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**République populaire du Bangladesh**  
**Programme d'options stratégiques pour le pays**

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**Mesures à prendre:** Le Conseil d'administration est invité à examiner le programme d'options stratégiques pour le pays relatif à la République populaire du Bangladesh.

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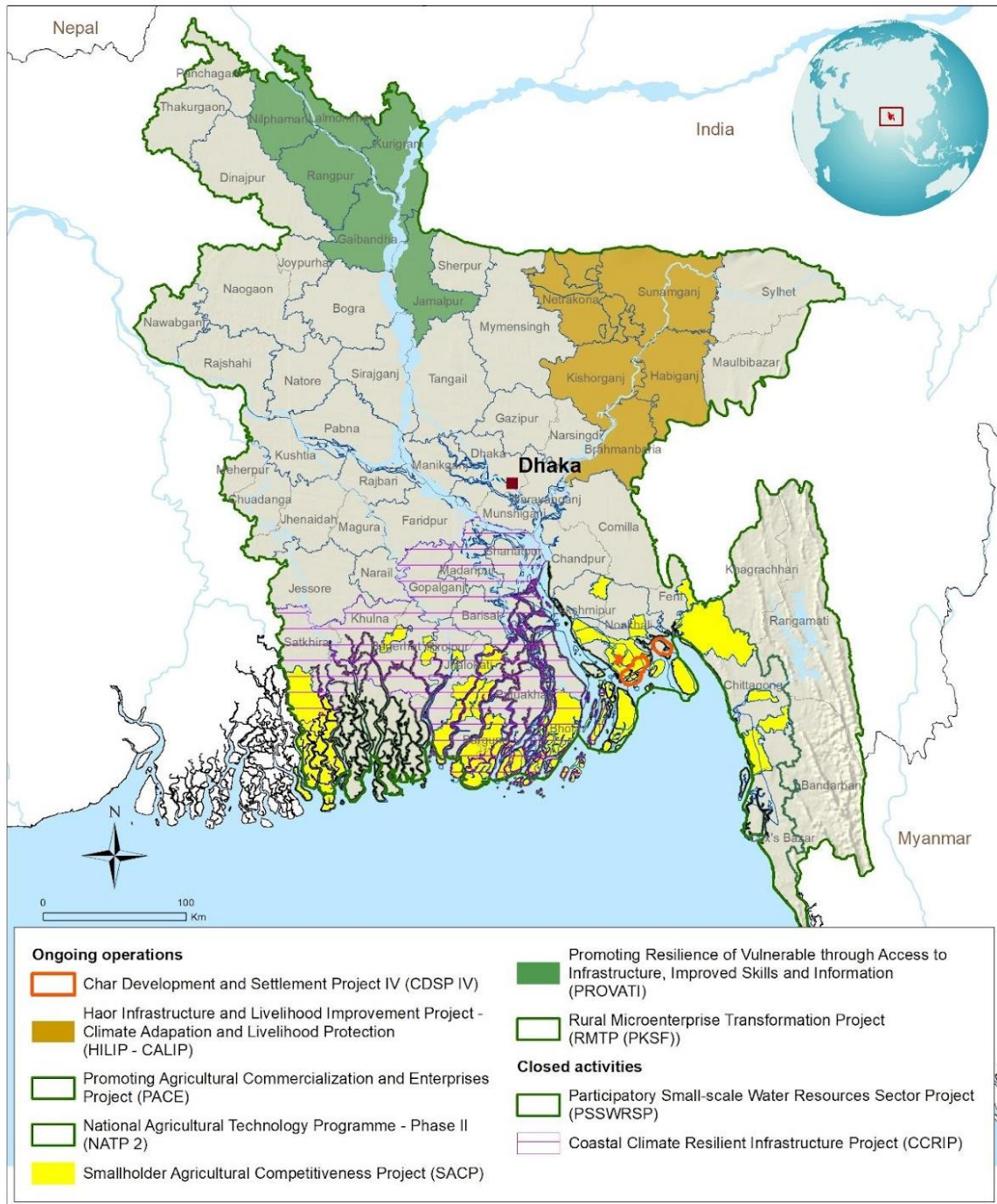
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## Carte des zones d'intervention du FIDA dans le pays



**Source:** 16/11/2020

Les appellations figurant sur cette carte et sa représentation graphique ne constituent en aucun cas une prise de position du FIDA quant au tracé des frontières ou limites, ou aux autorités de tutelle des territoires considérés.

## Résumé

1. Le Bangladesh, pays à revenu intermédiaire de la tranche inférieure dont le PIB nominal par habitant s'élevait à 2 022 USD en 2020, est entré récemment dans une phase préparatoire de cinq ans pour sortir de la catégorie des pays les moins avancés. Entre 2015 et 2020, le PIB réel du pays a augmenté en moyenne de 5,2% par an, avec un pic de 8,2% au cours de l'exercice 2019, juste avant le début de la pandémie de COVID-19. Plusieurs facteurs ont été pris en considération dans la préparation du programme d'options stratégiques pour le pays (COSOP), notamment la volonté du Bangladesh de passer à moyen terme dans la catégorie des pays à revenu intermédiaire, les effets néfastes des changements climatiques et de la COVID-19, et la nécessité d'établir une croissance économique soutenue afin d'atteindre la prospérité. La pauvreté rurale reste élevée, et le chômage des jeunes est l'un des plus grands défis à relever pour atteindre l'objectif général, qui est d'éliminer la pauvreté.
2. Le présent COSOP couvre la période allant de 2023 à 2028. L'examen à l'achèvement du précédent COSOP (2012-2022) a été réalisé en 2022. Ce nouveau COSOP couvre les cycles 2022-2024 et 2025-2028 du Système d'allocation fondé sur la performance (SAFP). Sur la base des notes actuellement attribuées au titre du SAFP, les fonds apportés par le FIDA pour les deux prochains cycles sont estimés à 240 millions d'USD.
3. Le COSOP concorde avec l'objectif du pays, qui est d'éradiquer la pauvreté, comme énoncé dans le Bangladesh Delta Plan 2100 et le Plan prospectif du Bangladesh pour la période 2021-2041. Les actions à mener pour réaliser cet objectif ont été mises en œuvre dans le cadre du septième Plan quinquennal (2016-2020), puis du huitième Plan quinquennal (juillet 2020-juin 2025) en s'appuyant sur trois grandes stratégies: création d'emplois et réduction rapide de la pauvreté; croissance et prospérité inclusives; résilience face aux catastrophes naturelles et aux changements climatiques comme moteur du développement durable. Grâce à cette concordance, les opérations de prêt et les activités hors prêts du FIDA continueront d'appuyer le programme de réduction de la pauvreté mis en place par le Gouvernement bangladais.
4. La finalité du COSOP est de promouvoir la prospérité rurale en offrant des moyens d'existence inclusifs et résilients aux petits exploitants, aux microentrepreneurs et aux groupes marginalisés. Les deux objectifs stratégiques énoncés ci-après ont été validés en concertation avec les parties prenantes étatiques et non étatiques:
  - i) **objectif stratégique n° 1:** renforcer les capacités des communautés rurales vulnérables en matière d'adaptation aux changements climatiques et d'atténuation de leurs effets grâce à des infrastructures résilientes et à une agriculture climato-compatible;
  - ii) **objectif stratégique n° 2:** améliorer l'accès des petits exploitants ruraux, des microentrepreneurs et des groupes marginalisés aux financements, aux technologies et aux marchés pour qu'ils puissent diversifier leur économie et créer des emplois ruraux.
5. Les thématiques transversales de l'autonomisation des femmes, des jeunes et des groupes marginalisés – notamment les minorités ethniques et les personnes handicapées – feront l'objet d'une attention particulière. Les autres domaines thématiques sont l'innovation, l'amélioration de la nutrition, la gestion des ressources naturelles et les changements climatiques, ainsi que les technologies à faibles émissions de carbone. Le groupe cible comprend les ruraux pauvres, les agriculteurs marginaux et les petits exploitants, les microentrepreneurs ainsi que les producteurs ruraux agricoles et non agricoles.

6. Le FIDA cherchera à collaborer avec d'autres partenaires de développement proposant des services financiers, techniques et de conseil complémentaires afin de démultiplier les ressources du FIDA et de donner aux interventions et aux résultats l'ampleur souhaitée. Ces partenaires de développement sont l'Agence danoise de développement international (DANIDA), le Gouvernement néerlandais, des organismes multilatéraux tels que la Banque asiatique de développement (BAsD), la Banque mondiale, l'Organisation des Nations Unies pour l'alimentation et l'agriculture (FAO) et le Programme alimentaire mondial (PAM).

# République populaire du Bangladesh

## Programme d'options stratégiques pour le pays

### I. Contexte du pays et programme relatif au secteur rural – principales difficultés et perspectives

1. Avec une population de près de 164 millions d'habitants, le Bangladesh est le pays le plus densément peuplé au monde (1 115,4 personnes au kilomètre carré)<sup>1</sup>. Le taux de croissance démographique annuel est de 1,37%. Le Bangladesh possède une population jeune: 33,2% de ses habitants se situent dans la tranche d'âge 15-34 ans. Au cours des 20 prochaines années, 52,4 millions de jeunes entreront sur le marché du travail. Le taux de prévalence du handicap est de 8,5 pour 1 000 (9,3 hommes/7,7 femmes)<sup>2</sup>.
2. L'économie du pays a connu une croissance stable au cours des trois dernières décennies, et le PIB par habitant a atteint 2 022 USD en 2020. Le Bangladesh aspire à devenir un pays à revenu intermédiaire à moyen terme en éradiquant la pauvreté. Sur la période 2015-2020<sup>3</sup>, le pays a connu une croissance du PIB réel de 5,2% en moyenne par an, avec un pic de 8,2% sur l'exercice 2019, juste avant le début de la pandémie de COVID-19. La croissance du PIB est retombée à 3,5% sur l'exercice 2020 et elle est estimée à 5% sur l'exercice 2021. L'économie connaît une évolution structurelle dans laquelle l'agriculture recule au profit de l'industrie et des services. Lors de l'exercice 2019, les secteurs primaire, secondaire et tertiaire ont contribué au PIB à hauteur de 13,7%, 35% et 51,4%, respectivement<sup>4</sup>.
3. **Réduction de la pauvreté.** Lors de l'exercice 2018, 13% de la population était considérée comme extrêmement pauvre et 20,5% des ménages se situaient sous le seuil de pauvreté. Cette situation s'est détériorée lors des exercices 2019, 2020 et 2021 sous l'effet de la pandémie de COVID-19. La pauvreté de masse persiste, et le nombre de personnes pauvres est élevé. Certains écosystèmes sont particulièrement fragiles, notamment les *haor* (zones humides), les deltas côtiers, les plaines fluviales inondables et les *chars* (reliefs formés par concrétion), où vivent des millions de familles pauvres.
4. **Effets défavorables de la COVID-19<sup>5</sup> et de la guerre en Ukraine.** La situation macroéconomique s'est dégradée dans le sillage de la pandémie de COVID-19, avec une baisse importante du PIB (9,4 milliards d'USD), des exportations (8 milliards d'USD), des investissements (5,8 milliards d'USD) et des recettes fiscales (2,35 milliards d'USD)<sup>6</sup>. La pandémie a fait peser une lourde charge sur un système de santé publique déjà fragile et a causé 28 000 décès (fin 2021). En août 2021, 19,5% des ménages supplémentaires sont passés sous le seuil de pauvreté national, rejoignant ainsi les 20,5% de ménages du pays qui s'y trouvaient déjà. Dans le secteur privé, les suppressions d'emplois temporaires peu qualifiés ont été particulièrement nombreuses dans les domaines de la vente, du commerce, de la restauration et des transports. Plusieurs études ont fait état d'une aggravation de la faim dans les zones urbaines et rurales: pendant le confinement, neuf ménages sur dix ont subi des pertes de revenu plus ou moins marquées, ce qui a pu entraîner

<sup>1</sup> Bureau des statistiques du Bangladesh, Division de la statistique et de l'informatique, Ministère de la planification du Bangladesh, *Report on Bangladesh Vital Statistics and Basic Country Information* (2019).

<sup>2</sup> Bureau des statistiques du Bangladesh, Division de la statistique et de l'informatique, Ministère de la planification du Bangladesh, *Bangladesh Labour Force Survey 2016-2017*.

<sup>3</sup> Banque du Bangladesh, *Bangladesh Bank Quarterly* (juillet-septembre 2020).

<sup>4</sup> Banque du Bangladesh, *Bangladesh Bank Quarterly* (juillet-septembre 2020), et Banque du Bangladesh, *Bangladesh Bank Annual Report 2012* (2013).

<sup>5</sup> Le taux de vaccination a atteint 70% et continue d'augmenter. Aucun décès n'a été enregistré ces dernières semaines. Le taux d'infection est d'environ 0,2% (source: Ministère de la santé).

<sup>6</sup> Division générale de l'économie, Commission de la planification du Bangladesh, Gouvernement bangladais, *Eighth Five-Year Plan: Promoting Prosperity and Fostering Inclusiveness (July 2020-June 2025)* (décembre 2020).

une baisse de l'apport alimentaire<sup>7</sup>, et, en juin 2020, 12% des ménages extrêmement pauvres disaient souffrir de la faim. Les dépenses alimentaires auraient diminué de 28% et 22% dans les zones urbaines et rurales, respectivement<sup>8</sup>. Le Bureau de promotion des exportations du Bangladesh estime que la Fédération de Russie a expédié pour un total de 466,7 millions d'USD de marchandises au Bangladesh en 2020 et 2021 (principalement du blé, des huiles comestibles, des engrais et produits chimiques, de l'acier et de l'aluminium). Bien que la guerre en Ukraine puisse impacter le coût des intrants agricoles à l'échelle mondiale, elle ne devrait pas avoir d'effets négatifs immédiats sur l'économie bangladaise<sup>9</sup>.

5. **Femmes.** Bien que des progrès aient été réalisés, beaucoup reste à faire pour améliorer les capacités et les perspectives économiques des femmes. En 2019, le Bangladesh a obtenu un résultat de 0,537 selon l'indice d'inégalités de genre<sup>10</sup>. La participation des femmes à l'économie formelle et informelle a augmenté grâce: i) à un meilleur accès à l'éducation et aux services financiers; ii) à une multiplication des offres d'emploi dans les zones rurales, notamment dans le secteur agricole, ce qui incite les femmes rurales à exercer des emplois informels pour contribuer au revenu familial. Le problème des violences sexistes persiste, en particulier dans un contexte de pauvreté et de malnutrition, et au sein des communautés marginalisées et défavorisées<sup>11</sup>.
6. **Emploi des jeunes.** Le taux de chômage des jeunes s'établit à 79,6%<sup>12</sup>. La Politique nationale relative à la jeunesse (2017) a été conçue pour apporter une aide ciblée aux jeunes ruraux, mais aucun plan concret n'a été déployé pour la mettre en œuvre. Au Bangladesh, beaucoup de jeunes n'ont pas les compétences financières ou techniques requises pour créer des entreprises diversifiées. Ils sont également confrontés à des contraintes géographiques. Seulement 1,8% de la population active du pays a reçu une formation professionnelle agréée<sup>13</sup>. Pourtant, 91% des jeunes adultes (hommes et femmes de la tranche d'âge 15-29 ans) savent lire et écrire et sont donc en mesure de recevoir une formation professionnelle.
7. **Minorités ethniques.** Le Bangladesh compte une trentaine de minorités ethniques, dont les plus importantes sont les Santal, les Orao, les Chakma, les Marma, les Garo, les Khashia, les Tripura, les Monipuri et les Rakhain. Les communautés santal et orao vivent dans la région des Barind Tracts au Nord-Ouest, tandis que les communautés chakma, marma et tripura vivent dans la partie sud des Chittagong Hill Tracts. La principale source de revenus des minorités ethniques est l'agriculture, même si, avec l'amélioration de l'éducation et des perspectives économiques et leur désir d'intégration dans l'économie, ces minorités s'orientent de plus en plus vers le commerce et d'autres secteurs.
8. **Nutrition.** Bien que la sécurité alimentaire ait progressé avant la pandémie, plusieurs éléments font l'objet de préoccupations: 28% des enfants en école maternelle présentaient un retard de croissance en 2019 (certaines études faisant état d'un retard de croissance chez 36% des enfants de moins de 5 ans)<sup>14</sup>; 23%

<sup>7</sup> Ahmed, F., Islam, A., Pakrashi, D., Rahman, T. et Siddique, A., Determinants and Dynamics of Food Insecurity during COVID-19 in Rural Bangladesh, *Food Policy*, vol. 101 (2020).

<sup>8</sup> Bidisha, S. H., Mahmood, T. et Hossain, M. B., Assessing Food Poverty, Vulnerability and Food Consumption Inequality in the Context of COVID-19: A Case of Bangladesh, *Social Indicators Research*, vol. 155 (2021).

<sup>9</sup> Le bureau de pays du FIDA va suivre l'évolution de la situation et mettra en place un dispositif de riposte si nécessaire, comme cela a été le cas pour l'épidémie de COVID-19.

<sup>10</sup> Il s'agit d'une mesure composite des inégalités entre les femmes et les hommes reposant sur plusieurs critères (santé reproductive, pouvoir d'action et insertion sur le marché de l'emploi). L'indice va de 0 (égalité totale) à 1 (inégalité totale). Voir: <https://hdr.undp.org/sites/default/files/Country-Profiles/BGD.pdf>.

<sup>11</sup> Étude du FIDA sur le secteur social au Bangladesh (2021).

<sup>12</sup> Bureau des statistiques du Bangladesh, Division de la statistique et de l'informatique, Ministère de la planification, *Bangladesh Labour Force Survey 2016-2017*.

<sup>13</sup> *Ibid.*

<sup>14</sup> Initiative Renforcer la nutrition, <https://scalingupnutrition.org/sun-countries/bangladesh/>.

souffraient d'insuffisance pondérale, environ 10% d'émaciation<sup>15</sup>, et 2,4% des enfants de moins de 5 ans souffraient de carences en micronutriments associées à un risque de malnutrition<sup>16</sup>. Plus de la moitié des femmes au Bangladesh souffrent de carences énergétiques chroniques, et 36,7% des femmes en âge de procréer sont anémiques. L'émancipation des femmes est un facteur essentiel pour améliorer leur accès aux aliments nutritifs, renforcer leur éducation en matière de nutrition, de santé et d'hygiène<sup>17</sup>, et impulser la transition vers une production alimentaire qui tienne compte des enjeux nutritionnels<sup>18</sup>.

9. **Agriculture.** Le secteur primaire représente encore environ 40% de l'emploi total et reste une source majeure de revenus dans les zones rurales. Le Bangladesh est en passe d'atteindre l'autosuffisance pour le riz. L'horticulture, l'élevage et la pisciculture sont les activités rurales les plus rentables et celles qui offrent la plus forte croissance. Cependant, plusieurs obstacles freinent l'évolution du secteur vers un système de production plus diversifié et plus résilient. Le Bangladesh a également des difficultés à respecter les normes en matière d'exportation alimentaire<sup>19</sup>. Malgré l'élargissement de la transformation de l'économie rurale, le secteur agricole reste dominé par la riziculture et demeure le principal moteur de croissance de la productivité<sup>20</sup>.
10. **Finance rurale.** Une économie rurale viable repose sur la hausse des investissements, et le caractère accessible des services de microfinance joue un rôle important à cet égard. En 2020, environ 33,38 millions de personnes (dont 91,8% de femmes)<sup>21</sup> étaient clientes auprès d'institutions de microfinancement (IMF)<sup>22</sup>, et le montant des prêts accordés par des IMF pour financer l'expansion des entreprises rurales est en augmentation. Plus de la moitié des prêts accordés aux microentreprises sont supérieurs à 100 000 taka (soit 1 200 USD). Les prêts agricoles saisonniers sont actuellement le type de prêt le plus courant et jouent un rôle vital pour l'économie rurale.
11. **Envois de fonds internationaux.** Les envois de fonds de l'étranger, qui ont connu une hausse soutenue – passant de 16 milliards d'USD en 2015 à environ 24 milliards d'USD en 2020 –, constituent une importante source de revenus pour de nombreuses familles rurales et pour le dispositif national de gestion macroéconomique. Dans le cadre du Projet de transformation des entreprises rurales, le FIDA verse actuellement un don de 1 million d'USD au Ministère de la protection sociale des expatriés et de l'emploi à l'étranger afin de développer un sous-projet modeste qui permettra aux ménages bénéficiaires d'utiliser les envois de fonds pour réaliser des activités productives.
12. **Infrastructures rurales.** Le réseau de routes en dur dans les zones rurales s'est étendu, mais 50% des routes rurales n'ont toujours pas de revêtement. Les investissements consentis dans les systèmes d'irrigation et les petits remblais sont les principaux moteurs de l'augmentation de la production agricole. Cependant, ce type d'infrastructure est très vulnérable aux changements climatiques et pose des problèmes d'entretien. Des investissements s'avèrent nécessaires en vue de protéger les infrastructures contre les aléas climatiques, de trouver des solutions

<sup>15</sup> Bureau des statistiques du Bangladesh, *Multiple Indicator Cluster Survey 2019 – Survey Findings Report* (2019). Disponible en ligne à l'adresse:

[https://www.unicef.org/bangladesh/media/3281/file/Bangladesh%202019%20MICS%20Report\\_English.pdf](https://www.unicef.org/bangladesh/media/3281/file/Bangladesh%202019%20MICS%20Report_English.pdf).

<sup>16</sup> Global Nutrition Support, <https://globalnutritionreport.org/resources/nutrition-profiles/asia/southern-asia/bangladesh/>.

