

# **Country Presentation**

## **Bangladesh Graduation from LDCs: Challenges & Opportunities**

**National Focal Points Meeting  
12-13 July New York**

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# outline

- Bangladesh- an amazing success story
- Uniqueness of Bangladesh among LDCs
- Dynamics of structural transformation
- Graduation journey and Challenges ahead
- Way forward

# Bangladesh at a Glance

## Economy of Bangladesh

- The economy has grown at 6+ per cent per year during past decade,
- In FY 2016-17, growth of GDP attained 7.28%
- Per capita GNI during last five years increased from 955 US\$ to 1610 US\$ (2017)
- Foreign Currency Reserve - US\$ **32.6** billion
- Gross Domestic Product ranking (2017)
  - 33<sup>rd</sup> (PPP based GDP)
  - 44<sup>th</sup> (nominal GDP)

## Bangladesh Journey towards Graduation

- Bangladesh is the first country to meet all three thresholds for LDC Graduation: GNI, HAI, and EVI
- In current trends, BD will be recommended for graduation in the next triennial review in 2021 and will officially graduate from LDC category in 2024
- Bangladesh journey towards graduation is a milestone, not a winning post

## No country graduated meeting all three criteria...

Country	Graduation Year	GNI per capita	HAI	EVI
<b>Graduated Countries</b>				
Botswana	1994	YES	YES	NO
Cape Verde	2007	YES	YES	NO
Maldives	2011	YES	YES	NO
Samoa	2014	YES	YES	NO
Equatorial Guinea	2017	YES	NO	NO
<b>Graduating Countries</b>				
Vanuatu	2020	YES	YES	NO
Angola	2021	YES	NO	NO

## Bangladesh, LDCs and other Developing Countries

Criteria	Threshold, 2018	Bangladesh	LDCs	Other Developing Countries
GNI per capita	US\$ 1,230 or greter (previous three year average)	US\$ 1,274*	US\$ 1,229	US\$ 7,064
HAI	66 or greater	73.2	53.1	76.4
EVI	32 or less	25.2	41.3	34.7

\* Average of calendar year 2014, 2015, 2016

Source: <https://www.un.org/development/desa/dpad/least-developed-country-category/ldcs-at-a-glance.html>

# Strategy towards structural transformation

- Policy intervention to provide an enabling environment for manufacturing led export
- Enhancing skill for boosting productivity
- Replacing and upgrading technology; enhancing R&D
- Reforming financial market conducive to exports and manufacturing sector
- Enabling environment for increased women participation in labor force
- Bridging the gap between rural and urban development through financing SME
- Developing 100 special economic zones
- Massive infrastructure investment to improve competitiveness in industry, trade and exports

# LDC graduation: Key challenges and measures

Area	Challenge/ Opportunity	Channel	Preliminary Impact Assessment	Countervailing/ Supporting measures
Trade	Challenge	WTO's rules, preferential treatment	High	Exploring new opportunity, GSP+; delaying withdrawal of benefit
Investment	Opportunity	Improved image, better credit rating	Moderate	Advocacy and campaign to attract FDI
ODA	challenge	LDC specific ODA support	Moderate	Improving project implementation
Technical Assistance	Challenge	Enhanced Integrated Framework; Aid for Trade	Low to moderate	The amount is not significant



# LDC graduation: Key challenges and measures (contd..)

Area	Challenges/ Opportunities	Channel	Preliminary Impact Assessment	Countervailing/ Supporting measures
Other benefits	Challenge	UN Air ticket; UN subscription would increase	Low	-
Technology	Challenge	TRIPS flexibilities/ Technology transfer/ Technology Bank/	high	Devising strategy to negotiate with WTO and other stakeholders for sustaining the benefit
Regional/ global influence	Opportunity	Graduation will improve influence in the regional and global level	-	Room for negotiation and fair agreement/ deal

## Sustaining graduation momentum: Preparedness

- Internalizing LDC graduation in national policy framework
- National Taskforce formed to monitor, guide and coordinate the graduation
- Assessing impact at national level and coordinating with CDP for early assessment
- Undertaking mega infrastructure projects
- Diversifying both product and destination of export
- Whole of Society approach undertaken for concerted effort

# Support for smooth transition towards sustainable graduation

- DFQF access should continue for a reasonable time after graduation
- Relaxing the accessibility to TRIPs and technology bank for graduated nations
- Allowing easy and affordable access to knowledge product for graduating and graduated nations
- Scaling up concessional support targeting infrastructure development to enhance productive capacity for LDCs pre and post graduation phase
- Creating a global platform to identify the needs and facilitate the voices of the LDCs

**Thank you all!!!**

**Very Welcome to 16 July, 2018 Event  
on**

**Supporting LDCs for Smooth Transition towards  
Sustainable Graduation**