh Hasina after assuming office in 2009 had declared the special initiative ‘Vision 2021’ to graduate Bangladesh to a middle income country by 2021. This breakthrough decision raised Bangladesh in a unique position to the world. Meanwhile, Bangladesh has achieved all the eligibility conditions to graduate to a ‘developing country’ from a ‘least development one’. It is expected that continuing this pace of socio-economic development, Bangladesh will be transformed into the desired middle-income country within the stipulated time.

4. The government is executing planned tax management programs to raise national income. The Online Value Added Tax system is going to start from the upcoming fiscal year. The size and allocation of national budget and Annual Development Program (ADP) has been increased gradually. In FY2017-18, total amount of revised budget was Tk.3,71,494 crore which has increased by Tk.71,047 crore to Tk.4,42,541 crore in the current fiscal year. Similarly, the Revised Annual Development Program (RADP) has been increased by 12.54 percent from the previous fiscal year and stood at Tk.1,67,000 crore. The investment-friendly monetary policy is being implemented to maintain inflation to a comfort level. Export earnings and foreign exchange reserves are increasing every year. On 17 April 2019, foreign exchange reserve reached US\$32.1 billion.

5. Bangladesh has made significant progress not only in economic development but also in social sectors. Bangladesh achieved hunger, poverty and health sector related goals and targets of Millennium Development Goals (MDGs) before the scheduled time.

As a result, Bangladesh achieved UN 'South South Award' twice. At present, the government is working relentlessly to implement Sustainable Development Goals (SDGs). Allocation and beneficiaries of social safety-net program have been enhanced every year. In addition, new areas of social safety-net are being added. Rate, incidence and depth of poverty have been decreasing continuously because of following the life cycle approach of social safety-net program. 40 percent people of the country were lived below the poverty line in 2005. By just one era, the poverty rate reduced to 21.8 percent in 2018. By continuing this trend, it would be possible to fulfill the target to reduce poverty rate at 18.6 percent by 2020.

6. Bangladesh has progressively improved in human resources development, gender equality, private sector and environmental development sectors. According to 'Global Gender Gap Report, 2018' published by World Economic Forum; Bangladesh is at the top in South Asia in terms of gender equality. Moreover, Bangladesh is at the top position around the world in four indicators i.e. 'girls-boys enrolment rate at primary level', 'girls-boys enrolment at secondary level', 'years with female head of state' and 'sex ratio at birth'. Child and maternal mortality rate has decreased gradually due to proper initiatives of the government. Now, average life expectancy is 72 years. The government has decided to establish 100 'Economic Zones' across the country with a view to encouraging private and direct foreign investment. Until March 2019, administrative approval has been given to establish 88 'Economic Zones'. The government is working relentlessly to mitigate the climate change. The government has formed Bangladesh Climate Change Trust Fund (BCCTF) by its own resources. Bangladesh is the pioneer to establish such type of fund among the Least Developed Countries (LDCs). Up to March 2019, the government has allocated a total of Tk.3,500 crore to this fund and a total of 687 projects under BCCTF have been approved until December 2018. Furthermore, a long-term integrated mega plan 'Bangladesh Delta Plan 2100' has been formulated to combat climate change impact.

7. Finally, I would like to express my heartfelt congratulation to all officials of Economic Adviser Wing of Finance Division for their highest efforts in preparing, editing and publishing this document. Also my thanks to all ministries/divisions/departments/agencies for providing valuable data and information. I hope that this publication will meet up the demand of researchers, students, educationist and those who are interested to socio-economic scenario of Bangladesh.



A H M Mustafa Kamal, FCA, MP
Minister
Ministry of Finance