<sup>17</sup> Gouvernement canadien, Union européenne, UKaid, Fonds des Nations Unies pour l'enfance, Agence des États-Unis pour le développement international, PAM, Organisation mondiale de la Santé et Banque mondiale, *Undernutrition in Bangladesh – A Common Narrative* (2014). Disponible en ligne à l'adresse:

[http://scalingupnutrition.org/wp-content/uploads/2014/06/Common-Narrative\\_BANGLADESH-Final.pdf](http://scalingupnutrition.org/wp-content/uploads/2014/06/Common-Narrative_BANGLADESH-Final.pdf).

<sup>18</sup> Even *et al.*, *Nutrition, Women's Empowerment and Sustainable Food System Transitions* (2021).

<sup>19</sup> D'après l'Institut de santé publique du Bangladesh, 50% des produits alimentaires testés entre 2001 et 2009 étaient contaminés, principalement par des résidus de pesticides.

<sup>20</sup> Étude du FIDA sur le secteur social au Bangladesh (2021).

<sup>21</sup> Traditionnellement, le secteur bangladais de la microfinance s'adresse davantage aux femmes, mais les prêts sont parfois utilisés par d'autres membres de la famille pour le compte d'entreprises familiales ou d'autres activités génératrices de revenus.

<sup>22</sup> *Microfinance Statistics* (2012 et 2020) et rapports publiés par le Credit and Development Forum (Bangladesh).



aux pénuries croissantes d'eau souterraine et de construire des infrastructures après récolte.

13. **Environnement et changements climatiques.** De par sa configuration géographique, le pays est très vulnérable aux chocs environnementaux et climatiques. D'après le Notre Dame Global Adaptation Initiative Index<sup>23</sup>, le Bangladesh est très vulnérable aux changements climatiques et se classe 157<sup>e</sup> sur 182 pays. On s'attend à une hausse des températures moyennes et à une augmentation des précipitations annuelles, ce qui va étendre la saison des moussons, accroître les risques d'inondation et modifier les calendriers de culture. L'élévation du niveau de la mer constitue une menace pour les zones côtières en raison de la perte des terres et, surtout, de la salinisation des eaux souterraines. Par ailleurs, des millions de personnes risquent de perdre leur maison et leurs terres agricoles en raison de ces phénomènes<sup>24</sup>, ce qui, à l'horizon 2050, pourrait porter à 13 millions le nombre de déplacés internes imputables aux changements climatiques<sup>25</sup>. Les effets conjoints des changements climatiques pourraient entraîner une perte du PIB annuel allant de 1,3% (scénario modéré) à 20% (scénario extrême).
14. La contamination et l'épuisement des eaux souterraines sont des problèmes très courants dus aux activités de production agricole et à l'industrialisation. La croissance des petites industries telles que la fabrication du cuir et l'élevage intensif ne s'est pas accompagnée d'investissements suffisants dans la gestion de l'eau, des polluants et de la dégradation. La dégradation des terres et la perte de biodiversité (aquaculture, dégradation du biome, monoculture et disparition des semences diversifiées)<sup>26</sup> nuisent aux services écosystémiques et au potentiel de productivité.

## II. Contexte institutionnel et cadre de l'action publique

15. Le COSOP est conforme aux objectifs, stratégies et cibles du pays à long, moyen et court terme, établis respectivement dans le Bangladesh Delta Plan 2100, le Plan prospectif du Bangladesh pour la période 2021-2041 et le huitième Plan quinquennal (juillet 2020-juin 2025).
16. **Bangladesh Delta Plan 2100.** Élaboré en 2018<sup>27</sup>, le Delta Plan se penche sur les défis et perspectives à long terme offerts par l'un des plus vastes deltas au monde, et expose une vision pour un delta sûr, prospère et résilient face aux changements climatiques d'ici à la fin du XXI<sup>e</sup> siècle. Plusieurs objectifs de haut niveau ont été définis: objectif n° 1: éliminer l'extrême pauvreté à l'horizon 2030; objectif n° 2: accéder à la catégorie des pays à revenu intermédiaire de la tranche supérieure à l'horizon 2030; objectif n° 3: être un pays prospère en 2041 et au-delà.
17. **Plan prospectif du Bangladesh pour la période 2021-2041**<sup>28</sup>. Le leitmotiv de ce plan est: « Un jour, la pauvreté sera derrière nous. » Cette transformation doit advenir par une croissance rapide et inclusive, par la mise en place d'une économie du savoir novatrice et par la protection de l'environnement.

<sup>23</sup> Notre Dame Global Adaptation Initiative. Disponible à l'adresse: <https://gain.nd.edu/our-work/country-index/rankings/>.

<sup>24</sup> Chen, J. et Mueller, V., Coastal Climate Change, Soil Salinity and Human Migration in Bangladesh, *Nature Climate Change*, vol. 8 (2018).

<sup>25</sup> Groupe de la Banque mondiale, *Groundswell: Preparing for Internal Climate Migration* (2018).

Disponible à l'adresse: <https://openknowledge.worldbank.org/handle/10986/29461>.

<sup>26</sup> Dégradation: érosion, contamination, salinisation, acidification, déforestation et perte de fertilité. Voir:

<https://www.worldbank.org/en/results/2016/10/07/bangladesh-strengthening-bangladeshs-environment-natural-resource-management>.

<sup>27</sup> Division générale de l'économie, Commission de la planification du Bangladesh, Ministère de la planification du Bangladesh, *The Bangladesh Delta Plan 2100* (2018).

<sup>28</sup> Division générale de l'économie, Commission de la planification du Bangladesh, Ministère de la planification du Bangladesh, *Making Vision 2041 a Reality: The Perspective Plan of Bangladesh 2021-2041* (2020).

18. **Huitième Plan quinquennal (juillet 2020-juin 2025)<sup>29</sup>**. Ce plan fait fond sur les stratégies mises en œuvre lors des deux plans quinquennaux précédents: promotion d'une croissance fondée sur une production manufacturière à forte intensité de main-d'œuvre et tournée vers l'export; promotion de la diversification agricole; promotion de l'entrepreneuriat en ligne; renforcement de l'emploi à l'étranger; construction d'infrastructures de communication viables; amélioration de la protection de l'environnement et de l'adaptation aux changements climatiques.
19. **Politique nationale de sécurité alimentaire et nutritionnelle (2020)<sup>30</sup>**. Cette politique promeut la disponibilité d'aliments sains et nutritifs, à l'appui d'une alimentation équilibrée et financièrement abordable. Elle vise à améliorer l'accès, tout au long de l'existence, à des filets de sécurité et de protection sociale tenant compte des enjeux nutritionnels, et à favoriser le renforcement des capacités et l'instauration de partenariats propices à sa bonne mise en œuvre.
20. **Feuille de route nationale relative au Sommet des Nations Unies sur les systèmes alimentaires**. À l'occasion du Sommet des Nations Unies sur les systèmes alimentaires tenu en septembre 2021, le Gouvernement bangladais a présenté une feuille de route nationale<sup>31</sup> qui souligne la nécessité d'adopter des politiques durables, inclusives et résilientes face aux changements climatiques, tout en améliorant la protection sociale des groupes pauvres et vulnérables tout au long de l'existence.
21. **Stratégie et plan d'action face aux changements climatiques (2009)**. Ce plan met l'accent sur l'adaptation aux changements climatiques et sur la réduction des risques de catastrophe dans six domaines stratégiques<sup>32</sup>, dont la sécurité alimentaire et les infrastructures. Des mesures généralisées d'adaptation aux changements climatiques, établies à partir de la Feuille de route nationale en matière d'énergie solaire pour la période 2021-2041, sont actuellement déployées. De même, la transversalisation des politiques de conception d'infrastructures résilientes face aux changements climatiques est en cours, ainsi que la création du Fonds d'affectation spéciale du Bangladesh consacré aux changements climatiques. Les contributions déterminées au niveau national<sup>33</sup> du Bangladesh ont été révisées en 2021. Elles fixent la marche à suivre pour instaurer un processus de développement à faibles émissions de carbone et une économie résiliente face aux changements climatiques, et exposent les mesures indispensables et souhaitables en vue de réduire les émissions de gaz à effet de serre d'ici à 2030 (6,7%, soit 28 millions de tonnes d'équivalent CO<sub>2</sub>, et 15,1%, soit 62 millions de tonnes d'équivalent CO<sub>2</sub>, respectivement). Les mesures d'adaptation visent à accroître la productivité alimentaire et à maintenir la croissance malgré les effets négatifs des changements climatiques.

### III. Engagement du FIDA: bilan de l'expérience

22. **Enseignements tirés de l'expérience<sup>34</sup>**. Les enseignements suivants, tirés de 13 projets en cours et achevés, éclaireront la conception et l'exécution de futurs projets:

<sup>29</sup> Division générale de l'économie, Commission de la planification du Bangladesh, Ministère de la planification du Bangladesh, *Eighth Five-Year Plan (July 2020-June 2025) – Promoting Prosperity and Fostering Inclusiveness* (2020).

<sup>30</sup> *National Food and Nutrition Security Policy of Bangladesh*.

Voir: <http://fpmu.gov.bd/agridrupal/sites/default/files/file/policy/NFNSP-2019-Draft-English.pdf>.

<sup>31</sup> Gouvernement bangladais, *Towards Sustainable Food Systems in Bangladesh – National Pathway Document for the Food Systems Summit* (2021).

Voir: [https://summitdialogues.org/wp-content/uploads/2021/09/UNFSSPathwayDocument\\_Bangladesh.pdf](https://summitdialogues.org/wp-content/uploads/2021/09/UNFSSPathwayDocument_Bangladesh.pdf).

<sup>32</sup> Ministère de l'environnement et des forêts, *Bangladesh Climate Change Strategy and Action Plan* (2009).

<sup>33</sup> Ministère de l'environnement, des forêts et des changements climatiques, *Nationally Determined Contributions (NDCs) 2021 – Bangladesh (Updated)* (2021). Voir:

[https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Bangladesh%20First/NDC\\_submission\\_20210826revised.pdf](https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Bangladesh%20First/NDC_submission_20210826revised.pdf).

<sup>34</sup> Les priorités du FIDA et la nature de ces projets ont évolué au fil du temps. Les discussions sur les perspectives historiques et le portefeuille 2012-2022 du FIDA figurent en détail dans l'examen mené à l'achèvement du COSOP 2012-2022.

- i) **Conception et exécution du projet.** La performance d'un projet dépend grandement de la simplicité avec laquelle il a été conçu. Cette simplicité peut se manifester par un nombre d'activités restreint, comme dans le Projet d'infrastructure côtière résistante aux aléas climatiques (CCRIP), ou par des modalités de coordination et de prestation de services jusqu'au dernier kilomètre clairement définies, comme dans le Projet d'appui à la commercialisation et aux entreprises dans le secteur agricole (PACE) et le Programme national d'appui aux techniques agricoles – Projet phase II (NATP-II). Le choix d'organismes d'exécution efficaces et possédant les compétences requises pour mener à bien les activités du projet est également un facteur de performance déterminant.
- ii) **Infrastructures rurales.** L'existence d'infrastructures rurales adéquates (par exemple, routes de desserte des marchés, petits remblais pour protéger les terres agricoles de l'eau salée et des inondations, ouvrages d'irrigation) est indispensable aux moyens d'existence agricoles ainsi qu'à l'augmentation de la production, du prix des produits agricoles et des revenus des ménages. Ces infrastructures doivent être accompagnées d'investissements en matière d'appui à la production. Comme cela a été fait pour le CCRIP, puis pour le Projet de renforcement de la résilience des populations vulnérables par l'accès aux infrastructures, l'amélioration des compétences et l'information (PROVATI<sup>35</sup>), l'intégration de fonctions résilientes aux aléas climatiques dans la conception et la construction des infrastructures renforce leur durabilité et réduit la vulnérabilité des collectivités locales.
- iii) **Accès au financement.** L'accès au financement demeure essentiel pour permettre aux personnes pauvres, aux petits exploitants et aux microentrepreneurs de se procurer des possibilités d'emploi indépendant et salarié, comme ont pu le démontrer tous les projets de microfinancement entrepris jusqu'ici. Les taux d'intérêt relativement élevés qui s'appliquent aux prêts accordés par des IMF et à d'autres formes de financement<sup>35</sup> posent des problèmes considérables.
- iv) **Développement des filières.** Moyennant l'existence préalable des infrastructures matérielles fondamentales, l'approche du développement des entreprises et des services financiers axée sur les filières s'est révélée un modèle efficace. L'utilisation de technologies fondées sur Internet jouera un rôle essentiel dans la gestion des projets, des filières et des microentreprises agricoles et d'autres secteurs.
- v) **Participation à l'élaboration des politiques.** Des améliorations relativement légères des politiques et des pratiques, au niveau des projets et des secteurs, ont eu des effets positifs très tangibles pour les bénéficiaires des projets. Il conviendra d'adosser plus systématiquement l'élaboration des politiques et le plaidoyer à des analyses et à des études pour collaborer plus efficacement avec le Gouvernement bangladais et induire des changements à plus grande échelle.
- vi) **Accent mis sur la pauvreté.** Le fait que la grande majorité des bénéficiaires soient issus de communautés de petits agriculteurs extrêmement pauvres et marginales a permis de réduire efficacement la pauvreté. L'accent mis sur les moyens d'existence résistants aux aléas climatiques a donné d'excellents résultats dans les districts du projet particulièrement vulnérables.

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<sup>35</sup> La mobilisation de l'épargne publique étant interdite, les IMF bangladesaises utilisent principalement les prêts accordés par les banques commerciales ou la Fondation Palli Karma-Sahayak, ainsi que l'épargne des bénéficiaires. Les IMF nourrissent l'espoir que les plus importantes d'entre elles pourront devenir des banques de microfinance capables d'accepter l'épargne publique. Le Ministère des finances et l'Autorité de réglementation du microcrédit n'ont pas encore présenté de loi sur les IMF au Bangladesh.

- vii) **Nutrition.** L'amélioration de la sécurité sanitaire des aliments, l'aide à la mise en place de jardins potagers aux cultures variées et le renforcement du pouvoir d'action des femmes peuvent accélérer l'adoption de pratiques plus agroécologiques et de régimes alimentaires plus nutritifs et diversifiés [Projet d'appui à la compétitivité de l'agriculture paysanne (SACP) et NATP-II].

## IV. Stratégie de pays

### A. Avantage comparatif

23. Le FIDA peut faire valoir les avantages comparatifs suivants: un solide bilan en matière de projets exécutés dans des zones extrêmement vulnérables; des connaissances et une expérience précieuses dans de nombreux domaines (développement d'infrastructures à vocation agricole; services financiers à destination des personnes pauvres, des populations rurales et d'autres microentreprises; entreprises agricoles et agro-industries; activités pratiques d'adaptation aux changements climatiques telles que la prévision des inondations); des partenariats efficaces avec les principaux ministères et organismes d'exécution; des partenariats avec un grand nombre d'ONG, d'IMF et d'organisations du secteur privé rural; et la capacité à constituer un grand nombre de groupes informels de femmes, d'hommes et de jeunes pour accélérer les processus de développement social et économique dans le cadre de programmes de microfinance et de développement des filières.

### B. Groupe cible et stratégie de ciblage

24. La stratégie de ciblage fondamentale du FIDA met l'accent sur les familles de petits exploitants agricoles pauvres et sur les microentreprises, qui sont les bénéficiaires directs de ses programmes. Les services financiers ruraux<sup>36</sup>, qui permettent d'investir dans l'amélioration des moyens d'existence, sont fournis aux clients par le biais d'ONG et d'IMF. En ce qui concerne le développement des filières, la stratégie suppose de classer les bénéficiaires pauvres et les microentreprises dans la catégorie pertinente (fournisseurs d'intrants, producteurs, négociants, prestataires de services d'appui et petits transformateurs) en fonction de leur secteur<sup>37</sup> et de la nature agricole ou non agricole de leur activité. La priorité est donnée aux femmes et aux jeunes dans certains secteurs agricoles et non agricoles, aux minorités ethniques, aux groupes marginalisés et aux personnes handicapées.
25. Le FIDA utilise le ciblage géographique à des fins de développement d'infrastructures résistantes aux changements climatiques, de régénération des terres et de promotion d'une agriculture climato-compatible. Le Fonds recense les districts et sous-districts les plus pauvres dans les zones géographiques les plus vulnérables présentant des disparités en matière d'accès à la terre (*haor*, régions côtières et *chars*, par exemple). Le choix final du type d'infrastructure et de la zone du projet est effectué en fonction des besoins et de la faisabilité technique. Des mécanismes permettant de s'assurer que les projets bénéficient aux populations pauvres, y compris des interventions visant à garantir les droits de location et de propriété, sont à l'étude.

<sup>36</sup> Ces services consistent principalement en des crédits accordés aux personnes pauvres et très pauvres, aux agriculteurs marginaux, aux petits exploitants et aux microentreprises. La microassurance est un service peu développé et rarement accessible.

<sup>37</sup> Exemples: horticulture à forte valeur marchande, pisciculture en étang, élevage de bétail et de volaille, semences et légumineuses, aliments transformés, écotourisme, chaussures et bijoux fabriqués à partir de matériaux autres que l'argent et l'or. La production de chaussures, d'articles en cuir et de bijoux représente une industrie considérable: des milliers de microentreprises emploient des centaines de milliers de jeunes femmes et hommes ruraux au sein d'usines et de petites entreprises familiales. L'aide apportée à ces microentreprises est conforme à la stratégie de promotion du FIDA, et ce dernier, en collaboration avec le Gouvernement bangladais, a réussi à améliorer la qualité et la productivité de ces entreprises dans des pôles sélectionnés. Selon les dernières données officielles, issues du recensement économique de 2013, le pays compte plus de 7,8 millions d'entreprises, dont plus de 99% de PME et d'entreprises artisanales.

## C. Finalité et objectifs stratégiques

26. **Finalité.** La finalité est de promouvoir la prospérité rurale en offrant des moyens d'existence inclusifs et résilients aux petits exploitants, aux microentrepreneurs et aux groupes marginalisés. Le FIDA pourra réaliser cette ambition, à moyen terme, en aidant le Bangladesh à sortir de la catégorie des pays les moins avancés et, à long terme, en plaçant le pays sur les rails d'une croissance durable et en l'amenant à adopter une approche fondée sur les systèmes alimentaires.
27. **Objectif stratégique n° 1: renforcer les capacités des communautés rurales vulnérables en matière d'adaptation aux changements climatiques et d'atténuation de leurs effets grâce à des infrastructures résilientes et à une agriculture climato-compatible.**
28. La réalisation de l'objectif stratégique n° 1 passera par la promotion des pratiques agricoles climato-compatibles<sup>38</sup>, en lien avec divers partenaires qui fourniront des connaissances techniques, des intrants et des services. La promotion de ces pratiques s'appuiera sur l'expérience acquise par le FIDA lors des projets menés au titre du Programme d'adaptation de l'agriculture paysanne (ASAP). L'objectif stratégique n° 1 soutiendra la recherche et le développement pour apporter aux collectivités locales des connaissances pouvant déboucher sur des applications pratiques, notamment des services d'information sur le climat. La résilience des collectivités sera favorisée par des processus locaux de planification et de mise en œuvre d'infrastructures à vocation agricole résilientes<sup>39</sup>, à l'appui d'un emploi rural inclusif et d'une sécurité alimentaire et nutritionnelle mettant l'accent sur les femmes et les jeunes. Cet appui consistera en des actifs axés sur la productivité – petites routes, infrastructures de marché, énergies renouvelables, systèmes d'irrigation, etc. – et en des investissements matériels plus importants, nécessaires afin de réduire la vulnérabilité climatique, tels que des abris et des systèmes de protection des villages à faible coût. Ces investissements à l'épreuve des aléas climatiques seront couplés à des actifs plus modestes qui seront mis en œuvre dans les institutions rurales et dans les mécanismes d'exploitation et de maintenance. Les problèmes liés aux droits fonciers<sup>40</sup> seront traités avec toute l'attention nécessaire. En plus de renforcer les politiques d'adaptation aux changements climatiques et d'atténuation de leurs effets, les données collectées aideront à mettre en œuvre les contributions déterminées au niveau national et à respecter d'autres engagements internationaux en matière d'environnement.
29. **Objectif stratégique n° 2: améliorer l'accès des petits exploitants ruraux, des microentrepreneurs et des groupes marginalisés aux financements, aux technologies et aux marchés pour qu'ils puissent diversifier leur économie et créer des emplois ruraux.**
30. La réalisation de l'objectif stratégique n° 2 offrira aux petits exploitants et aux microentreprises davantage de possibilités d'investir dans des entreprises rurales menant des activités commerciales agricoles et non agricoles à forte valeur ajoutée (y compris les entreprises de commerce en ligne) et ciblant les marchés nationaux et internationaux. Les investissements futurs permettront de créer plus de valeur en promouvant la transformation locale, en desservant des marchés de niche (par

<sup>38</sup> Ces pratiques comprennent un large éventail d'activités, comme le renforcement des organisations et institutions locales amenées à effectuer des interventions sur le terrain telles que la gestion durable des ressources forestières et foncières dans un contexte de changement climatique, ou la gestion durable des ressources forestières et foncières montagnardes dans un contexte de changement climatique. Pour plus d'exemples, consulter l'étude de la FAO: <https://www.fao.org/3/cb5359en/cb5359en.pdf>.

<sup>39</sup> Des fonctions de résilience aux changements climatiques seront intégrées aux futurs projets d'infrastructures, comme cela a été le cas dans le CCRIP et le PROVATI<sup>3</sup>.

<sup>40</sup> Le FIDA a contribué à l'installation de personnes pauvres dans un certain nombre de *chars* nouvellement constitués en facilitant la distribution de titres fonciers par le Gouvernement. La résolution des litiges d'ordre foncier ne relève pas de la compétence du FIDA.

exemple, les produits biologiques/écologiques)<sup>41</sup>, en soutenant la production et l'utilisation d'aliments sains et nutritifs, en intégrant les technologies numériques afin d'améliorer la traçabilité et la sécurité sanitaire des aliments, en participant aux marchés d'exportation par le biais du secteur privé formel, et en accompagnant l'expansion du secteur des microentreprises rurales non agricoles. Les femmes et les jeunes des secteurs agricole et non agricole bénéficieront d'une formation professionnelle, tandis que les activités de renforcement des institutions permettront de consolider certains types d'organisations, à l'image des associations commerciales de groupements de producteurs informels, des plateformes multipartites, des organismes de réglementation et de contrôle/certification, des fournisseurs de technologies et d'informations sur les marchés, ainsi que des entreprises de recherche et de développement de produits. Un appui sera également apporté aux politiques sectorielles visant à offrir un meilleur accès aux différents services.

31. Des ressources financières supplémentaires seront allouées afin d'améliorer l'accès au crédit des petits exploitants, des autres membres des communautés rurales, ainsi que des microentreprises agricoles et non agricoles. Les projets du FIDA seront menés en coordination avec des institutions financières faîtières, des autorités de régulation, la Commission des valeurs mobilières et des changes du Bangladesh, la banque centrale du Bangladesh, des IMF, l'Autorité de sécurité sanitaire des aliments du Bangladesh et d'autres parties prenantes pour fluidifier les mécanismes de mobilisation des ressources locales, tels que le financement participatif, et la mise en place de la microassurance; encourager l'élaboration d'un écosystème dédié au numérique, au mobile et à d'autres services financiers fondés sur les technologies d'information et des communications au service du développement; renforcer les politiques et pratiques liées aux filières. Les ménages qui reçoivent des envois de fonds seront encouragés à augmenter leur épargne en travaillant avec les IMF et en investissant des fonds propres dans les microentreprises.
32. **Théorie du changement.** Le Bangladesh est l'un des pays les plus vulnérables aux changements climatiques, en raison de son taux élevé de pauvreté rurale et de son exposition particulière aux risques climatiques. La théorie du changement qui sous-tend le présent COSOP repose sur deux piliers: i) améliorer les capacités des communautés rurales en matière d'adaptation aux changements climatiques et d'atténuation de leurs effets; ii) développer l'économie locale et les possibilités de création d'emplois, en mettant l'accent sur les femmes et les jeunes, dans le cadre d'une stratégie de renforcement de la résilience. Des mesures d'adaptation aux changements climatiques plus efficaces et une productivité accrue permettront de générer davantage d'emplois et de revenus au niveau local, ce qui contribuera à améliorer l'état nutritionnel, le bien-être et les conditions environnementales de la population.
33. Le COSOP contribuera à la réalisation des objectifs de développement durable n<sup>os</sup> 1 (pas de pauvreté), 2 (faim zéro), 5 (égalité entre les sexes), 6 (eau propre et assainissement), 8 (travail décent et croissance économique) et 13 (mesures relatives à la lutte contre les changements climatiques).
34. **Thématiques transversales.** Le COSOP continuera de promouvoir et de consolider les avancées dans les domaines suivants:

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<sup>41</sup> L'usage excessif de produits agrochimiques a été pointé comme l'un des principaux problèmes à régler pour la santé et l'environnement. Pour y remédier, les programmes et projets déploieront une approche agroécologique et des mesures spécifiques aux filières.

- i) **Genre<sup>42</sup>**. La politique consistant à encourager fortement la participation des femmes dans tous les projets sera renforcée pour veiller à ce que les femmes jouent un rôle de premier plan dans diverses instances de concertation, faire augmenter le nombre de femmes propriétaires d'entreprises, ainsi que leur niveau d'emploi indépendant et salarié, promouvoir l'utilisation d'Internet chez les femmes et améliorer leur accès aux services non financiers.
- ii) **Jeunes**. L'emploi des jeunes sera hautement prioritaire dans les projets menés au titre de l'objectif stratégique n° 2 qui miseront sur le développement des compétences professionnelles, l'insertion professionnelle et le travail indépendant pour améliorer les perspectives d'emploi des jeunes ruraux au Bangladesh.
- iii) **Minorités ethniques et personnes handicapées**. L'agriculture et les agro-industries étant les principaux moyens d'existence de ces groupes, les projets dédiés aux filières et aux services financiers continueront d'apporter une aide aux minorités ethniques par le biais d'activités ciblées. Les personnes handicapées seront encouragées à prendre part aux activités de formation actuelles et futures, ainsi qu'à d'autres projets adaptés à leurs capacités.
- iv) **Nutrition**. Tous les projets du présent COSOP appuieront des activités qui encouragent l'éducation nutritionnelle, le changement social et comportemental, et la communication d'informations sur une alimentation saine. Ces activités cibleront en particulier les adolescentes, les femmes et les enfants, et seront menées avec le concours d'autres organismes. Le présent COSOP s'emploiera tout particulièrement à sensibiliser les esprits sur ce qui constitue une alimentation nutritive et sur la disponibilité, l'accessibilité et le caractère abordable d'un régime alimentaire diversifié constitué d'aliments sains et nutritifs. Il s'attachera également à promouvoir des aliments sains et un meilleur état de santé chez les groupes pauvres et marginalisés.
- v) **Ressources naturelles et changements climatiques**. Le COSOP appuiera le plan d'action du Gouvernement concernant l'environnement, les changements climatiques, les technologies à faibles émissions de carbone et les énergies renouvelables, et il contribuera à la mise en œuvre du Bangladesh Delta Plan 2100 et aux contributions du Bangladesh déterminées au niveau national. À cette fin, des partenariats seront noués avec les ministères, administrations et ONG concernés.
- vi) **Utilisation d'applications Internet à des fins de gestion**. L'utilisation d'applications Internet comme outils de gestion sera encouragée dans certains projets, et les petits exploitants et microentreprises seront invités à utiliser ces applications dans le cadre de leurs activités économiques.

## D. Éventail des interventions du FIDA

35. **Réalisation des objectifs stratégiques**. Les objectifs stratégiques seront remplis avec la poursuite de l'exécution du financement additionnel de la phase IV du Projet de développement et de colonisation des *chars*, du SACP, du PROVATI<sup>3</sup>, du PACE et du Projet de transformation des entreprises rurales, et la mise en œuvre de projets à venir tels que le Projet d'aménagement hydraulique à petite échelle, à des fins de résilience aux changements climatiques et aux catastrophes. Les sept projets en cours d'exécution représentent un coût total de 1 025 740 000 USD, la contribution du FIDA s'élevant à 432,94 millions d'USD (prêts) et à 20,34 millions d'USD (dons).

<sup>42</sup> Le pourcentage de femmes bénéficiaires a toujours été assez élevé dans les projets financés par le FIDA: + de 70% dans la microfinance, + de 50% dans le développement de filières, + de 50% dans la formation et le renforcement des capacités, et + de 70% dans les sociétés à contrat de travail collectif. Le pourcentage de femmes occupant un poste dirigeant dans des groupes à assise locale est également important.

36. Un prêt supplémentaire du FIDA de 120 millions d'USD sera décaissé au cours du cycle 2022-2024, dont 41,4 millions d'USD ont déjà été versés pour cofinancer le Projet d'aménagement hydraulique à petite échelle, à des fins de résilience aux changements climatiques et aux catastrophes, dans le cadre d'un accord avec la BAsD. Un montant équivalent devrait être mis à disposition pour la période 2025-2028. À l'heure actuelle, la DANIDA cofinance le Projet de transformation des entreprises rurales à hauteur de 8,29 millions d'USD. Le Gouvernement néerlandais cofinance le financement additionnel de la phase IV du Projet de développement et de colonisation des *chars* à hauteur de 21,49 millions d'USD et s'est engagé à verser un montant supplémentaire de 17,8 millions d'USD pour le Projet d'aménagement hydraulique à petite échelle, à des fins de résilience aux changements climatiques et aux catastrophes.
37. **Contribution à l'élaboration des politiques au niveau national.** Les programmes et projets du présent COSOP contribueront à renforcer l'environnement politique et réglementaire dans deux domaines clés: i) l'adaptation aux changements climatiques, la sécurité sanitaire des aliments, la transformation des systèmes alimentaires et les réseaux de microentrepreneurs; ii) l'accès aux services financiers, technologiques et de commercialisation. Le COSOP appuiera l'élaboration de politiques fondées sur les besoins recensés durant l'exécution des programmes et projets, en renforçant les unités existantes dédiées à la recherche et au plaidoyer sur les politiques, ou en encourageant la création de telles unités dans certaines institutions ciblées, à l'image de la Fondation Palli Karma-Sahayak (services financiers, promotion des entreprises et enjeux liés à l'environnement et aux changements climatiques), du Département d'ingénierie des collectivités locales (pour les infrastructures rurales, la petite irrigation et les enjeux liés à l'environnement et aux changements climatiques), de l'Office national des ressources en eau et de l'Institut d'aménagement hydraulique et de gestion des crues (pour les questions relatives à l'eau et à la gestion des crues). Par ailleurs, des partenariats stratégiques seront passés avec le Gouvernement danois et les Nations Unies dans le domaine des changements climatiques<sup>43</sup>. Des alliances stratégiques seront également nouées avec le Gouvernement danois pour traiter les questions de sécurité sanitaire des aliments; avec le Gouvernement néerlandais dans le cadre de la lutte contre les changements climatiques; avec la Direction du développement et de la coopération de la Confédération suisse pour travailler sur les questions liées aux envois de fonds; et avec l'Agence japonaise de coopération internationale pour promouvoir le développement des marchés d'exportation.
38. **Renforcement des capacités.** Le COSOP appuiera les activités de renforcement des capacités à l'intention des groupes cibles du projet et des bénéficiaires directs<sup>44</sup>, des organismes d'exécution, des administrations et ministères concernés, des autorités de réglementation, des organismes de recherche et développement, des universités et des associations sectorielles concernées. Ces activités consisteront en des formations, des prestations d'assistance technique, des séances de développement de réseau, des partages d'informations, des analyses de politiques, des études et des actions d'appui aux initiatives pilotes.
39. **Gestion des savoirs.** Diverses institutions (par exemple, des ONG, des organismes de recherche, des universités, des organismes des Nations Unies et des instances gouvernementales) interviendront lors des projets du COSOP à des fins de recensement des enseignements à tirer et de diffusion des savoirs. Chaque projet intégrera un système interactif de partage des savoirs pour favoriser la conservation et l'utilisation des informations techniques et faciliter leur accès. Les

<sup>43</sup> Voici quelques exemples de sujets susceptibles d'être abordés à l'avenir dans le cadre de l'élaboration des politiques: l'adaptation aux changements climatiques et l'atténuation de leurs effets; la fourniture d'équipements de contrôle qualité des aliments dans tout le pays; la mise en place de mesures sur le commerce en ligne et le système de paiement par QR code pour les microentreprises; le financement participatif; l'application de la technologie de la chaîne de blocs; le déploiement d'un système de prévision des inondations à assise locale.

<sup>44</sup> Les activités de renforcement des capacités sont comprises dans la conception de certains projets.



rapports intermédiaires et les rapports internes sur les effets obtenus étayeront les choix en matière de gestion. Les études d'impact éclaireront quant à elles les représentants de l'État et les parties prenantes externes, et serviront de source d'informations pour connaître les retombées des projets sur les groupes bénéficiaires. Le plaidoyer politique s'appuiera sur des rapports d'étude et des documents d'orientation.

40. **Coopération Sud-Sud et triangulaire.** La coopération Sud-Sud et triangulaire sera axée sur le développement de savoirs, d'enseignements et de capacités permettant de faire face aux changements climatiques, l'échange de technologies et de bonnes pratiques à même d'améliorer la productivité agricole, l'élargissement de l'accès des petits producteurs ruraux aux marchés plus formels et la création de possibilités d'investissement. Les projets dans le pays seront mis en œuvre en coopération avec les pôles du FIDA et d'autres centres, et seront coordonnés avec les initiatives régionales de gestion des savoirs.
41. **Communication et visibilité.** Chaque projet disposera d'une stratégie solide en matière de communication avec les parties prenantes concernées. Cette stratégie s'appuiera sur une documentation adaptée (par exemple, documents d'orientation ou de recherche, rapports de projet, exemples de réussite). Les canaux pertinents seront utilisés, tels que les réseaux sociaux, la presse, la télévision et les séminaires. L'équipe de communication du FIDA encouragera la diffusion active des résultats et des réalisations.

## V. Innovations et reproduction à plus grande échelle pour des résultats durables

42. **Innovations.** Le présent COSOP s'appuiera sur les innovations déjà établies<sup>45</sup> pour en promouvoir de nouvelles dans des domaines tels que l'adaptation des technologies de l'information et des communications au service du développement; la promotion des partenariats commerciaux dans les entreprises rurales; les solutions d'adaptation aux changements climatiques à l'aide des savoirs issus de l'ASAP; l'exécution des projets<sup>46</sup>. À l'heure actuelle, plus de 46%<sup>47</sup> de la population rurale a accès à des services Internet 4G, et le programme de pays s'appuiera sur cette qualité de connexion pour proposer des services financiers en ligne aux petits exploitants agricoles ruraux.
43. **Reproduction à plus grande échelle.** Tous les projets actuels du FIDA s'emploient à reproduire et à transposer à plus grande échelle les projets précédents. Les modifications ont évolué au fil du temps pour répondre aux besoins des bénéficiaires, comme l'élargissement de la portée des secteurs, des infrastructures et des interventions relatives aux filières; l'utilisation des technologies de l'information pour garantir les droits fonciers des femmes et des pauvres; la mise en place de systèmes innovants de vulgarisation intégrée jusqu'au dernier kilomètre; la création de coopératives et de groupes d'utilisateurs de l'eau à usage multiple. Le COSOP continuera de transposer à plus grande échelle les projets ou activités couronnés de succès dans la même région ou dans d'autres régions du pays.

<sup>45</sup> Des projets antérieurs et actuels du FIDA au Bangladesh ont permis de développer des produits (par exemple, services financiers) et des processus d'exécution de projets innovants, d'introduire des technologies existantes dans de nouveaux domaines, et de nouer des partenariats avec des organismes de recherche et des entreprises privées.

<sup>46</sup> Cela a surtout été le cas dans le domaine des services financiers (par exemple, financements mixtes et financement de la protection contre les aléas climatiques) et du développement de filières (par exemple, étiquetage), des paiements relatifs aux programmes de services écosystémiques liés à des investissements agricoles, des dettes liées au développement durable (notamment les prêts et obligations assortis de conditions environnementales) et des régimes d'assurance liés à la nature fondés sur l'adaptation et une résilience accrue grâce à une meilleure gestion de l'environnement.

<sup>47</sup> D'après l'étude sur les compétences numériques dans les régions rurales du Bangladesh, menée et publiée en 2020 par le Bangladesh Rural Advancement Committee, 46% de la population rurale a accès à Internet. Ce niveau de couverture (qui a dû augmenter depuis) est dû en grande partie aux services Internet 4G fournis par les opérateurs mobiles.

## VI. Exécution du COSOP

### A. Enveloppe financière et cibles de cofinancement

44. Le tableau 1 présente l'enveloppe financière totale.

Tableau 1

**Projets en cours ou prévus: financements du FIDA et cofinancements**  
(en millions d'USD)

Projets	Financement du FIDA	Cofinancement		Ratio de cofinancement
		National	International	
<b>En cours</b>				
Sept projets	432,94	348,58	245,30	
<b>Prévus</b>				
Nouveau projet (Projet d'aménagement hydraulique à petite échelle, à des fins de résilience aux changements climatiques et aux catastrophes)	42,98	58,16	123,86	
Projets futurs	197,02	141,84	276,14	
<b>Total</b>	<b>672,94</b>	<b>548,58</b>	<b>645,3</b>	<b>1/1,77</b>

45. **Financement du FIDA.** Lors de la Douzième reconstitution des ressources du FIDA (FIDA12), le Bangladesh a obtenu une allocation de 119,2 millions d'USD, dont 86,2 millions d'USD au titre du SAFP et 33 millions d'USD au titre du Mécanisme d'accès aux ressources empruntées (MARE). À sa session d'avril 2022, le Conseil d'administration a approuvé une allocation de 42,9 millions d'USD au titre de ce cycle, le reliquat étant en cours de traitement. Il est prévu que le Bangladesh reçoive une allocation similaire durant le cycle de FIDA13, ce qui portera le montant du financement couvert par le présent COSOP à un total d'environ 240 millions d'USD.
46. **Modalités de prêt.** Le Bangladesh se situe dans la catégorie des pays à revenu intermédiaire de la tranche inférieure et remplit les critères pour bénéficier de prêts à des conditions mixtes. Durant la période couverte par FIDA11, le pays est passé à des conditions mixtes au titre du SAFP et fait désormais l'objet d'un panachage entre conditions mixtes et particulièrement concessionnelles. Selon l'analyse de viabilité de la dette réalisée conjointement par la Banque mondiale et le Fonds monétaire international datant de mai 2020, le risque externe et le risque global de surendettement du Bangladesh restent faibles en dépit du choc économique résultant de la COVID-19. En plus du SAFP, le Bangladesh remplit les critères pour accéder aux fonds du MARE à des conditions ordinaires. Le taux d'intérêt applicable aux prêts accordés à des conditions ordinaires comporte une prime d'échéance calculée en fonction de la catégorie de revenu et de la tranche d'échéance moyenne de remboursement. Le Bangladesh appartient à la catégorie 1.
47. **Cofinancement.** En plus des 327,15 millions d'USD au titre des projets en cours, 200 millions d'USD sont attendus de la part de cofinanceurs nationaux, notamment le Gouvernement bangladais, pour la période couverte par le présent COSOP. En plus des 245,3 millions d'USD au titre des projets en cours, 400 millions d'USD sont attendus de la part de cofinanceurs internationaux, dont un financement de 128,8 millions d'USD pour le nouveau Projet d'aménagement hydraulique à petite échelle, à des fins de résilience aux changements climatiques et aux catastrophes.

### B. Ressources consacrées aux activités hors prêts

48. La DANIDA et le Gouvernement néerlandais cofinancent le Projet de transformation des entreprises rurales à hauteur de 8,29 millions d'USD et le financement additionnel de la phase IV du Projet de développement et de colonisation des *chars*

à hauteur de 21,49 millions d'USD. Les discussions en cours indiquent que les deux institutions sont vivement intéressées par le financement de futurs projets dirigés par le FIDA.

49. Le FIDA étudiera les possibilités de garantir l'accès au financement pour la conception de projets liés aux questions environnementales et climatiques susceptibles d'être cofinancés par des institutions telles que le Fonds pour l'environnement mondial, le Fonds vert pour le climat et le Fonds pour l'adaptation. Les domaines suivants se prêtent idéalement à la mobilisation de cofinanceurs spécialisés dans l'action climatique au titre du COSOP<sup>48</sup>: i) la mise en place de systèmes de production innovants et résilients face aux aléas climatiques dans les zones dynamiques des *chars*; ii) l'adoption de solutions polyvalentes fondées sur la nature; iii) l'instauration de modèles à faible empreinte carbone pour améliorer les systèmes alimentaires; iv) le renforcement de la résilience des infrastructures et des approches d'adaptation fondées sur les écosystèmes.

### C. Principaux partenariats stratégiques et coordination du développement

50. Les principaux partenariats à venir du FIDA au Bangladesh suivront globalement les mêmes principes que les partenariats actuels:
- i) **Gouvernement.** Le FIDA travaille en coordination avec le Gouvernement bangladais au stade de la conception, de l'exécution et de l'achèvement des projets, ainsi que dans la conception et la révision du COSOP, par l'intermédiaire de la Division des relations économiques du Ministère des finances. Les organes suivants exécutent actuellement des projets en tant que représentants du Gouvernement: le Ministère de l'agriculture; le Ministère de la pêche et de l'élevage; le Ministère des collectivités locales et des coopératives; le Ministère des ressources en eau; le Ministère de la gestion des catastrophes; la Division des institutions financières du Ministère des finances. Le FIDA nouera des partenariats avec d'autres ministères en tant que de besoin pour des projets futurs.
  - ii) **Organismes bilatéraux et multilatéraux.** Les projets de cofinancement offrent des possibilités de partenariats très fructueux et avantageux avec la Banque mondiale, la BASD, le Gouvernement néerlandais, la DANIDA et l'Agence des États-Unis pour le développement international. Les représentants du FIDA assisteront régulièrement aux réunions de consultation annuelles menées au Bangladesh afin d'échanger des informations et des vues avec l'ensemble des donateurs et le Gouvernement bangladais.
  - iii) **Système des Nations Unies.** En tant que membre de l'équipe de pays des Nations Unies, le FIDA participe à la formulation et à l'exécution du Plan-cadre des Nations Unies pour l'aide au développement. Deux organismes – le PAM et la FAO – interviennent en tant que partenaires d'exécution directs dans deux projets. Les partenariats de ce type seront maintenus, et les collaborations permettant d'aider le Bangladesh à trouver une voie pour transformer ses systèmes alimentaires seront renforcées.
  - iv) **ONG et organismes de recherche.** Le FIDA continuera de cultiver des partenariats avec des ONG et des IMF en vue de fournir des services financiers ruraux, d'organiser des formations professionnelles dans les *haor* et les districts concernés par le PROVATI<sup>3</sup>, et de mettre en œuvre les composantes du financement additionnel de la phase IV du Projet de développement et de colonisation des *chars* relatives au développement économique et social. Des universités et des instituts de recherche

<sup>48</sup> Se référer à l'étude contextuelle PESEC pour de plus amples informations.

participeront à des activités de recherche et développement, d'analyse des politiques et de plaidoyer.

- v) **Secteur privé.** Il y a eu peu d'interactions avec le secteur privé jusqu'ici, à l'exception des microentreprises amenées à intervenir sur divers projets de filières. Les partenariats avec les entreprises formelles qui achètent des produits agricoles, avec celles qui les transforment et avec les prestataires de services issus du secteur privé seront progressivement étendus. Des efforts seront faits pour collaborer avec le Programme de participation du secteur privé au financement en vue de fournir des financements directs aux entreprises et aux intermédiaires financiers, ce qui permettra de rétrocéder des prêts, d'investir ou de proposer des services au bénéfice des petits agriculteurs, des ruraux pauvres, des microentreprises et des PME au titre de l'objectif stratégique n° 2.

## **D. Participation des bénéficiaires et transparence**

51. **Participation des bénéficiaires.** Tous les projets seront conçus et mis en œuvre en concertation avec les bénéficiaires. Ces derniers participeront notamment à la sélection et à la mise en œuvre des activités des projets, au suivi participatif et à la réponse aux doléances. Le point de vue des bénéficiaires est essentiel dans le choix des filières, des études de marché préalables au développement des filières, des partenariats avec le secteur privé et des méthodes de formation.
52. **Transparence.** La transparence et la responsabilisation sont des principes fondamentaux dans la mise en œuvre des projets du FIDA. Ces principes sont notamment observés dans le recrutement des ressources humaines et dans la passation de marchés pour les biens et services (les règles du FIDA et du Gouvernement en la matière sont systématiquement respectées). La pratique consistant à diffuser largement les résultats des projets illustre également cette démarche. Les projets du FIDA sont régulièrement audités par la Direction de l'audit des projets bénéficiant d'une aide externe et par le commissaire aux comptes (dans le cas de la Fondation Palli Karma-Sahayak), et contrôlés par les spécialistes financiers du FIDA lors des missions de supervision.

## **E. Modalités de gestion du programme**

53. Le COSOP pour la période 2023-2028 sera géré par le bureau de pays du FIDA, par l'intermédiaire du directeur de pays, et appuyé par le pôle sous-régional situé en Inde. Ce système permettra une gestion collaborative des savoirs et la dissémination des bonnes pratiques dans toutes les interventions infrarégionales.
54. La gestion, l'appui à l'exécution et la supervision du portefeuille de pays incomberont au directeur de pays et à l'équipe de pays, en collaboration avec le Gouvernement bangladais et les partenaires stratégiques. L'équipe de pays comprend le directeur de pays, deux analystes de programme, un assistant de programme ainsi que deux administrateurs auxiliaires de programme. Des consultants externes spécialisés dans divers domaines thématiques collaborent avec le bureau de pays, lequel bénéficie de l'appui du pôle régional et des spécialistes techniques régionaux qui y sont affectés.

## **F. Suivi-évaluation**

55. Le suivi-évaluation tiendra compte du suivi des progrès accomplis au regard des indicateurs de produit et d'effet direct des projets et programmes en cours d'exécution, de l'examen à mi-parcours du COSOP et de l'évaluation finale au terme de la période d'exécution. Les dispositifs de suivi-évaluation de l'ensemble des projets s'appuieront sur les indicateurs de base et supplémentaires du FIDA, ventilés par sexe, âge et groupe cible. Le FIDA encouragera l'utilisation des technologies de l'information et des communications dans le cadre de ces dispositifs de suivi-évaluation, en vue d'améliorer la gestion de l'information ainsi que la communication de l'information par les outils numériques.

## VII. Gestion des risques

56. Le tableau 2 présente un récapitulatif des risques et des mesures d'atténuation correspondantes.

Tableau 2  
Risques et mesures d'atténuation

<i>Risques</i>	<i>Niveau de risque</i>	<i>Mesures d'atténuation</i>
Politique/gouvernance	Modéré	<ul style="list-style-type: none"> <li>• Choix d'organismes d'exécution solides.</li> <li>• Surveillance étroite des projets par le FIDA, en coordination avec les ministères de tutelle et la Division des relations économiques.</li> <li>• Échanges réguliers avec les différents acteurs politiques pour veiller à ce qu'ils continuent à promouvoir le portefeuille du FIDA.</li> <li>• Suivi des résultats du pays concernant les niveaux de corruption.</li> <li>• Participation du FIDA à l'élaboration des politiques, en coordination avec ses partenaires techniques et financiers et ses groupes cibles.</li> </ul>
Risques macroéconomiques	Faible	<ul style="list-style-type: none"> <li>• Choix de filières porteuses, promotion des gains de productivité agricole et de la diversification agricole, et promotion de la viabilité et de la résilience des activités agricoles.</li> <li>• Diversification du marché.</li> </ul>
Guerre en Ukraine	Faible	<ul style="list-style-type: none"> <li>• Expansion des services financiers et des projets de développement des filières pour faire augmenter les revenus et stimuler l'emploi, tout en améliorant l'état nutritionnel de la population.</li> <li>• Expansion des projets d'infrastructures rurales, notamment les projets d'irrigation, afin de créer des emplois à court terme pour les populations pauvres et vulnérables.</li> <li>• Surveillance du prix des intrants agricoles importés.</li> </ul>
Stratégies et politiques sectorielles	Modéré	<ul style="list-style-type: none"> <li>• Appui aux politiques et aux directives qui encouragent l'agriculture paysanne et les microentreprises.</li> <li>• Expansion des services financiers axés sur la demande.</li> <li>• Participation des acteurs privés liés aux marchés à la concertation sur les politiques et à l'élaboration de directives.</li> </ul>
Capacités institutionnelles	Modéré	<ul style="list-style-type: none"> <li>• Intégration d'interventions de renforcement des capacités à la conception de certains projets, en déterminant les lacunes en matière de capacités institutionnelles et en concevant les projets en fonction des mandats et des points forts des institutions.</li> <li>• Recrutement de professionnels qualifiés.</li> </ul>
Portefeuille	Modéré	<ul style="list-style-type: none"> <li>• Suivi de la mise en œuvre des recommandations issues des missions et appui à l'exécution des projets.</li> </ul>
Risques fiduciaires – gestion financière*	Modéré	<ul style="list-style-type: none"> <li>• Intégration de mesures à la conception des projets et application de ces mesures afin d'assurer un démarrage en temps voulu, un contrôle et un audit internes adéquats, l'utilisation de systèmes comptables informatisés et la réalisation de rapports financiers et d'audits dans les délais: <ul style="list-style-type: none"> <li>• description détaillée des procédures de gestion financière;</li> <li>• formation du personnel des projets et recrutement de personnel qualifié;</li> </ul> </li> <li>• évaluation des flux de financements, des contrôles internes, de l'établissement des rapports et des dispositions organisationnelles durant la phase de conception;</li> <li>• utilisation de mesures de contrôle interne adéquates à tous les niveaux;</li> <li>• passation de marchés et installation d'un logiciel de comptabilité adapté, à l'appui d'une information financière adéquate;</li> </ul>

		<ul style="list-style-type: none"> <li>évaluation complète des risques de gestion financière durant la phase de conception, et présentation des risques et des plans d'atténuation dans le rapport de conception de projet.</li> </ul>
Risques fiduciaires – passation des marchés	Modéré	<ul style="list-style-type: none"> <li>Application des règles de passation de marchés publics dans toutes les opérations de passation de marchés.</li> <li>Aide au personnel interne durant les opérations de passation de marchés par le biais de formations.</li> </ul>
Environnement et climat	Élevé	<ul style="list-style-type: none"> <li>Intégration de mesures d'adaptation aux changements climatiques et d'atténuation de leurs effets dans tous les projets.</li> <li>Application des Procédures d'évaluation sociale, environnementale et climatique du FIDA.</li> <li>Appui à l'action des pouvoirs publics pour trouver des ressources financières supplémentaires (Programme élargi d'adaptation de l'agriculture paysanne, Fonds vert pour le climat, Fonds pour l'environnement mondial).</li> </ul>
Risques sociaux	Modéré	<ul style="list-style-type: none"> <li>Poursuite de l'inclusion des femmes, des jeunes et des personnes handicapées dans tous les projets.</li> <li>Prévention du recours au travail des enfants dans les activités du programme grâce à une planification minutieuse des interventions du programme, en coordination avec le Plan national d'élimination du travail des enfants (2020-2025).</li> </ul>
Risque global	Modéré	<ul style="list-style-type: none"> <li>Bonne exécution de tous les projets.</li> </ul>

\* Se reporter au résumé des questions de gestion financière, à l'appendice IX, pour plus de précisions.

## COSOP results management framework

Country strategy alignment <i>What is the country seeking to achieve?</i>	Related SDG and UNSDCF 2022-2026 Objectives	Key COSOP results <i>How is IFAD going to contribute?</i>			
		<p><b>Overall goal.</b> To promote rural prosperity through generating inclusive and resilient livelihoods opportunities for smallholders, microentrepreneurs and marginalized groups.</p> <ul style="list-style-type: none"> <li>• CI 1: 8 million persons receiving services promoted or supported [disaggregated by gender (50% men and 50% women), and 60% youth (age 35 or below)].</li> <li>• Increase in HH income of 2,000,000 direct project beneficiaries disaggregated by three major target groups (smallholders, microentrepreneurs and marginalized groups).</li> </ul>			
<p><b>BDP 2100. Vision: Achieving a safe, climate-resilient and prosperous delta.</b> Goal 1: Eliminate extreme poverty by 2030; Goal 2: Achieve upper-middle-income status by 2030 and Goal 3: Being a Prosperous Country beyond 2041.</p> <p><b>Perspective plan 2041:</b> The two visions in PP2041 are: (a) Bangladesh will be a developed country by 2041, with per capita income of over US\$ 12,500 in today's prices, and fully in tune with the digital world; (b) Poverty will become a thing of the past.</p> <p><b>8<sup>th</sup> Five year plan (2020-2025).</b> To achieve overall objective of poverty free country in</p>	<p>SDG #1 <b>End poverty</b> <b>SDG # 13</b> Climate change <b>SDG # 6</b> Water and sanitation</p> <p>UNSDCF Strategic Priority 3: Sustainable, Healthy and Resilient Environment</p>	<p><b>Strategic objectives</b> <i>What will be different at the end of the COSOP period?</i></p> <p>SO 1: Climate change adaptation and mitigation capacities of rural vulnerable communities are strengthened through resilient infrastructure and climate smart agriculture.</p>	<p><b>Lending and non-lending activities for the COSOP period</b></p> <p>Lending/investment activities</p> <ul style="list-style-type: none"> <li>• Ongoing</li> <li>• Indicative</li> </ul> <p>Non-lending/non-project activities</p> <ul style="list-style-type: none"> <li>• CLPE</li> <li>• Partnerships</li> <li>• SSTC</li> </ul> <p>Knowledge management</p>	<p><b>Outcome indicators*</b> <i>How will the changes be measured?</i></p> <ul style="list-style-type: none"> <li>• CI 3.2.2. 500,000 Households reporting adoption of environmentally sustainable and climate resilient technologies and practices</li> <li>• CI 3.2.1. 10% of GEI emissions avoided/sequestered in comparison with the baseline or the BAU scenario.</li> </ul>	<p><b>Milestone indicators*</b> <i>How will progress be tracked during COSOP implementation?</i></p> <ul style="list-style-type: none"> <li>• CI 1.1.2: 40,000 ha Farmland under water-related infrastructure constructed/rehabilitated</li> <li>• CI 3.1.4. 100,000 ha Land brought under climate resilient management</li> <li>• CI 2.1.5: 600 km Roads constructed, rehabilitated or upgraded</li> <li>• CI 3.1.1. 400 Groups supported to sustainable manage natural resources and climate related risks.</li> <li>• CI 3.1.2: 1.0 million Persons provided with climate information services (50% men and 50% women)</li> </ul>

<p>7FYP and 8FYP, GoB strategies are:</p> <ul style="list-style-type: none"> <li>• Employment generation and rapid poverty reduction</li> <li>• Inclusiveness in growth and prosperity</li> <li>• Sustainable development that is resilient to disaster and climate change</li> </ul> <p><b><u>The National Food and Nutrition Security Policy (NFNSP) (2020) and its action plan (2021-2030)</u></b> Recognizes the need for transformation of food systems</p> <p><b><u>National Pathway Document for the UN Food Systems Summit (2021)</u></b>. To adopt sustainable, inclusive, and resilient climate change pathways, and extend social protection for the poor and vulnerable</p> <p><b><u>Climate Change Strategy and Action Plan (2009)</u></b> Developing a low-carbon development pathway and a climate resilient economy with six strategic priorities including food security and infrastructure.</p>	<p>SDG #8 <b>sustainable economic growth and productive employment</b></p> <p><b>SDG # 2</b> End hunger</p> <p>SDG # 5 <b>gender equality</b></p> <p>UNSDCF <b>Strategic Priority 1: Inclusive and Sustainable Economic Development</b></p> <p>UNSDCF <b>Strategic Priority 2: Equitable Human Development and Well Being</b></p>	<p>SO2: Rural smallholders, microentrepreneurs and marginalized groups have enhanced access to finance, technology and markets to diversify their economy and generate rural employment.</p>	<p>Lending/investment activities</p> <ul style="list-style-type: none"> <li>• Ongoing</li> <li>• Indicative</li> </ul> <p>Non-lending/non-project activities</p> <ul style="list-style-type: none"> <li>• CLPE</li> <li>• Partnerships</li> <li>• SSTC</li> <li>• Knowledge management</li> </ul>	<ul style="list-style-type: none"> <li>• CI2.2.1.100,000 New jobs created (at least 30% women and 40% youth).</li> <li>• CI 2.2.2. 500,000 Supported rural enterprises reporting an increase in profit (at least 30% women and 40% youth managed enterprises).</li> <li>• CI 2.2.5. 10,000 Rural producers´ organizations reporting an increase in sales.</li> <li>• CI 1.2.4. 500,000 Households reporting and increase in production.</li> <li>• CI 1.2.5. 250,000 Households reporting using rural financial services.</li> <li>• CI 2.2.6. 0.5 million Households reporting improved physical access to markets, processing and storage facilities</li> <li>• CI 1.2.9: 0.5 m Households with improved Knowledge, Attitudes and Practices (KAP)</li> <li>• Policy 3: 10 Number of existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment</li> </ul>	<ul style="list-style-type: none"> <li>• CI 2.1.2. 100,000 Persons trained in income-generating activities or business management.(at least 30% women and 40% youth)</li> <li>• C 2.1.3. 10,000 Rural producers´ organizations supported</li> <li>• CI 1.1.3. 500,000 Rural producers accessing production inputs and/or technological packages (at least 30% women and 40% youth)</li> <li>• CI 1.1.5: 250,000 Persons in rural areas accessing financial services (savings, credit, insurance, remittances, etc.) (at least 30% women and 40% youth)</li> <li>• CI 2.1.5.600 km Roads constructed, rehabilitated or upgraded</li> <li>• CI 2.1.6. 50 Market, processing or storage facilities constructed or rehabilitated.</li> <li>• CI 1.1.8. 10,000 Households provided with targeted support to improve their nutrition.</li> <li>• Policy 1: 20 Number of policy-relevant knowledge products completed</li> </ul>
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\*all the indicators will be disaggregated by gender and youth.

## Transition scenarios

*Bangladesh* has recently embarked on a graduation process from the LDC category. This expected transition to a developing country status will take place over an extended preparatory period of five years (the standard period is of three years) and as such will largely coincide with the present COSOP timeframe. The transition scenarios underpinning this COSOP are mainly defined based on the country's ability in maintaining its preferential access to export markets. The latter access tends to be constrained as graduation implies a progressive loss of LDC-specific special and differential treatments. Another key factor underpinning the transition is the ability of the country to regain the pace of the Pre-Pandemic economic growth at around 7 percent. Recurrent COVID-19 waves are derailing economic momentum amid generally low vaccination rates. The post -Pandemic recovery trajectory will largely dependant on stepping up the pace of vaccination as well as on fostering growth in key sectors, including the agricultural one. The latter sector which accounts for about 13.7 % of GDP will continue to employ about half of the workforce over the COSOP lifetime. While the LDC graduation process comes with a series of challenges, its successful conclusion will confer to the country a seal of global approval for development achievements and project positive signals to domestic and foreign investors regarding the country's business environment.

Table 1

### Projections for key macroeconomic and demographic variables<sup>a</sup>

<i>Case</i>	<i>Base</i>	<i>High</i>	<i>Low</i>
Average GDP growth (2022. – 2026..)	5.7	7.2	5
GDP per capita (2026..)	2530	3250	3000
Public debt (% of GDP) (2022.- 2026..)	32.5	32	33.1
Debt service ratio (2023..)	72.3	64	79.2
Inflation rate (%) (2025..)	5.5	5,4	5,6
Rural population	Current 101,8 mil (in 2020) (End of COSOP period): 100.3 Annual growth rate: - 0.25 %		
Investment climate for rural business <sup>b</sup>	(3.8/6) The 2021 RSPA score for Bangladesh stands at 3.8, slightly above the APR average score of 3.6. IFAD's Rural sector performance assessment (RSPA) measures the quality of countries' policies and institutions in the rural sector, for achieving rural development and rural transformation benefitting the poor. Bangladesh scored relatively high related to clusters #1 and # 4 of the RSPA index respectively covering the quality of policies and frameworks for ARD and access to agricultural input and output markets. The relatively low score on accountability, transparency and corruption weighted down on the overall RSPA score.		
Vulnerability to shocks	(5/6) Based on the ND-GAIN index score of 36.5 (combining a score of 0.543 on vulnerability and a score of 0.274 on readiness), The high vulnerability and low readiness scores of Bangladesh place it in the upper-left quadrant of the <b>ND-GAIN Matrix</b> . The country has both a great need for investment and innovations to improve readiness and a great urgency for action. Bangladesh is the 26 <sup>th</sup> most vulnerable country and the 24 <sup>th</sup> least ready country.		

#### Footnotes:

<sup>a</sup> Suggested data sources: World Bank's "Global Economic Prospects", with 2-year projections; IMF Article IV consultations, with 2-year projections; Economic Intelligence Unit (EIU) "Country Forecasts" with 4-year projections.

<sup>b</sup> Rating (1-6), based on justified qualitative assessment. Source RSPA

<sup>c</sup> Rating (1-6), based on justified qualitative assessment of vulnerability to climate change; food price shocks; political risk.

The country development trajectory could play out according to the following three alternative scenarios, principally based on macroeconomic factors, including debt sustainability.

**Base scenario:** Following the 2020/2021 covid-induced deceleration, real GDP growth continues to hover around an average of 5.7 percent over the COSOP period. Policy reforms continue to be put in place, but domestic and external factors make it difficult to generate very rapid growth. Public and publicly guaranteed debt as a share of GDP continue to remain relatively low (the updated debt sustainability analysis (DSA) capturing the impact of the COVID-19 pandemic shocks shows that Bangladesh remains at low risk of debt distress).

**High scenario:** In the best-case scenario, strong remittance inflows and preservation of the country position in key export markets will accelerate the economy's recovery. Vaccinating the population will reduce economic gaps and mortality. Public debt will remain sustainable over the long-term. The country will manage to successfully graduate from the UN's Least Developed Countries (LDC) by the 2026 through a gradual transition to higher-value goods and services as well as by proactively offsetting any loss of preferential trade arrangements, including for agricultural products. Under this scenario, authorities remain committed to promoting inclusive growth while strengthening financial and external stability, maintaining fiscal sustainability, and improving governance. The projected GDP growth rate under this scenario is estimated to be 7%. Furthermore, addressing Bangladesh's vulnerability to climate change and natural disasters will enable the country's resilience to future shocks. Shifting to green growth would ensure the long-term effectiveness of development outcomes for future generations.

**Low scenario:** Under the low case scenario, a prolonged COVID-19 outbreak would delay and slow down the recovery of exports and remittance inflows. Domestically, a larger COVID-19 outbreak could necessitate more stringent containment measures by authorities, causing disruption of supply chains, weakening household consumption, and delaying the implementation of development projects further pushing the most vulnerable population towards poverty and food insecurity. In the face of increased government borrowing, the already-weak banking sector may face new challenges in maintaining asset quality and providing necessary support to the private sector. Under this scenario, economic growth will decelerate to an average annual rate of 5 percent, significantly below the pre-COVID-19 growth performance. Debt service ratio are expected to pick up. However, public debt and inflation will remain firmly under control owing to the overall sound macroeconomic fundamentals even under this low case scenario.

### **IFAD Implications on IFAD's Country Programme**

#### *(a) Lending terms and conditions*

- Bangladesh is a lower middle-income country that is currently receiving loans on blended terms in under the PBAS window. Blend terms come with a maturity period of twenty-five (25) years including a grace period of five (5) years starting from the date of approval by the Executive Board. Given the projections of its per capita income growth, it is highly unlikely that the country will transition to less concessional terms during the present cosop period. Bangladesh is also eligible for access to BRAM (Borrowed Resources Access Mechanism). Lending terms under BRAM offered to Bangladesh are ordinary terms/Category 1 with maximum maturity period of thirty-five (35) years, including a grace period of maximum ten (10) years, subject to a maximum average repayment maturity of twenty (20) years. These BARM terms offered to LICs and LMICS are subject to the standard maturity premium differentiation, which together with the other elements of the pricing structure, will ensure a minimum cost recovery of IFAD's cost of funding the borrowed resources. In all presented scenario, debt sustainability remains low and the country's creditworthiness will allow it to absorb all available IFAD resources (both under PBAS as well as BRAM) if it wishes so.

#### *(b) COSOP priorities and products (e.g., investment projects, policy engagement, reimbursable technical assistance)*

It is expected that COSOP priorities and associated products will remain highly relevant irrespective of transition scenarios. However, given the slightly less concessional resources available under BRAM, the country might choose to forgo them. In that case, the overall investment envelope will be significantly lower than the one available under the previous IFAD 11 lending cycle. This would entail changes in the number and size of investment projects to be included in the pipeline over the COSOP period. Furthermore, given the country's current focus on charting sector-based pathways for a

*smooth LDC graduation, IFAD will need to be more proactive in policy engagement to better accompany country's efforts towards a more sustainable and inclusive rural transformation.*

*(c) Co-Financing opportunities and partnerships*

*Due to higher government revenues, domestic co-financing and partnership opportunities should increase under the high scenario. The low case, on the other hand, would limit co-financing opportunities both domestically and internationally.*

## Agricultural and rural sector issues

1. Agriculture: Ecology and Soil. Bangladesh forms the largest delta in the world, which is flat throughout and stretches from near the foot-hills of the Himalayan Mountains in the north to the Bay of Bengal in the south. The vast plain is washed by mighty rivers- the Meghna, the Padma, the Jamuna and the Karnafuli and their numerous tributaries. Onrush of rain waters in the summer causing overflows of the banks and flooding of low and outlying areas every year. The land use pattern of the country is influenced by agro ecology, soil physiographic and climatic factors. The total land area has been classified into thirty agro ecological zones which are grouped into twenty major physiographic units. But broadly the country is flat with patches of high-land such as three hill districts (Chittagong Hill Districts), north western Barind Tract, Madhupur Tract, and low-lying *haor* (north eastern districts). The famous Sundarban mangrove forest and forest in Chittagong are major forest areas which cover about 9% of the total land area. Results of reconnaissance soil surveys conducted in the recent past have enabled scientists to divide the country into 19 soil type units.
2. Agricultural seasons. The country grows a variety of crops which are broadly classified, according to seasons in which they are grown, into two groups: (a) Kharif (kharif-1: 16 March to 15 July, and Kharif-2: 16 July-15 November) are grown in the spring or summer season and harvested in late summer or in early winter; and (b) Rabi (16 November to 15 March) crops are sown in winter and harvested in the spring or early summer. Kharif are mainly rain fed and rabi crops are irrigated. Rabi is the main production season for rice (60% of total production), vegetables, lentils/pulses, and root crops production.
3. Farm HHs. The Agricultural Survey 2019 reports the following key findings: a) the country has 35.53 million households of which 29.62 million (83.37%) and 5.91 million (16.63%) are in rural and urban areas respectively; b) 16.56 million farm households 16.56 million, 4.02 million HHs have no farm land, 6.76 million HH leased land for farming, and 9.09 million HHs mainly depend agricultural labour as main source of income; and c) 0.99 million HHs are designated as fisheries HHs (fishers) whereas 1.61 million HHs have land for fisheries.
4. Land size is highly fragmented: 12.81 million are smallholders (less than 2.49 acres) whereas 10.28 million of smallholdings (80.24%) own less than 1.49 acres.
5. Major crops<sup>49</sup>. As reported by GoB agriculture sector survey the country has the following major agricultural production: cereals (rice, wheat); pulses and oil seeds; spices and condiments; jute; tea; year-round fruits and vegetables; and fisheries and livestock.
6. Structural change in Bangladesh economy<sup>50</sup>. Agriculture sector contributes about 13.02 percent (p) FY 2019-20 to the country's Gross Domestic Product (GDP) and employs around 40.60 percent of total labour force (Source: Labor Force Survey 2016-17).<sup>51</sup> An important change is seen in the composition of GDP: Bangladesh economy's structure has been constantly shifting from agriculture to industry (including manufacturing) and services. In FY2011, agriculture, industry and services were 19.9% 30.4% and 49.7% of GDP respectively. In FY2019, agriculture, industry and service sector was 13.65%, 35%, and 51.35% respectively, that is, agriculture is declining as percent whereas industry and services are on the rise. The trend is expected to continue where service and industry sectors will be the main sectors of the economy although agriculture still employs highest number of labor. Within agriculture, fisheries and livestock subsectors have been posting growth of more than 6% and 3% respectively. Both these subsectors are enjoying commercial investments led by small/micro entrepreneurs. Similar, subsectors are also found in industry and services for example, manufacturing, agro-processing, construction, hotel/restaurants, and transportation. All these subsectors employ a large number of semi-skilled and skilled human resources.
7. Evolution of IFAD projects in Bangladesh. Historically, IFAD projects contributed to priorities of the smallholders, poor and vulnerable communities and complimented GoB's efforts for poverty alleviation. The projects of 1990s and early 2000s were implemented by GoB's main line agencies such as DAE and DoF under the Ministry of Agriculture and Ministry of Fisheries and mostly limited to extension services, training and demonstration of technologies/techniques to enhance agricultural productivity. Microcredit was managed by projects which was found unsustainable. IFAD in the following decade as well as under a number of on-going projects moved to assist smallholders and the poor by developing rural infrastructure that contributed to agriculture as well as overall rural economic growth, and to support commercialization of agriculture by providing technologies, improving access to market and vastly expanding access

<sup>49</sup> Agriculture Statistical Year Book 2020. Bangladesh Bureau of Statistics, Ministry of Planning, GoB.

<sup>50</sup> Source: Bangladesh Bank Quarterly Report Q3 FY2020 and Bangladesh Bank Annual Report 2012

<sup>51</sup> Bangladesh Agricultural Statistical Year Book 2019-2020.

to finance. Value chain development approach for farm and non-farm sectors have been successfully adopted. Due to its projects with PKSF, microfinance has become sustainable for IFAD's projects. The rural infrastructure projects through LGED incorporated climate resilience features that ensured sustainability, helped transform rural areas and contributed further investment in agriculture and other sectors. With changes in demand and priorities of the poor and smallholders and GoB, IFAD plans to complement Bangladesh's march to prosperity.

8. Agriculture: primary commodity production to processing. The economy and food security is still dependent of agriculture: about 40% of total employment is in agriculture; Bangladesh has almost achieved rice self-sufficiency; horticulture, livestock and fish production are most profitable rural businesses that have posted high growth; and Bangladesh is number 4 in pond fish production in the world. With increasing demand from urban population these subsectors are drawing more and more investments. Besides, deployment of new production and processing technologies are improving productivity and adding additional value in the production chain. Agri-business including agri-processing (food products) is becoming an important sector for investment and employment.
9. But challenges are also manifold: a) decline of cultivable land are at the rate of 0.5% per year due to expansion homesteads and other physical development, loss due to natural hazards and climate change; b) production and supply of safe foods is a major consumer concern; c) narrow basket of commodities; and d) extension and other support services such as insurance, health care of livestock sector are still weak. These challenges, however, provide opportunities for future IFAD interventions.
10. Constraints in agricultural sector to raise farm income: Aside from the broad challenges mentioned above, enterprise and farm level issues are also creating bottlenecks: a) a lot of improvements are needed in seed, farming, and irrigation to increase farm productivity; b) input costs are high compared to farm price; c) access to finance is easy but cost of fund is high for loans from MFIs, and access to commercial bank loans is limited for smallholders; c) quality of farm produces needs improvement; d) high transportation cost as farms are often far from city centers; e) limited climate resilient infrastructure in climate change vulnerable areas, f) limited access to affordable extension and business services; and g) access to market including international market and market information is limited; and f) bad weather (drought and excessive rains) plays important roles during kharif season.
11. Some of the above issues have been addressed in value chain projects (for example, IFAD funded projects). Projects' assistance come in various forms: developing capacities of producer groups and value chain cluster & processing centres, gathering farmers and value chain actors, adapted package of climate smart and market oriented practices, accessible and relevant financial services, technological training, introduction of high value commodities, improvement in seed and other inputs, access to market, extension service and uptake of relevant technological innovations (e.g. fish platform in NATP2). The value chain development of agricultural projects are enhancing agricultural productivity, commercialization and diversification of agriculture, and improving and expanding agricultural research system in the country.
12. Agricultural marketing: Agricultural marketing in Bangladesh historically dominated by a huge network of small traders, locally known as bepari, who buy either from rural markets (haat bazaar) or directly from farm-gates, and sort, aggregate, do some rudimentary packaging and transport them to large wholesale markets in cities or factories for processing. These beparis, hundreds of thousands of them, who are also from rural areas, perform important roles of providing marketing information and nature of demand, and sometimes finance farmers on behalf of large wholesalers (known as aratdar). The process has been made highly efficient due to wide use of cellphones by small traders and producers. Normally cash payment is the main mode of transaction. Large food processing companies also depend of small traders for supplying commodities (e.g. spices, fruits, milk, fish) to them. Contract farming is not popular except in case of tobacco because of one product and one buyer in case of tobacco, and some selected hybrid seeds where seed companies buy back all seeds.
13. Private sector in agriculture. Agricultural production in Bangladesh is fully privatized. Millions of farmers, traders and retailers are the most important private entities. Gradually large private companies are emerging in food processing sector who are buyers for farmers and sellers of processed food items, mostly spice, cereal, biscuits, lentil/pulse, oil, daily products, small amount of processed fish and meat. With urbanization and increase in income, the demand for processed food is expected to gradually rise. For example, milk producers of PACE project supply to large milk processors.
14. Extension services: Public and private sector organizations. The most prominent agricultural extension departments are as follows: Department of Agricultural Extension (DAE) for cereal

(mainly rice) and other crops including horticulture; Department for Livestock Services (DLS) provides animal husbandry and vet services; Department of Fisheries (DOF) enforces regulations regarding open water fisheries and provides extension services of culture fisheries; and Bangladesh Agricultural Development Corporation (BADC) is currently mainly in small amount of seed production. BADC used to supply seed, fertilizer and irrigation but all such activities are now almost privatized. But the influence and dominance of these institutions are waning fast as private sector as well as NGOs are providing more effective services in some areas. For example, seeds and extension services for horticulture is by and large privatized. Promotion and extension services for fisheries are mainly by fish hatchery owners, large successful farmers, feed sellers and NGO-managed projects. Similarly, vaccination services for poultry sector is managed by farm owners or private individuals, but DLS is still dominating vet services of large animals. Private input sellers such as pesticide, feed, medicines, fertilizer, seeds, seedlings (plant nursery owners), fish/poultry hatchery owners are major providers of technical information and will be more so in future. Successful farmers are more credible regarding technical information to their neighbors than formal institutional providers. However, such private led extension services may have more difficulties to service poorest and most remote rural households as well as to incorporate climate change, nutrition services or promote more agro-ecological production relying on locally made bio inputs. In addition, extension embedded in sales of private inputs can also give rise to conflicts of interests and Bangladesh face issues regarding quality of chemical inputs. Therefore, it is crucial to further work on the role of public extension to facilitate more inclusive public-private partnership and to invest in private extension for emerging green and nutrition sensitive production. For instance, PACE and NATP2 have investing in local service and input providers that produce and sells bio-inputs and nutrition sensitive crops. NATP2 has been piloting farmer information centres, commodity processing centres and fish platforms which can facilitate such articulation between public extension, farmer groups and private extension workers. Government could also invest in mechanisms to enhance quality assurance in such private extension for instance by promoting certified providers, training of trainers, food safety.

15. Academic and research institutions. Public sector agricultural universities and technical institutions are backbone of technical education (Bachelor, Master's and Doctoral degrees) and training. Similarly, public sector research agencies such as Bangladesh Rice Research Institution (BRRI) and Bangladesh Agricultural Research Institution (BARI) are two premier public institutions for research in respective areas. Besides, there are specialized agencies for spice, horticulture, jute, sugarcane and soil testing, and cotton research. Bangladesh has separate livestock and fisheries research institutions that perform useful works in respective fields. But research agenda is often determined by the institutions themselves where inputs from industry is limited. Several projects such as NATP2 and PACE have partnered with such institutions to improve research-extension-value chain linkages and develop participatory research meeting smallholder needs and value chain to facilitate scaling of such innovations.
16. Policy and regulatory issues: The laws and regulations are supportive of the country's private sector investments in general. The government provides subsidy for fertilizer, diesel and bank interest farming sector to support agriculture sector. The existing regulations also support environmental protection, protection of rivers, water bodies but enforcement of these regulations is weak. Recently the government has established Bangladesh Food Safety Authority to ensure supply of safe foods in the market. But this new institution is yet to be fully effective. The Bangladesh Standards and Testing Institution (BSTI) is the national agency for testing and certification of selected processed food products.
17. Micro-finance services. Microfinance institutions are the main source of agricultural finance. Of the total disbursement in FY2019-20, 49.8% was for agricultural production followed by 26.68% for trading/shops, 4.11% for transport and communication, 3.33% for small & cottage industries, 0.82% for social sector and 15.20% for others. The loans for trading also indirectly support agriculture because a significant part of these loans are for agri-commodity trading. Although Bangladesh microfinance has large outreach in marginal and farming families, the financial products need further customization.
18. Commercial banks in agricultural finance<sup>52</sup>. In FY2020-21, six state-owned commercial banks, 2 specialized banks, 39 Bangladeshi private banks, and 8 foreign commercial banks disbursed BDT 255.1 billion as agricultural and rural loans to 3.05 million borrowers. Of these borrowers, 2.24 million were marginal and small farmers who received BDT 176.4 billion. Several commercial banks have significant NGO-MFI linkage program where MFIs borrow from commercial banks to on-lend to marginal and small farmers. Under this program, in FY2020-21,

<sup>52</sup> Agricultural and Rural Finance Policies and Programmes in FY2021-22. Bangladesh Bank (Central Bank).

commercial banks loaned BDT 92.8 billion to 1.61 million women. As part of restoration of agricultural sector affected by COVID-19, Bangladesh Bank launched BDT 50 billion fund for commercial banks and BDT 30 billion funds for NGO-MFIs that have been disbursed in FY2021-22. Private commercial banks do not have strong rural presence and do not find small loan profitable. They are reaching the poor and farming communities through NGO-MFIs.

19. Small, Micro and Cottage Enterprises: According to the SME Policy 2019 of the government, the country has 7.8 million small and microenterprises in the country as quoted from Economic Census 2013 of Bangladesh Bureau of Statistics (BBS), and the sector contributes to 25% of GDP. According to Economic Census 2013, the country has a total of 7.82 million enterprises of which 7.806 million are SME and cottage industries. The majority are cottage industry 6.84 million (87.52%), which are family owned and managed enterprises and mostly informal in nature. Of the total enterprises, 2.23 million (28.5%) are in urban areas and 5.589 million (71.5%) are in rural areas. A total of 24.5 million persons (20.45 million men, i.e., 83.46%, and 4.05 million women, i.e., 16.53%) are employed of which 53.75% are by cottage industries and 82.97% are employed by SME and cottage industries together. This clearly shows the dominance of SME and cottage industries in the country. Although the survey is 10 years old, the proportions of various categories of industries are expected to remain same. If a 6% annual growth is assumed (same as average GDP growth of the country for the same period), the estimated total number of enterprises will be 13.99 million of which SME and cottage industries will be 11.62 million. According to Labor Force Survey 2018, about 85% of people are employed by informal sector and 15% are employed by formal sector. Note that the microfinance sector uses a different definition<sup>53</sup> of microenterprises (MEs) to suit the microcredit program. If compared with the definition of the government, the MEs of microfinance will mostly fall under the definition of cottage industries and the rest will be smaller than that.
20. PKSF's lending during COVID-19 pandemic. PKSF is an important refinance source for MFIs in the country. IFAD has been partnering with PKSF for more than a decade that has allowed IFAD to reach the smallholders with financial and non-financial services effectively as PKSF operates as an apex agency with a large network of NGO-MFI partners. PKSF has been effective during the pandemic by providing the smallholders their much-needed finance to continue and restore production. In addition to its normal loan operations through 200 partner organizations, PKSF has received BDT 5,000 million from the government as additional capital for microfinance operations. PKSF disbursed the full amount to its selected Pos (128 Pos) by May 2021 under a special program titled Livelihood Restoration Loan Program (LRL). The Pos of PKSF disbursed BDT 6,335 million by revolving this fund to 0.184 million poor microentrepreneurs with an average loan size of BDT 134,400. The GoB has also approved additional BDT 5,000 million to PKSF to support poor people for the restoration of economic activities under a COVID-19 stimulus package.

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<sup>53</sup> Definition of Industries in Industrial Policies 2016 of GoB:

**Small industry**

Manufacturing: Permanent asset including replacement cost but excluding land and building is more than Taka 0.75 crore but less than Taka 15 crore or employs 31-120 people.

Service sector. Permanent asset including replacement cost but excluding land and building is more than Taka 0.1 crore but less than Taka 2 crore or employs 16-50 people.

**Micro industry**

Manufacturing: Permanent asset including replacement cost but excluding land and building is between Taka 1.0 million to Taka 7.5 million or employs 16-30 people.

Service sector. Permanent asset including replacement cost but excluding land and building is less than Taka 1 million or employs maximum of 15 people.

**Cottage industries**

Permanent asset including replacement cost but excluding land and building is less than 1.0 million or employs a maximum of 15 persons including family members.



## SECAP background study

### Introduction

1. Social, environmental and climate sustainability is critical for achieving the objectives of IFAD and its partners. IFAD's Social, Environment and Climate Assessment Procedures (SECAP)<sup>54</sup> offer a framework and process for managing risks and impacts, and integrating mainstreaming priorities on Environment and Climate, Gender, Nutrition and Youth<sup>55</sup> into new IFAD-supported investments.
2. This SECAP Background Study provides context and orientation to the Bangladesh Country Strategic Opportunity Programme (COSOP) 2023-2028. It provides a synthesis of the current situation, analyzes trends, risks and opportunities on thematic areas that will orient IFAD's investments in Bangladesh. Based on this, it provides strategic recommendations for consideration in the COSOP and identifies activities to be supported during the COSOP period.
3. This Background Study was carried out in tandem with the design of the COSOP. It was informed by i) desk review of relevant national policies and strategies, ii) consultations with development partners, (iii) analysis of background sectoral studies on environment, social and climate aspects, IFAD projects and country programme evaluations.

### Part 1 – Situational analysis and main challenges

#### Socio-economic situation

4. **Bangladesh has seen decades of steady progress in economic growth and poverty reduction, up to 2019.** From being the world's seventh-lowest ranked country in Gross Domestic Product (GDP) per capita in 1975, Bangladesh had decades of continuous economic growth, leading it to achieve lower middle income country status in 2015. In its Vision 2041, the GoB plans to achieve the status of Upper Middle-Income Country by 2031 and that of High-Income Country in 2041<sup>56</sup>.
5. The incidence of poverty at the upper national poverty line declined from 48.9% in 2000 to 20.5% in 2018. Using the international poverty line of US\$1.90/day, poverty declined from 34.2% in 2000 to 14.3% in 2016<sup>57</sup>. These advances in poverty reduction are driven by various government strategies, including the improved provision of basic services (electricity, drinking water and sanitation, education)<sup>58</sup> in order to reduce fertility and infant mortality, improve nutrition and life expectancy. Other successful strategies include the wide promotion of microfinance programs through NGOs (estimated to have reduced poverty by 10% in two decades<sup>59</sup>), and reduced vulnerability to natural hazards as evidenced by the reduction of number of casualties by major cyclones.

<sup>54</sup> SECAP 2021 Edition, <https://www.ifad.org/en/secap>

<sup>55</sup> See IFAD's Framework for Implementing Transformational Approaches to Mainstreaming Themes: Environment and Climate, Gender, Nutrition and Youth, <https://webapps.ifad.org/members/eb/128/docs/EB-2019-128-R-6.pdf>

<sup>56</sup> GoB (2021). Perspective Plan of Bangladesh 2021-2041,

<http://oldweb.lged.gov.bd/UploadedDocument/UnitPublication/1/1049/vision%202021-2041.pdf>

<sup>57</sup> Note that the Bangladesh national poverty lines (lower and upper) are based on household consumption expenditure (from the Household Income and Expenditure Survey) and are different for rural and urban people, while the international poverty lines are uniform and based on per capita income.

<sup>58</sup> World Bank. 2019. Bangladesh Poverty Assessment: Facing old and new frontiers in poverty reduction.

<sup>59</sup> Khandker et al. (2016). Beyond Ending Poverty: The Dynamics of Microfinance in Bangladesh. World Bank. <https://openknowledge.worldbank.org/handle/10986/24669>

6. Progress on poverty reduction did slow down in the 2010s, primarily attributed to a decline in job growth, with agricultural employment contracting by 2% between 2010 and 2016. Regional disparities are also visible, with east and central Bangladesh achieving much more progress than the west and the northwest even experiencing increased poverty rates (see figure 1). These regional differences are attributed to the west generally having a larger share of households engaged in agriculture, lower educational levels and different demographics.

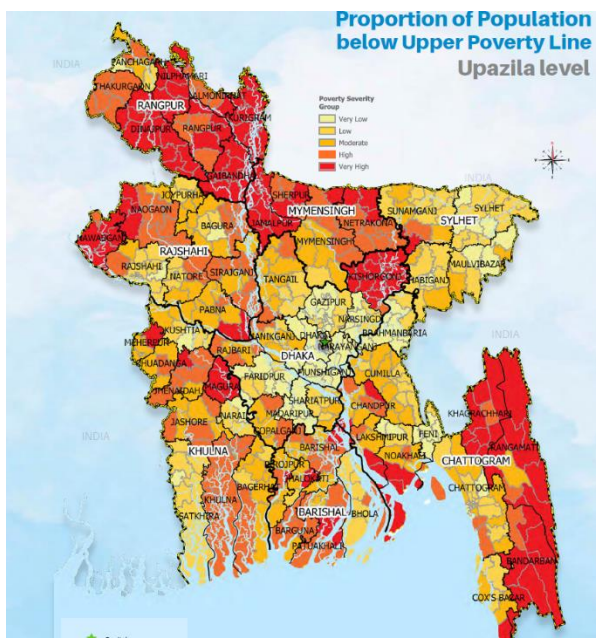


Figure 1: Estimates of poverty at national upper poverty limits per Upazila, in 2016. Source: Bangladesh Bureau of Statistics (2020)

7. **COVID-19 had a severe effect on the economy and appears to have caused a strong regression in poverty reduction, though post-lockdown rebound effects are visible.** The pandemic induced a marked deterioration in the overall economic trends with substantial drop in GDP growth (3.5% in 2020 compared to average 6.9% between 2010-2019). While there is no full picture on the impacts of the pandemic on poverty, initial surveys showed a strong regression resulting in millions of 'new poor'. A BRAC-PPRC study estimated that an additional 19.5% of households were below the upper national poverty line in August 2021 due to the pandemic, to join the 20.5% of households already below that line before the pandemic<sup>60</sup>. Rebound effects were visible after the first lockdown was lifted in 2020, but a second lockdown in 2021 had again significant effects (see figure 2). In the BRAC-PPRC study, longer-term effects were most pronounced for the non-poor income category and for informal workers. Across income groups, levels of private debt doubled. COVID-19 also caused the country's first large-scale urban to rural migration since the 1960s: 28% of study respondents migrated from urban slum to rural areas after the first lockdown and 10% remained in the rural area by mid-2021.

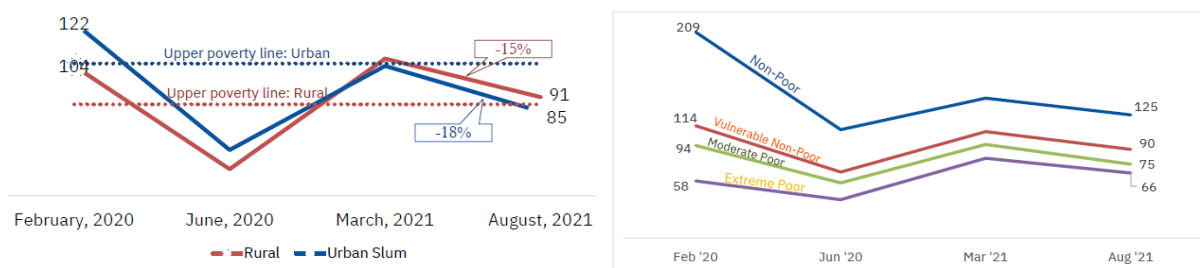


Figure 2 Left: Poverty trends plotted against national urban / rural poverty lines, showing lockdown and rebound effects. Right: Effects of COVID-19 on different income groups. Vertical axis in both graphs is per capita income in BDT (Feb 2020 constant). Source: Rahman et al. (2022).

8. The COVID-19 pandemic has caused most of the agriculture producers, processors, traders and transporters of the productive chains (perishable products of agriculture and livestock) to have experienced income losses due to interruptions in supply and reduced demand. Rural

<sup>60</sup> Rahman et al (2022). Recovery With Distress: Unpacking COVID-19 Impact on Livelihoods and Poverty in Bangladesh. <https://bigd.bracu.ac.bd/publications/recovery-with-distress-unpacking-covid-19-impact-on-livelihoods-and-poverty-in-bangladesh/>

households had to reduce their food consumption, mainly in those households where the woman is the head of household, with little education, young and with temporary labour<sup>61</sup>.

9. Studies reported a rise in hunger and undernutrition both in urban and rural areas: a decrease in food expenditure by 28% and 22% in urban and rural areas respectively<sup>62</sup>; 9 out of 10 households experienced some degree of negative shock on incomes during the lockdowns, possibly resulting in lower food intakes<sup>63</sup>; and 12% of extreme poor households suffered from hunger in June 2020. The government responded with direct assistance for the poor (cash and rice distribution) and several financial 'incentive packages' for the private sector, agricultural sector and microfinance sector.
10. **The agricultural sector's relevance for the overall economy is limited and declining, but it remains a critical sector for the rural poor.** The contribution of the agricultural sector to GDP stands at 13.7%, and the sector contributed less than half a percent to GDP growth between 2015-2019. Still, with about 80% of the population living in rural areas, 41% of the total population is active in the agricultural sector<sup>64</sup>. Moreover, 46% of rural households in the poorest quintile derive labour income only from agriculture. Nearly all of Bangladesh's poverty reduction between 2010 and 2016 (90%) took place in rural areas. The largest share of public expenditure for agriculture goes to price support, income subsidization and input subsidies. Approximately 65% of the rural population is landless or functionally landless (owning less than 0.2 hectares of land).

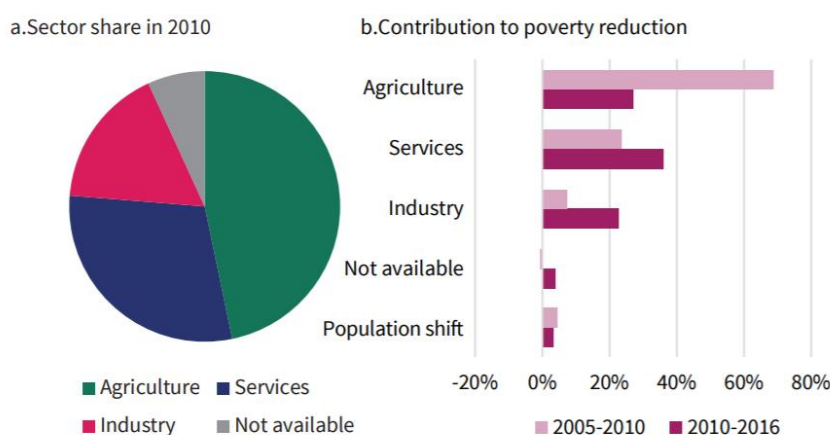


Figure 1 Poverty reduction across sectors in rural areas, 2005 – 2016. Source: World Bank (2019)<sup>65</sup>

11. Over the last two decades rural communities have gradually moved from subsistence farming to commercial farming and non-farm micro-enterprises. Smallholders are adopting new agricultural and information technologies and management practices. Financial services, mainly savings and credit, have dramatically improved due to microfinance although micro-insurance service is yet to make any meaningful inroad.
12. **Strong improvement in educational outcomes is an important driver of household poverty reduction.** Bangladesh has made noteworthy gains in education, demonstrating the fastest growth in the South Asia region. Secondary net enrollment rate increased from 50%

<sup>61</sup> ADB Institute. 2021. Changes in the Rural Economy in Bangladesh under COVID-19 Lockdown Measures: Evidence from a Phone Survey of Mahbub Hossain Sample Households. <https://www.adb.org/publications/changes-rural-economy-bangladesh-under-covid-19-lockdown-measures>

<sup>62</sup> Bidisha, SH et al. (2021) Assessing Food Poverty, Vulnerability and Food Consumption Inequality in the Context of COVID-19: A Case of Bangladesh, <https://link.springer.com/article/10.1007/s11205-020-02596-1>.

<sup>63</sup> Ahmed, F., et al. (2021). Determinants and Dynamics of Food Insecurity during COVID-19 in rural Bangladesh. <https://www.sciencedirect.com/science/article/pii/S0306919221000439>

<sup>64</sup> Gautam and Faruqee (2016) Dynamics of Rural Growth in Bangladesh: Sustaining Poverty Reduction. <https://openknowledge.worldbank.org/bitstream/handle/10986/24544/9781464808760.pdf?sequence=2>

<sup>65</sup> World Bank (2019) Bangladesh Poverty Assessment: Facing old and new frontiers in poverty reduction. <https://documents1.worldbank.org/curated/en/793121572582830383/pdf/Bangladesh-Poverty-Assessment-Facing-Old-and-New-Frontiers-in-Poverty-Reduction.pdf>

to 72% between 2000 and 2016, and access to tertiary education went from 1% to 16% over the same period. Bangladesh has a 75% literacy rate in 2018 (76% for male and 70% for female). Literacy rates are particularly high among the lower age quantiles of the population, with 93% of people between 15-24 years being literate. High literacy rates strongly correlate with high financial literacy rates and financial well-being.

13. **Bangladesh is making good progress on various gender-related indicators, but significant gaps remain.** The country has reached gender parity in primary and secondary education and maternal mortality has declined by 66% over the last decades. Participation of women in economic life (formal and informal) has increased for different reasons: intentionally, due to the improvement of education and access to financial services (promoted by NGOs and the Government), and unintentionally, as a result of the impacts negative effects of climate change on agriculture, which pushes rural women to look for informal jobs to contribute to the family economy.
14. Despite progress, multiple important challenges remain. The problem of gender-based violence persists, even more so in a context of poverty and malnutrition. Rural Bangladesh has an extremely high rate of sexual violence against women (49.7% of rural women reported to have experienced sexual intimate partner violence), with nearly 30% of women being coerced into their first sexual intercourse<sup>66</sup>. There is a well documented association between gender-based violence and household food security<sup>67</sup>. Women and girls tend to have limited access and control over resources and finances. Their resulting dependency can put them at increased risk of sexual assault and exploitation. These findings demonstrate the need for programs and activities that contain transformative approaches of power inequality between women and men<sup>68</sup>, while bearing in mind that any intervention that seeks to change power relations, may also inadvertently create risks for these women which needs to be carefully analyzed and mitigated<sup>69</sup>.
15. Microfinance is an area where the participation of women is very high. Only between 20% and 30% of women actually use the financing themselves (the rest pass it on to male family members)<sup>70</sup>, although women claim it gives them a new status. Beyond the access to and control over microfinance, the accompanying support services such as community organization, family planning and disaster management are strongly associated with improvements in women empowerment. Microfinance in that sense, has been a vehicle for services that address gender norms that may hinder women from becoming more empowered<sup>71</sup>. Such effects were particularly seen in group-based lending schemes.
16. **Youth are experiencing the effects of slower job creation.** Young people between the ages of 18 and 35 (GoB definition) make up more than 33 percent of the total population. The percentage of people aged 15-29 who are not in education, employment or training is 30%, of which 87% are female. This percentage has increased since 2010, primarily attributed to the slowdown in job creation, particularly in the agriculture, ready-made garments and textile sectors. Unemployment is higher in rural areas compared to urban areas. Unemployed youth make up the large majority of total unemployment (79.6%).
17. Rural youth migrate to cities in search of employment to help their parents who have lost their crops and land (on the coasts and riverbanks) and to improve their quality of life. Young people generally do not have the conditions (land, resources, and assets) to build up their own rural enterprises. The majority of educated youth pursue jobs with the government, and about 20%

<sup>66</sup> WHO (2012) Understanding and addressing violence against women.

[https://apps.who.int/iris/bitstream/handle/10665/77434/WHO\\_RHR\\_12.37\\_eng.pdf](https://apps.who.int/iris/bitstream/handle/10665/77434/WHO_RHR_12.37_eng.pdf)

<sup>67</sup> Coates et al. (2010). Domestic violence against women is associated with lower household food security in rural Bangladesh [https://faseb.onlinelibrary.wiley.com/doi/abs/10.1096/fasebj.24.1\\_supplement.104.1](https://faseb.onlinelibrary.wiley.com/doi/abs/10.1096/fasebj.24.1_supplement.104.1)

<sup>68</sup> IFAD (2019). Mainstreaming Gender-transformative Approaches at IFAD – Action Plan 2019-2025.

<sup>69</sup> Lentz (2018). Complicating narratives of women's food and nutrition insecurity: Domestic violence in rural Bangladesh. <https://www.sciencedirect.com/science/article/pii/S0305750X17303819>

<sup>70</sup> Sector study carried out by IFAD (2022).

<sup>71</sup> CGAP (2021): Has Microcredit Empowered Women in Bangladesh? Yes, But not by Itself. <https://www.cgap.org/blog/has-microcredit-empowered-women-bangladesh-yes-not-itself>

of all youth are interested in working overseas<sup>72</sup>. Every year, more than 400,000 workers leave Bangladesh for overseas employment adding up to an estimated 10 million Bangladeshi now overseas, but they are often faced with high fees for migration, lack of information on risks, and exploitation and abuse while overseas<sup>73</sup>. Remittances from overseas migrant workers were estimated at US\$24 billion in 2020 (7% of GDP). COVID-19 has caused many migrant Bangladeshi workers to become jobless and face deportation from their host countries.

18. A study carried out in 2021<sup>74</sup> provides further in-depth insights into youth employment challenges, and recognizes the critical role of professional skills for employment. Only 1.7% of the total working age population has participated in formal training outside of the general school system. The vast majority of young employed persons join the labour market without skills and take a long time to learn, while formal training could drastically accelerate the process and also build new skillsets that respond to changing requirements in the economy. Equally for people already employed, processes for formally recognizing skills and re-education into new skillsets could enhance employability and labour conditions. Within the agricultural sector, specific subsectors are most likely to be able to create demand for skilled labour. This includes poultry and livestock, pond fisheries and horticulture. As production enterprises grow, there will also be more demand for related skilled service providers, such trainers, vaccinators and input sellers.
19. **Decent work and harmful child labour.** Decent work - productive work for women and men in conditions of freedom, equity, security and human dignity as defined by the ILO – is a key topic of attention for Bangladesh. With the rapid rise of the ready-made garment industry and associated challenges in providing safe and equitable working conditions, the GoB and development partners have been working to build protection systems and ensure the rights of workers. The Decent Work Country Program 2022-2026 focuses on inclusiveness of the labour market, to provide opportunities for youth and marginal groups. Child labour is still widely present in Bangladesh, primarily as a necessity driven by household poverty. The COVID-19 crisis, with the economic effects and the long-term closing of schools, has increased the number of children working under hazardous conditions in industry and agriculture. In response to this, the GoB has stepped up its efforts broadening the types of work to be considered harmful for children, and in early 2022 also ratified the Minimum Age convention as final remaining ILO Fundamental Instrument<sup>75</sup>.
20. **Indigenous people and ethnic minorities.** Bangladesh has around 30 small ethnic minorities with Santal, Orao, Chakma, Marma, Garo, Khashia, Tripura, Monipuri, and Rakhain being the main groups in terms of numbers. The Santal and Orao populations live in North-western districts (Barind Tracts) and Chakma, Marma and Tripura people live in three hill districts (Chittagong Hill Tracts). Agriculture is the main source of livelihood for ethnic minorities who are gradually entering in trade and other service sectors because their livelihoods are being affected by environmental and problems and climate change (climate migration). The government recognizes that the ethnic communities of Bangladesh are the most deprived of economic, social, cultural and political rights, mainly due to their ethnic condition, having committed in the 8FYP actions in favor of their fundamental rights and social security, together with the empowerment of their social, cultural and traditional identities.
21. **Marginalized groups and persons with disabilities.** The GoB's 8FYP identifies a number of marginalized groups. These include the Dalit communities, also called "disappeared poor", who face a myriad of challenges including untouchability, social exclusion, lack of self-esteem and dignity, forced eviction from the land, lack of access to support services and lack of access to government services. Social boycotts and forced labor are often imposed on Dalits as a means of controlling and exploiting their work. Another marginalized group is those people living with HIV/AIDS, male and female sex workers and transgender, who suffer social exclusion and access to services. Persons with disabilities constitute another major group of

<sup>72</sup> BRAC (2019). Youth of Bangladesh: Agents of Change? [https://www.brac.net/program/wp-content/uploads/2019/07/YOUTH-SURVEY-2018\\_full.pdf](https://www.brac.net/program/wp-content/uploads/2019/07/YOUTH-SURVEY-2018_full.pdf)

<sup>73</sup> ILO (2022) Labour migration in Bangladesh. <https://www.ilo.org/dhaka/areasofwork/labour-migration/lang--en/index.htm>

<sup>74</sup> Alamgir (2021) Project Concept Note: Professional Development Program for the School Dropout Youth.

<sup>75</sup> See [https://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/child-labour/WCMS\\_840125/lang--en/index.htm](https://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/child-labour/WCMS_840125/lang--en/index.htm)

marginalized people (9% of the total population, including 3 million children); around a third of all households is estimated to have a disabled member, which is thought to be increasing with the aging of the population. The prevalence of severe or acute disability is reported to be 1.51%. Disability is more prevalent in the rural area and primarily characterized by physical disability and visual disability. People with disability are reported to have less access to education and income generating activities compared to people without disabilities. There is also a gender disparity, with women with disabilities reporting lower rates of marriage and higher rates of divorce compared to men with disabilities<sup>76</sup>.

22. **Food and nutrition security.** Although food security has greatly improved due to the reduction in poverty prior to the pandemic, the country is far from achieving its maternal, infant and young child nutrition objectives. While there is still significant ground to cover, the most recent pre-COVID-19 data on stunting and wasting showed continuous progress since 2004 with stunting estimated at 28% (UNICEF data, Multiple Indicator Cluster Survey 2019), thereby being on track to reach the SDG 2030 target on stunting reduction<sup>77</sup>. The progress is largely attributed to the provision of diversified foods, improved sanitation and women's empowerment<sup>78</sup>. In terms of micronutrients, the severity of deficiencies has declined since the 1980s. However, a significant proportion of preschool-age children remains with deficiencies in vitamin A (21 %), zinc (45 %) and vitamin D (40 %) and about one-third of these children are anaemic<sup>79</sup>. There is furthermore a high prevalence of zinc deficiency among women, and about half of pregnant and lactating women are anaemic as well. More than 50% of women suffer from chronic energy deficiency.
23. Reasons for malnutrition in rural areas of Bangladesh include (i) food insecurity and (ii) inadequate dietary practices. At the same time, there has been a rapid increase in overweight and obesity from 10.7 % in 2004 to 25.1% in 2014. This is mostly due to the increased consumption of trans-fats, ultra-processed foods and sugar sweetened beverages. The prevalence of underweight status remained high in rural areas, the prevalence of overweight increased rapidly in both rural and urban areas<sup>80</sup>.
24. While Bangladesh has made important progress in terms of productivity and food self-sufficiency, including grains, vegetables and fish, there are still important steps to be taken to improve food security. The Global Hunger Index evaluated the hunger situation to be serious in 2019, and that 14.7% of the population is undernourished.
25. **Food safety and health.** Food safety is a serious concern in Bangladesh, with inappropriate use of pesticides and ripening chemicals being some of the main problems facing the agricultural sector, posing health risks for domestic consumers and preventing export. Studies have reported a high prevalence of acute watery diarrhea, increase of enteric fever and acute hepatitis, and a high incidence of disease-causing microbes in street-vended food<sup>81</sup>. Inadequate handling of pesticides is leading to pesticide poisoning and a reported significant number of deaths as a result, though there is no nationally representative data<sup>82</sup>. Introduction of food safety standards such as GlobalGAP has been pursued over recent years, however this effort needs to be integrated into a wider effort. Beyond regulatory interventions, market demands for safe food do not reach the majority of smallholder farmers<sup>83</sup>. FAO has set up the Food Safety Network<sup>84</sup> to improve food safety in Bangladesh, aimed at introducing improved

<sup>76</sup> Bangladesh Bureau of Statistics (2015). Disability in Bangladesh: Prevalence and Pattern.

<http://203.112.218.65:8008/WebTestApplication/userfiles/Image/PopMonographs/disabilityFinal.pdf>

<sup>77</sup> See <https://www.gainhealth.org/media/news/bangladesh-will-truly-be-seen-developed-country-when-it-vanquishes-undernutrition>

<sup>78</sup> See <https://www.orfonline.org/research/breakout-nation-the-nutrition-transformation-of-bangladesh-57408/>

<sup>79</sup> See <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5465809/>

<sup>80</sup> See <https://www.cambridge.org/core/journals/public-health-nutrition/article/double-burden-of-underweight-and-overweight-among-women-of-reproductive-age-in-bangladesh/E1ECEADA8D289817EB9347287D8884C9>

<sup>81</sup> Feed the Future (2021). Food Safety System in Bangladesh: Current Status of Food Safety, Scientific Capability and Industry Preparedness. <https://ag.purdue.edu/food-safety-innovation-lab/wp-content/uploads/2021/01/FSIL-Food-Safety-System-in-Bangladesh.pdf>

<sup>82</sup> Biswas et al (2014). A review on Impact of Agrochemicals on Human Health and Environment: Bangladesh Perspective. <https://www.researchgate.net/publication/275659333>

<sup>83</sup> BoP Innovation Center (2015). [The impact of food standards on inclusive growth in agriculture: the case of Bangladesh](https://www.bopinnovationcenter.org/publications/the-impact-of-food-standards-on-inclusive-growth-in-agriculture-the-case-of-bangladesh)

<sup>84</sup> See <http://www.fao.org/in-action/food-safety-bangladesh/en/>

guidelines and training of farmers, consumer awareness, inspection and enforcement. In terms of COVID-19 impact on food safety, some of the key risks identified include the lack of cold chains; an underdeveloped food processing sector; insufficient availability of personal protective equipment in food processing factories.

26. **Citizen engagement, social accountability and grievance redress mechanisms.** The GoB and major NGOs in Bangladesh have over the past year increasingly adopted new ways of better engaging citizen, improving social accountability and providing grievance redress mechanisms. Most ministries and projects have institution and/or project-level grievance redress mechanisms, often also replicated at lower levels. At the national, cross-governmental level, the Cabinet Division of the GoB has set up the Platforms for Dialogue<sup>85</sup> to facilitate these processes and act as an overall grievance redress mechanism. Furthermore, the Bangladesh Accord on Fire and Building Safety prompted by the Rana Plaza disaster in 2013, has been widely recognized to have instituted an accessible, rights-based and confidential complaint mechanism<sup>86</sup>, which has inspired similar actions in other sectors.

### Environment and climate context, trends and implications

27. **Bangladesh is predominantly a riverine, deltaic country**, with around 80% of its surface classified as floodplains and having an extensive coastal area, jointly forming the Bangladesh Plain. Being part of the world's largest delta, the country has been formed over centuries from sediments deposited by the Ganges, Brahmaputra and Meghna (GMB) river system, which converge on the Bengal Basin. There are only a few non-plain areas in the country, notably the Chittagong Hills in the southeast and the highlands in the northwest. Bangladesh's alluvial soils are highly fertile, but vulnerable to floods as well. Flooding is highly common phenomenon in Bangladesh, and in many ways society has adjusted to these natural dynamics. Nevertheless, floods still present a major risk to human lives and economic activity. The 1998 flood inundated about 75% of the country including Dhaka, made 30 million people homeless and killed over a thousand people. Other major natural hazards in Bangladesh include cyclones and tornadoes, equally presenting a major risk to human lives and the economy. The number of casualties resulting from natural hazards is however steadily decreasing.



Figure 3 Map of Bangladesh with identification of hotspot areas in the Bangladesh Delta Plan 2100

28. **Bangladesh faces both water excesses and shortages.** During the annual monsoon period, the rivers of Bangladesh flow at some 140,000 m<sup>2</sup>/s, while during the dry period this only amounts to 7,000 m<sup>2</sup>/s. More than 60 % of the net arable land, some 91,000 km<sup>2</sup>, is cultivated in the rainy season despite the possibility of severe flooding, and nearly 40 % of the land is cultivated during the dry winter months. Water resources management

<sup>85</sup> See <https://www.p4dbd.org/>

<sup>86</sup> Business and Human Rights Resource Centre (2019): Calling for Remedy. [https://media.business-humanrights.org/media/documents/files/documents/Calling\\_for\\_Remedy\\_5-14.pdf](https://media.business-humanrights.org/media/documents/files/documents/Calling_for_Remedy_5-14.pdf)

interventions have therefore aimed at both providing flood protection and drainage during the rainy season, and irrigation facilities for the expansion of winter cultivation. Major water control projects have been implemented by the government to provide irrigation and flood control. In addition, thousands of tube wells and electric pumps are used for local irrigation.

29. Water quality is a particular topic of attention. Especially tanneries and shoes and leather production sites are known to have a risk of water pollution, which concentrated in industrial belts and urban growth centers due to inadequate regulation and compliance. Through the emission of both organic and inorganic substances, water quality and ecosystem quality is severely affected, while also negatively affecting the health of people working and living in the vicinity.
30. **Forests and mangroves.** Bangladesh has three categories of forests based on topographic conditions: (i) hill forests, moist tropical evergreen and semi-evergreen forests comprising more than half of the country's total forest resources and carrying high ecological importance; (ii) Plain Sal Forests, Tropical Moist Deciduous forests that have been reduced to only scattered and degraded patches; and (iii) Littoral Mangrove Forests, of which the Sundarbans area is the most prominent (see below). In the period of 2001 to 2020, Bangladesh lost a total of 197,000 ha of tree cover (10% of total), which equals 103 MT CO<sub>2</sub> emissions. The overwhelming majority of tree cover loss (93%) was in the Chittagong region. To improve forest protection and restoration, Bangladesh has amongst others set up a network of Social Forestry projects that involves communities with a legally binding benefit sharing mechanism. The region also features significant coastal afforestation programs.
31. **Fish resources.** Fisheries resources, both brackish and freshwater, in the coastal areas are remarkable. Bangladesh has the highest per capita consumption of fish-based animal protein on the planet. The Jashore District is famous for breeding freshwater fish and catering to the entire country with fish fingerlings. The introduction of aquaculture in coastal areas has had serious ecological effects. Vast areas previously used for crop agriculture have been transformed into intentional, perennially waterlogged landscapes to boost shrimp farming, prompting new legislation to avoid further damage. At the same time, shrimp farming as a major export commodity is equally found to be relevant for local food consumption and for the enhancement of nutritional status, especially for poorer households<sup>87</sup>.
32. **Protected areas.** Bangladesh has a total of 45 protected areas, including sanctuaries, national parks and community conservation areas. A review of the effectiveness of protected area management showed that the regulatory framework is generally adequate, albeit with a small number of loopholes. Enforcement of those rules is however found to be very weak due to limited budgets, staff and a lack of planning. Human intrusion and disturbance is identified as the main threat (24%) identified by managers of those protected areas, followed by biological resource use (22%), agriculture and aquaculture (17%) and residential / commercial development (17%). A particularly important area for natural resources and conservation is the *Sundarbans* area, a mangrove area of about 10,000 km<sup>2</sup> spanning both Bangladesh and India. The whole Sundarbans area is intersected by an intricate network of interconnecting waterways, of which the larger channels are often a mile or more in width. The Sundarbans Reserve Forest (SRF), the wildlife sanctuaries and the ECA are managed through collaborative management or co-management – a shared governance system that involves the community as environmental stewards sharing the management responsibilities with the BFD and DoE.
33. **Wildlife.** Bangladesh was once home to a large number of species that have currently reduced to a much smaller number primarily concentrated in the Sundarbans and Chittagong Hills. Species include the Bengal Tiger, Asian Elephant, Gibbon and Asian Black Bear. Bangladesh is a priority country of the Global Tiger Action Plan; therefore, the Sundarbans as the home of Bengal Tiger attracts added global attention. Bangladesh's only Marine Protected Area, the Swatch of No Ground (SoNG), is a continuum of the protected area network ecologically linked to the Sundarbans.

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<sup>87</sup> Manun, A-A. et al (2021). Export-Driven, Extensive Coastal Aquaculture Can Benefit Nutritionally Vulnerable People. <https://www.frontiersin.org/articles/10.3389/fsufs.2021.713140/full>



34. **Current climate.** Bangladesh falls under monsoon influenced tropical climate area with an average annual rainfall of 2,700 mm, over 85% of which falls during June and October. Average day time temperature varies between 23 to 27°C, while the average night time temperature ranges between 18 and 22°C. While winters are generally dry and mild, summer months are wet and moist, the relative humidity is generally over 85% during monsoon season. During late April and mid-November, the sea surface temperature often rises above a threshold of about 27°C, which creates an ideal climatic condition to form tropical low and depressions. Sometimes, such tropical weather fronts give rise to the formation of cyclones and super cyclones.
35. **Natural hazards.** Bangladesh as a whole is highly prone to natural hazards including cyclones, storm surges, floods, landslides, earthquakes, tsunamis, sea-level rise and increasing saltwater intrusion. On an average, one major cyclone hits Bangladesh in every three years. It is believed that the shallow continental shelf, the high tidal range and the inverted funnel shape of the Bay play significant roles to 'guide' tropical cyclones towards the low-lying delta. Most of the casualties/fatalities and destruction associated with cyclones happen as a result of the accompanying water surge and high storm waves that sweep away and drown people. The degree of destruction and the number of casualties/fatalities depend on the time when a cyclone occurs, and on the topography and geomorphological conditions of where it strikes. Although cyclone-related human deaths have been reduced significantly due to improved warnings and pre-hazard preparedness programmes, cyclones in the past have killed many coastal Bangladeshis. Furthermore, lightning strikes cause over 200 lives every year, the majority of whom are farmers, and the frequency of lightning strikes is reported to have increased due to increased temperatures, linked to climate change<sup>88</sup>.
36. **Climate change trends and predictions.** Temperatures have increased by about 0.3 – 0.5°C between 1960 and 2010 and is expected to increase by 1.4°C in the RCP 4.5 scenario and by 2°C in the RCP 8.5 scenario by 2050<sup>89</sup>. Although the total average rainfall does not show any discernible change, the micro-structure of monsoon has been exhibiting important changes. For example, the rainfall is exhibiting a bi-modal distribution over monsoon, the first peak coming a lot earlier than expected (shifted from middle of July to early June). There are increasing numbers of extreme rainfall episodes during the monsoon with prolonged rainless days in between, while the late-October rain (Kaitani) has almost disappeared. For some districts in particular, it has been observed that rainfall in the pre-monsoon and winter season had a decreasing trend whereas it had an increasing trend during monsoon and post-monsoon seasons<sup>90</sup>. Overall, mean annual rainfall is expected to rise by 74mm between 2040 and 2059. However, it should be noted that trends in future precipitation in Bangladesh are highly uncertain.
37. **Climate change impacts.** Bangladesh has a relatively high climate risk exposure, particularly related to cyclones, river flooding and coastal inundation, but it has also developed significant knowledge on climate change adaptation. Much of the country has some exposure to water-related climate risk such as increasing floods and increasing intrusion of saline seawater. Subject to various climate change scenarios, sea level rise is expected to inundate 120,000 km<sup>2</sup> by 2050; 14% more of the country may become extremely prone to floods by 2030. Coastal salinity problems will likely worsen as changing rain patterns reduce the amount of dry season water supply from upstream river sources.

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<sup>88</sup> IPCCAD (2021) A Study on Environment and Climate Context, Trends and Implications. Sectoral study prepared for IFAD COSOP.

<sup>89</sup> WBG Climate Change Knowledge Portal (CCKP, 2021). Climate Data: Projection. Bangladesh. <https://climateknowledgeportal.worldbank.org/country/bangladesh/climate-data-projections>

<sup>90</sup> Rahman et al. (2009) Trend Analysis of Climate Change and Investigation on Its Probable Impacts on Rice Production at Satkhira, Bangladesh.

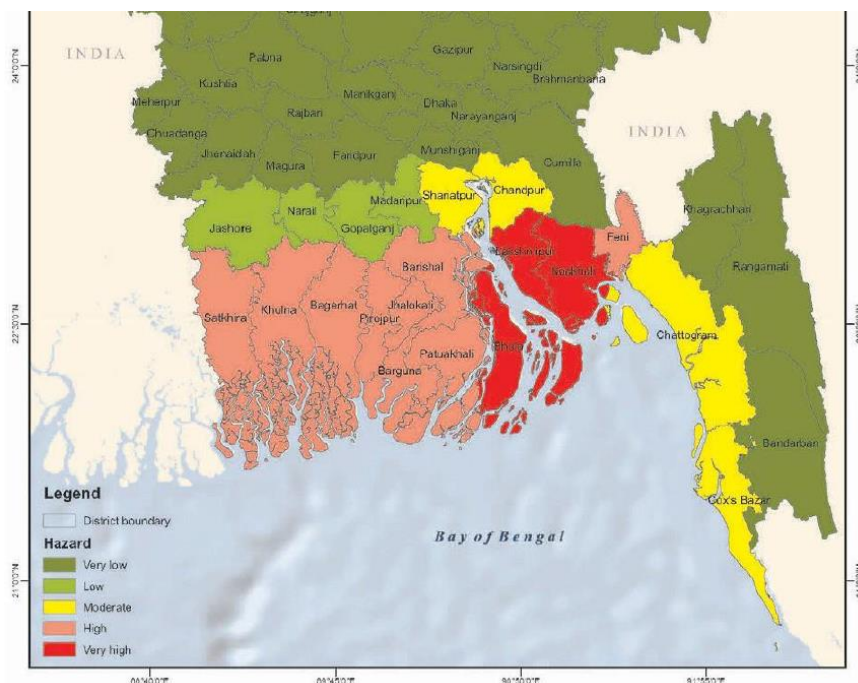


Figure 2 Sea level rise hazard index for southern Bangladesh. Source: ICCAD (2021)

38. Increasing salinity and mean temperatures have generally negative effects on agriculture. Overall, crop production might be reduced by 30% by the end of the century; rice production could fall by 8%, and wheat production by 32% by 2050. The increase in the number of very hot days in Bangladesh under all RCP scenarios is likely to have significant production costs, especially when combined with increased frequencies of heat wave and drought. For some crops, such as Boro rice, the benefits of increased atmospheric CO<sub>2</sub> emissions may offset yield losses, for others, such as wheat, significant declines are expected<sup>91</sup>. When other drivers are factored in there is strong evidence that net rice production is likely to decline significantly as a result of climate change. Winter crop production would be seriously hampered due to a warmer and drier environment during non-monsoon seasons, while moisture stress might force farmers to reduce the area under irrigated rice cultivation. In November 2019, the Bangladesh parliament unanimously declared climate change a 'planetary emergency', serving as a call to action for other nations on the urgency of emission reduction as well.

<sup>91</sup> Thomas, T., Mainuddin, K., Chiang, C., Rahman, A., Haque, A., Islam, N., Quasem, S., Yan, S. (2013). Agriculture and adaptation in Bangladesh: Current and projected impacts of climate change. International Food Policy Research Institute. [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2310087](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2310087)

Table 1 Overview of potential impacts of climate change on agriculture in Bangladesh. Source: IPCCAD (2021)

Climate Variables	Potential Impacts on the Agriculture Sector
<b>Temperature changes</b>	
Increases in very hot days and heat waves	Modification in crop suitability and productivity (heat stress) Increase in weeds, crop pests and disease outbreaks Changes in crop water requirements. The quantity and quality of yield depend on the number of days that a crop is exposed to temperatures exceeding specific thresholds during critical growth stages (i.e., flowering, pollination, fruiting, or grain filling)
Fewer cold days and nights	Increased yields in colder environments Reduction in the risk of frosts and subsequent crop failure
Increase in intense precipitation events	Damages to crops Increased water-logging, inability to cultivate lands Damage to drainage systems due to flooding Increased extent and intensity of erosion and water-logging. Increased pest incidence
Increase in drought conditions	Lower yields from crop damage, stress, and/or failure Loss of arable land as a result of land degradation Loss of arable lands Increased competition for water Increased risk of food insecurity
Increase in the frequency of floods	Crop failure and damage to crops due to flooding Yield decreases Increased risk of health hazard due to lack of nutrition
More frequent strong tropical cyclones	Damages to crops and rural infrastructure Frequent occurrence of cyclonic hazard de-motivates farmers to continue farming
Sea level rise and storm surges	Damage to crops and rural infrastructure due to flooding Seawater intrusion, loss of arable land, salinization of water supply (groundwater in particular)
Increase in CO <sub>2</sub> concentration	Increased biomass production and increased physiological efficiency of water use in crops and weeds Increased efficiency of water used by crops. Potentially increased weed to compete with crops

39. Climate change impacts are also seen in the public health domain. A one degree increase in temperature is found to increase the likelihood of contracting a waterborne disease by 4.2 percentage points, and the likelihood of contracting a respiratory illness by 5.7 percentage points<sup>92</sup>.
40. **Climate change adaptation.** Notwithstanding the severe impacts of climate change in Bangladesh, there is also a long history of dealing with a changing, dynamic environment in the country. The concrete impacts of climate change already caused a considerable amount of *autonomous* adaptation amongst farmers across Bangladesh, involving changes to livelihood assets and income generating activities<sup>93</sup>. It has also prompted many climate change related strategies and projects to be implemented across Bangladesh. In 2018, Bangladesh finalized the Bangladesh Delta Plan 2100, which provides an overarching view of water-related adaptation strategies (referenced in the next section).

## Institutions and legal framework

### Institutions, policies and regulatory frameworks

41. **Gender.** The Constitution of Bangladesh lays down the general principles regarding the protection of women from all forms of discrimination and the promotion of their equal participation. Bangladesh ratified the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) in 1984. The GoB adopted a National Women Development Policy in 2011 with an accompanying Action Plan to guide implementation thereof. This commits the government, amongst others, to operationalize gender-sensitive

<sup>92</sup> Mahmud et al (2021) Infected and Stressed by Climate Variability: New Empirical Evidence from Bangladesh. World Bank Group. <https://openknowledge.worldbank.org/handle/10986/36506>

<sup>93</sup> University of Leeds (2016) [Autonomous adaptation to riverine flooding in Satkhira District, Bangladesh: insights for transformation.](#)

- planning and budgeting, ensuring equal pay in all sectors, enhance women leadership in the political arena, and build productive capacity of women more generally. Parliament has 50 reserved seats for women (in addition to 300 general seats), and local governments have a quota on the representation of women in councils.
42. The Ministry of Women and Children Affairs is tasked with the empowerment of women and children through a mainstreaming approach, combined with a variety of cross-governmental structures such as a high-level National Council for Women and Children Development, comprising ministers, secretaries, MPs and prominent women. Other line ministries and departments, such as the LGED, have adopted their own gender policies and action plans tailored to their sectors. Such cross-governmental structures also exist at local government level, through the Women In Development Coordination Committees. The Ministry of Women and Children's Affairs that manages eight Comprehensive Crisis Centers at division levels to provide information and services to victims of violence, however, there are very few reported cases and much less those that have followed legal processes.
43. **Environment.** The National Environmental Policy (1992) has a dual objective of ensuring protection and sustainable management of the environment. It identifies and regulates activities that may degrade the environment and ensures the sustainable and environmentally sound use of natural resources. The National Environmental Management Plan (1995)<sup>94</sup> is a broad set of programs aimed to implement this policy. The Environmental Conservation Act (1995)<sup>95</sup> and accompanying Rules (1997)<sup>96</sup> have a specific objective of setting the standards and procedures to prevent pollution of the environment. It is therefore an important piece of legislation that guides the execution of project screening, assessment and monitoring, and empowers the Ministry of Environment, Forests and Climate Change to exercise its role. It also provides the legal basis for the protection of ecologically critical areas.
44. The National Water Policy (1999)<sup>97</sup> focuses on protection, restoration and enhancement of water resources; protection of water quality; provision of sanitation and potable water; and the participation of local communities in water development projects. The Bangladesh Delta Plan 2100 (2018) defines the strategy to ensure long term water and food security, economic growth and environmental sustainability while reducing vulnerability to natural disasters and building resilience to climate change. At national level, the BDP2100 comprises the following strategies: (i) protecting economic strongholds and critical infrastructure; (ii) equipping the flood management and drainage schemes for the future; (iii) safeguarding livelihoods of vulnerable communities; (iv) balancing supply and demand for freshwater; and (v) maintaining water quality. Region or hotspot-specific strategies are included in Table 1.

*Table 2 Hotspot-specific strategies in the Bangladesh Delta Plan 2100*

<b>BDP2100 Hotspots</b>	<b>Main Strategy</b>
<b>Coastal zone (27.000 km<sup>2</sup>)</b>	Combating storm surge and salinity intrusion through effective management of existing polders, reclaiming new land and conservation of the Sundarbans
<b>Barind and drought prone areas (23.000 km<sup>2</sup>)</b>	Balancing supply and demand for sustainable and inclusive growth, minimizing losses due to floods and drainage congestion and ensuring water supply and sanitation
<b>Haor and Flash Flood Areas (17.000 km<sup>2</sup>)</b>	Protect agriculture and vulnerable communities from floods, integrated water/land resource management and management of sustainable ecosystem and biodiversity

<sup>94</sup> <http://documents1.worldbank.org/curated/en/329001468741610744/pdf/multi-page.pdf>

<sup>95</sup> <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC042272>

<sup>96</sup> <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC019918/>

<sup>97</sup> <http://nda.erd.gov.bd/en/c/publication/national-water-policy-1999>

<b>Chattogram Hill Tracts (13.000 km<sup>2</sup>)</b>	Ensure water security and sustainable sanitation, maintain ecological balance, biodiversity and values and development of multi-purpose resources management system
<b>River Systems and Estuaries (35.000 km<sup>2</sup>)</b>	Provide adequate room for the rivers and infrastructure to reduce flood risk, appropriate sediment management and effective river and estuaries management in the newly accredited char areas
<b>Urban Areas (20.000 km<sup>2</sup>)</b>	Integrated and sustainable use of urban land and water resources, improved utility services, conserve and preserve urban wetlands and ecosystems

45. **Protected areas and biodiversity.** The National Forest Policy (1979) focuses on the preservation and scientific management of forestlands, the designation of forests as national forests, the organizational and research needs to protect the forests and the preservation of wildlife. The updated Wildlife Act of 2012 provides the legal underpinning of the management protected areas and sets several definitions on technical aspects such as buffer zones and lists of protected species. The 2<sup>nd</sup> National Biodiversity Strategy and Action Plan of Bangladesh (2016 – 2021)<sup>98</sup> is a guiding framework for biodiversity conservation, ensuring sustainable use of natural resources and protecting the diversity of flora and fauna and habitats.
46. **Fisheries.** The National Fisheries Policy (1998), Inland Capture Fisheries Strategy (2006) and National Shrimp Policy (2014)<sup>99</sup> guide the overall fisheries sector in the country were heavily drawing from the open capture fisheries in the region. The Shrimp Policy in particular, seeks to avoid the damaging environmental impact that the shrimp industry has caused in other countries, by limiting the size of shrimp enclosures and by requiring clearance from the Department of Environment to operate in mangrove areas.
47. **Climate.** The Bangladesh Climate Change Strategy and Action Plan (2009)<sup>100</sup> prioritizes adaptation and disaster risk reduction and has been complemented by programs and plans in six strategic areas<sup>101</sup>, including food security and infrastructure. Widespread adaptation efforts are now underway through for instance the national solar energy roadmap 2021-2041, the mainstreaming of climate resilient infrastructure engineering design policies, and the creation of the Bangladesh Climate Change Trust Fund. A National Adaptation Plan is currently being developed, as a successor to the National Adaptation Programme of Action (2009)<sup>102</sup>.
48. Bangladesh submitted its initial Nationally Determined Contribution (NDC) to the Paris Agreement on September 21, 2016, followed by an interim NDC 2020 on December 31, 2020, and an Updated Nationally Determined Contribution on August 26, 2021<sup>103</sup>. It sets out its commitment towards a low-carbon development pathway with a greenhouse gas (GHG) emission target of 6.7% (28 Mt CO<sub>2eq</sub>) by 2030 compared to the business-as-usual scenario, going up to 15.1% (62 Mt CO<sub>2eq</sub>) reduction subject to financial, technical and capacity building support from both national and international partners. In agriculture, the largest increase in emissions is expected from agricultural energy use (see Table 2). The NDC includes relevant mitigation targets in agriculture achieved through investments in solar irrigation pumps, methane reduction from rice fields, mini biogas plants and low-emission dairy development. At the adaptation level the key activities related to agriculture and food security foreseen are focus mainly on increasing food productivity and sustaining growth in the face of the adverse effect of climate change. The GoB's 3<sup>rd</sup> communication to the UNFCCC further highlights

<sup>98</sup> <https://www.cbd.int/doc/world/bd/bd-nbsap-v2-en.pdf>

<sup>99</sup> GoB (2014). Bangladesh National Shrimp Policy, Ministry of Fisheries and Livestock

<sup>100</sup> See [https://www.iucn.org/downloads/bangladesh\\_climate\\_change\\_strategy\\_and\\_action\\_plan\\_2009.pdf](https://www.iucn.org/downloads/bangladesh_climate_change_strategy_and_action_plan_2009.pdf)

<sup>101</sup> Bangladesh Climate Change Strategy and Action Plan 2009 (2009). Ministry of Environment and Forest, Government of Bangladesh.

<sup>102</sup> See <https://unfccc.int/resource/docs/napa/ban02.pdf>

<sup>103</sup> GoB (2021) Revised NDC submission to the UNFCCC

[https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Bangladesh%20First/NDC\\_submission\\_20210826revised.pdf](https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Bangladesh%20First/NDC_submission_20210826revised.pdf)

important adaptation activities in the areas of climate resilient crop varieties, water resources management and enhanced agricultural subsidy programs including crop insurance<sup>104</sup>.

Table 3 Greenhouse Gas emission reduction scenario from the NDC. \* = corrected calculation.

UNFCCC sector	Sub-sector	Emissions Business-As- Usual in 2030 (% increase from 2012)	NDC Target 2030 - Unconditional	NDC Target 2030 - Unconditional + Conditional
<b>Energy</b>	Agriculture	10.16 MT (272%)	9.37 MT	8.55 MT*
<b>AFOLU</b>	Agriculture & Livestock	54.64 MT (19%)	54 MT	53.6 MT
	Forestry	0.37 MT (0%)	0.37 MT	0.37 MT

49. **Youth.** There are a range of government policies and programmes that explicitly target youth, as well as a large number that have a strong effect on youth without explicitly targeting them. The National Policy for Youth (2017) aims to ensure special support is provided to rural youth with opportunities to boost the rural economy (including with lease of government owned Khaas farmland, ponds and 'Jolmohal). The National Education Policy is equally important for youth. Initiatives are now underway to particularly strengthen tertiary education in the country. The Ministry of Youth and Sports is the responsible line ministry to address youth issues. The government also established the Sheikh Hasina National Youth Development Institute in 2017, tasked to conduct research, training and facilitating constructive activities. Other relevant policies include the National Skills Development Policy (2011), which puts special emphasis on the training and learning of youth, women, low-skilled people and people with disabilities.
50. **Decent work and harmful child labour.** The Decent Work agenda is a shared objective across government, private sector and civil society. The Decent Work Country Program 2022-2026 thereby involves the GoB, the Bangladesh Employers' Federation, the National Coordination Committee for Workers' Education and the Industrial Bangladesh Council. In the GoB, the Ministry of Labour and Employment is responsible for employment and to protect the interests of workers. The same Ministry is also spearheading the National Child Labour Welfare Council, which prepared the National Plan to Eliminate Child Labour (2020-2025)<sup>105</sup> as an implementation mechanism to the National Child Labour Elimination Policy (2010)<sup>106</sup>. The National Plan involves a broad range of line ministries, whereas international agencies such as the ILO are providing support.
51. **Indigenous peoples and ethnic minorities.** The government does not recognize indigenous peoples as "indigenous", but instead identifies "tribes, minor races, sects and ethnic communities" in Article 23A, and obliges the state to protect and develop their unique local culture and traditions, the protection against all forms of exploitation (article 14), the prohibition of discrimination on the grounds of religion, race, caste, sex or place of birth (article 28); and equal opportunities in public employment, while allowing the State to adopt special provisions to guarantee adequate representation of these sectors of the population (article 29). Bangladesh is a signatory to major international human rights instruments that are directly or indirectly relevant to the rights of tribal/indigenous peoples, such as ILO Convention 107 on Tribal Populations.
52. **Persons with disabilities.** Bangladesh has ratified the UN Convention on the Rights of Persons with Disabilities (in 2008). The country's Constitution (1972) guarantees the basic

<sup>104</sup> GoB (2018) 3<sup>rd</sup> National Communication of Bangladesh to the UNFCCC.

[https://unfccc.int/sites/default/files/resource/TNC%20Report%20%28Low%20Resolution%29%2003\\_01\\_2019.pdf](https://unfccc.int/sites/default/files/resource/TNC%20Report%20%28Low%20Resolution%29%2003_01_2019.pdf)

<sup>105</sup> See

[https://mole.portal.gov.bd/sites/default/files/files/mole.portal.gov.bd/project/6038e47e\\_5792\\_45f4\\_8fc0\\_958f113443f9/NPA.pdf](https://mole.portal.gov.bd/sites/default/files/files/mole.portal.gov.bd/project/6038e47e_5792_45f4_8fc0_958f113443f9/NPA.pdf)

<sup>106</sup> See

[https://mole.portal.gov.bd/sites/default/files/files/mole.portal.gov.bd/policies/7e663ccb\\_2413\\_4768\\_ba8d\\_ee99091661a4/National%20Child%20Labour%20Elimination%20Policy%202010%20\(English\)%2010.pdf](https://mole.portal.gov.bd/sites/default/files/files/mole.portal.gov.bd/policies/7e663ccb_2413_4768_ba8d_ee99091661a4/National%20Child%20Labour%20Elimination%20Policy%202010%20(English)%2010.pdf)

human rights of every citizen and prohibits any form of discrimination between social groups, including persons with disabilities. The Rights and Protection of Persons with Disabilities Act (2013) provides for specific measures such as accessibility provision in public spaces and equal opportunities in employment, while equally requiring persons with disabilities to register for identity cards to be able to track their enrolment in educational institutions and their access to jobs<sup>107</sup>. The Ministry of Social Welfare is responsible for advancing the rights of persons with disabilities, and within that Ministry the National Foundation for the Development of Disabled Persons is actively providing support, including through Services and Assistance Centres in all districts.

53. **Nutrition.** The Food and Nutrition Security Policy (2020)<sup>108</sup> is the primary policy for nutrition and builds on an array of past policies, such as the National Food Policy (2006), National Nutrition Policy (2015), National Social Security Strategy (2015), and the National Agricultural Policy (2018). This new policy includes the following strategic objectives: 1) to ensure availability of safe and nutritious food for healthy diets, 2) to ensure access to safe and nutritious food at an affordable price, 3) to enhance the consumption and utilization of healthy and diversified diets for achieving nutrition improvements, 4) to increase access to nutrition-sensitive social protection and safety nets across life cycle with a focus on vulnerable groups and regions, 5) to strengthen cross-sectoral food and nutrition security governance, coordination, capacity building and partnership for effective policy implementation. The new policy is, in contrast to its predecessors, designed to cut across the mandates of a dozen ministries and apply a nutrition lens in various sectoral strategies.

#### **Relevant programmes and partnerships**

54. Given the size of the country and the broad range of development challenges, the number of relevant programmes and partnerships are equally vast. This section therefore merely provides a selection of some of the programmes and partnerships that are deemed most relevant to the strategy as laid out in the COSOP 2023-2028, and the issues identified in this SECAP Background Study.
55. **Extended Community Climate Change Project – Flood (ECCCP-Flood, 2019-2024)**<sup>109</sup>. This project, implemented by PKSF and financed by the Green Climate Fund, works on the interface of community-driven investments in climate change adaptation and social protection programmes. One of the specific interventions is to establish Climate Change Adaptation Groups at community level.
56. **Climate Smart Agriculture and Water Management Project (2021 – 2026)**<sup>110</sup>. This project, funded by the World Bank and carried out by the Bangladesh Water Development Board, Department of Agricultural Extension and Department of Fisheries shares similarities with the current IFAD-funded portfolio and offers opportunities for cross-learning. It includes climate smart agriculture research and extension and the development of an interactive voice response system for citizen and community engagement, which could be relevant for the IFAD-funded portfolio
57. **‘My Village, My Town’.** This government-led initiative aims to reduce the gap between cities and rural areas, by bringing essential facilities such as improved roads, drinking water, healthcare services and education to villages. A pilot project was initiated in 15 villages in 2020. The project may provide relevant entry points and learnings for IFAD-supported projects in terms of improving access to healthcare and in terms of educating youth and creating job opportunities.
58. **Strengthening Women’s Ability for Productive New Opportunities (SWAPNO, 2014-2022) programme**<sup>111</sup>. SWAPNO was a gender based social security project targeting 65,000 ultra-poor rural women who are widowed, divorced, abandoned, or left with a disabled

<sup>107</sup> SIDA (2014) Disability Rights in Bangladesh. <https://cdn.sida.se/app/uploads/2021/05/10142908/rights-of-persons-with-disabilities-bangladesh.pdf>

<sup>108</sup> <http://fpmu.gov.bd/agridrupal/sites/default/files/file/policy/NFNSP-2019-Draft-English.pdf>

<sup>109</sup> See <https://www.greenclimate.fund/project/sap008>

<sup>110</sup> See <https://projects.worldbank.org/en/projects-operations/project-detail/P161534>

<sup>111</sup> See <https://www.bd.undp.org/content/bangladesh/en/home/projects/strengthening-womens-ability-for-productive-new-opportunities.html>

husband. The project aims to uplift these women out of extreme poverty through productive and sustainable livelihoods. Under the auspices of National Social Security Strategy (NSSS) of Bangladesh government, SWAPNO was implemented jointly by Local Government Division and UNDP. SWAPNO's intervention follows a graduation model that encompasses livelihood promotion, financial inclusion, social protection, and social empowerment. The women are employed for a specific period under public works. Simultaneously, training is provided to improve self-confidence, leadership, financial literacy, basic numeracy, savings, and spending. This process is followed by livelihood training based on their interests and local market opportunities to begin micro-enterprises or find formal employment. After completing their employment tenure, they can access funds to invest in their enterprises.

59. **Feed the Future Bangladesh Livestock and Nutrition Activity (2015-2021)**<sup>112</sup>. This project worked to sustainably increase livestock productivity, marketability and consumption of livestock products for one million livestock producing households. It will feature a strong digital technology enabled component and it will work across public and private sectors.
60. **Resilience, Entrepreneurship and Livelihood Improvement Project (2021-2026)**<sup>113</sup>. This project, to be implemented by the Social Development Foundation under the Ministry of Finance and funded by the World Bank, aims to improve livelihoods of the poor and extreme poor, enhance their resilience and support rural entrepreneurship in project areas. It will scale up the approach piloted by the Nuton Jibon Livelihood Improvement Project in targeting the poor and the poorest, and work on graduating them out of poverty through income-generating activities, skills development and employment support.

### Strategic recommendations

#### Lessons learned

61. **Targeting vulnerable areas and ensuring longer-term climate resilience.** IFAD-supported projects have successfully targeted the worst poverty stricken and climatically vulnerable areas of the countries<sup>114</sup>. At the same time, experiences from both the natural variability in the delta river ecosystem as well as climate change impact projections demonstrate that significant parts of the country, including areas where IFAD-supported interventions take place, may not be protected from being rendered inhabitable or infertile for agricultural development.
62. **Rural finance programs are successful conduits for broader engagement on social, environmental and climate issues.** A large share of IFAD-supported interventions in Bangladesh relate to rural finance programs. Beyond improving access to finance alone, these programs are usually accompanied by training events and other engagements that equally serve as a way to promote broader issues, from gender-related activities to nutrition and disaster management.
63. **Better inclusion and equitable participation of ethnic minorities and prevention of child labour is possible through careful planning of interventions.** IFAD has, through the Indigenous Peoples Assistance Service (IPAF) supported the Chittagong Hill Tracts Rural Development project. This project has demonstrated how social inclusion in development projects can be improved, by developing comprehensive social inclusion plans. Similar strategies can be applied to target marginalized groups and people with disabilities, as well as to ensure the prevention of harmful child labour.
64. **Projects can effectively promote 'safe' agricultural products in clusters, but farmers face constraints on the demand market as well as on input provision to scale up further.** Under the IFAD-supported PACE project, a value chain subproject was carried out specifically to promote safe vegetables around urban areas<sup>115</sup>. It was found that by bringing together different actors in clusters, including organic input suppliers, technical staff and market actors, the entire production system could be changed. By being able to tap into

<sup>112</sup> See [https://pdf.usaid.gov/pdf\\_docs/PA00XRQQ.pdf](https://pdf.usaid.gov/pdf_docs/PA00XRQQ.pdf)

<sup>113</sup> See <https://projects.worldbank.org/en/projects-operations/project-detail/P175820>

<sup>114</sup> IFAD (2021) Bangladesh COSOP Completion Review 2021

<sup>115</sup> Sectoral study carried out for the IFAD COSOP.



premium markets and recognizing cost savings from more efficient application of inputs, farmers now demand safe inputs. However, the larger demand for safe vegetables across the country is still limited, and so is the provision of safe inputs.

65. **General improvements in nutrition-related health indicators may have plateaued, creating a need for new, tailored approaches.** Bangladesh has made significant progress in nutrition-related indicators such as stunting, which is to a large degree attributed to improved incomes, education and healthcare as well as smaller family sizes. A recent study found that such broad-based improvements may however have plateaued, leaving still high levels of stunting in the more difficult to reach, chronically poor areas, while at the same time new challenges in nutrition are rising<sup>116</sup>. This implies that new community-based strategies are needed to target more explicitly those groups with tailored nutrition-related interventions.

#### **Strategic orientation, actions and monitoring**

66. Based on the analysis carried out in this SECAP Background Study, this section lists the SECAP-related recommendations for the strategic orientation of the Bangladesh COSOP 2023 – 2028, specific actions and the associated core indicators for monitoring:
67. **Ensure enhanced climate change adaptation strategies are underlying all IFAD-supported interventions while also actively promoting a low-carbon emission development pathway.** Climate change adaptation aspects are already integrated into most IFAD-supported programs in Bangladesh. They could benefit from further enhancement, including through (i) better understanding the interplay between measures to improve climate resilience of specific project activities, e.g. flood-protected infrastructure or climate-smart agriculture, and the adaptation or coping strategies of the target groups; (ii) strengthening capacity to ensure localized adaptation strategies can be adopted, e.g. improving the analysis of local impacts of climate change and adopting area-based adaptation strategies where for instance climate-resilient irrigation infrastructure development is combined with improved submergible roads and climate smart agriculture, (iii) increasing the emphasis on climate smart agriculture, for instance by introducing stress tolerant varieties and promoting leguminous crops to increase the water retention capacity of the soil and counter salinization; and (iv) setting up cross-project learning exchanges on climate change adaptation in collaboration with other relevant development partners specializing in these matters. In tandem, climate change mitigation efforts should be actively promoted wherever feasible, adopting the targets from the NDC and potentially from sectoral action plans as they are developed during the period covered by this COSOP.

*Associated indicators: CI 3.2.2. Households reporting adoption of environmentally sustainable and climate resilient technologies and practices; CI 3.1.4. Land brought under climate resilient management; CI 3.1.1. Groups supported to sustainably manage natural resources and climate related risks; CI 3.1.2. Persons provided with climate information services; CI 3.2.1. GHG emissions avoided/sequestered.*

68. **Further tailor the design of specific activities in IFAD-supported programs by reviewing and addressing the barriers for marginalized groups and persons with disabilities to participate and strengthen accountability practices.** IFAD-supported interventions in Bangladesh already have a strong targeting focus on the most vulnerable areas and are founded on participatory processes that aim to ensure all stakeholders in those areas can participate and gain benefits. To further enhance the participation of marginalized groups, IFAD-supported projects could review in more detail the design of specific activities, such as participatory rural appraisals or monitoring and evaluation strategies, to improve social inclusion, by explicitly looking at the marginalized groups including people with disabilities and reviewing the barriers they may face to participate in an equitable manner. This may be related to addressing the social norms underlying such activities but also the practical considerations in terms of timing, location and time burden of participation. IFAD-supported projects could use strengthened accountability and feedback mechanisms, including

<sup>116</sup> Nisbett et al (2017). Bangladesh's story of change in nutrition: Strong improvements in basic and underlying determinants with an unfinished agenda for direct community level support.  
<https://www.sciencedirect.com/science/article/pii/S2211912416301018>

but not limited to grievance redress mechanisms built on the evolving national and local structures, to validate the success of such inclusion measures.

*Associated indicators (to be disaggregated by target groups): CI 2.1.2. Persons trained in income-generating activities or business management; CI 1.1.3. Rural producers accessing production inputs and/or technological packages; CI 1.1.5: Persons in rural areas accessing financial services; CI 1.1.8. Households provided with targeted support to improve their nutrition.*

69. **Promote inclusive youth employment as a dedicated investment, with focus on professional skill development, job placement and self-employment, thereby promoting decent work.** While the current IFAD-funded project portfolio is generating economic opportunities in the rural areas including for youth, the inclusion of dedicated activities aimed at youth will help in increasing employment in this age group. The IFAD-funded HILIP-CALIP and PROVATI3 already have used such an approach, which can be replicated in future projects.

*Associated indicators (to be disaggregated by age group): CI2.2.1. New jobs created; CI 1.1.3. Rural producers accessing production inputs and/or technological packages.*

70. **Increase emphasis on promoting environmentally sustainable intensification of production (agricultural and non-agricultural), particularly with regards to nutrition and health impacts, while pursuing circular economy opportunities.** In pursuing increased productivity in both agricultural and non-agricultural sectors, IFAD-supported projects have an important role to play in ensuring environmental sustainability. This is for instance related to including provisions for avoiding the unnecessary, excessive or inadequate use of agrochemicals and the safe storage and application of agricultural inputs in general, the consideration of waste management capacities in the planning of project activities. It also concerns the topic of food safety and nutrition. This can be partially driven by market demand as demonstrated under PACE but it can, in areas where there is no such demand, also be achieved through capacity building, better design of interventions and enforcement of regulations, for instance by tracing pesticide residues. In the same vein, IFAD-supported projects can further expand the pursuit of circular economy opportunities. Some circular economy activities are already integrated in IFAD-supported projects, such as the use of biogas as source of renewable energy, but they could be further expanded to for instance consider alternative protein sources.

*Associated indicators: CI 3.2.2. Households reporting adoption of environmentally sustainable and climate resilient technologies and practices*

### **Potential for environment and climate co-financing**

71. Given the high vulnerability of Bangladesh to climate change, there are and will continue to be significant financial resources available for climate adaptation and mitigation-related co-financing from institutions such as the Green Climate Fund (GCF) and Adaptation Fund. Equally, environmental financiers such as the Global Environment Facility (GEF) are looking to ensure synergies with sectoral investments projects. IFAD, as accredited entity to those institutions, is therefore well positioned to mobilize environmental and climate co-financing.
72. Areas of high potential to mobilize such co-financing include:
- (a) **Innovative climate resilient production systems in the dynamic Char areas.** IFAD and the GoB have a track record of investing in the pioneering of innovative approaches, practices and technologies by combining climate resilient infrastructure with income generating activities and climate services, such as the provision of climate-informed agronomic advice. These projects are generating lessons on what investments are most suitable for the Char areas, as parts of a extremely dynamic ecosystem, and could be further scaled up through climate adaptation finance.
  - (b) **Promoting the adoption of multi-purpose nature-based solutions.** IFAD-supported projects in Bangladesh have experimented with the use of solutions inspired by nature, such as the planting of vetiver grass to stabilise slopes. These same solutions

can provide income-generating opportunities, such as the provision of fodder. And, even if the carbon benefits are modest, they provide ways to increase carbon storage and restore healthy soils. Such interventions can be scaled up to replace interventions with 'grey' infrastructure and can be supported through adaptation finance with some mitigation co-benefits.

- (c) **Supporting low-carbon pathways to better food systems.** In the transition of the agricultural economy to higher productivity, IFAD-supported projects can play a key role to ensure that low-carbon pathways are followed. This will strongly feature the use of renewable energy for rural enterprises (for water pumping and operating equipment) and the promotion of carbon-storing practices such as agroforestry, but may be extended to look at the larger food system to include the carbon footprint of inputs (such as fertilizers) and the remaining value chain towards the end consumer, including cold chains. For this purpose, IFAD-supported projects could seek to mobilize climate change mitigation co-financing, with climate change adaptation as co-benefit.

## COSOP preparation process

The steps and activities have been undertaken for preparation of COSOP 2023-28:

1. COSOP Completion Review: The most significant analysis for preparation of the present COSOP was done by producing CCR report of the previous COSOP 2012-2022. The CCR was completed by reviewing 13 projects (four projects initiated during the earlier COSOP 2006-2012 but completed during COSOP 2012-22 and seven nine on-going and two completed from the COSOP2012-2022 period. It was shared with all IFAD funded projects to receive comments and feedback. The CCR report went through an IFAD internal review process.
2. CCR Validated. The CCR report was presented to the Government (Economic Relations Division, Ministry of Finance) on 18 January 2022 at a validation workshop presided over by Ms Fatima Yasmin, Secretary, ERD. The report has been revised to incorporate feedback from the meeting.
3. Background studies. IFAD country office (ICO) has commissioned four background studies by independent consultants on a) climate change adaptation, b) Poverty, targeting, inclusion and gender, c) financial services and value chain development and application of ICTs, and d) climate resilient infrastructure. These studies analysed current and potential future situations of respective topics, consulted prominent government agencies in the respective area, consulted private sector and NGO-MFIs and sample beneficiaries. The findings have enriched the COSOP2023-28 process in determining Strategic Objectives and potential future areas of investments.
4. COSOP Mission. An IFAD mission was fielded during 20-31 January 2022 to prepare the COSOP report that consulted IFAD funded projects (that is, government departments), bilateral and multi-lateral development agencies, FAO, WFP, research organizations, ethnic minorities' representatives and NGO-MFIs. Due to the pandemic no field visits were undertaken during this mission. However, earlier supervision missions visited beneficiaries of the on-going projects.
5. Day-long Workshop. A day long workshop of was held on 23 January to share and review the findings of the background studies with all projects, IFAD mission members and IFAD Technical Leads, NGO-MFIs and other sector experts. The workshop highlighted issues critical in each area of study and recommended future interventions.
6. Workshop with representatives of ethnic minorities to capture demands and potential intervention methodologies 27 th of January
7. Wrap up meeting with ERD. A COSOP mission wrap- up meeting was held on 31 January 2022 with the Economic Relations Division (ERD) of the Ministry of Finance to share draft COSOP.
8. Meeting with the Minister of Finance. IFAD country program and COSOP was presented to the Minister of Finance, Government of Bangladesh on 2 February 2022 who appreciated IFAD's contribution in rural development and poverty alleviation and extended his support for COSOP.
9. Meeting with Minister of Agriculture. IFAD country program and COSOP was presented to the Minister of Agriculture, Government of Bangladesh on 9 February 2022 who appreciated IFAD's contribution in agricultural development and poverty alleviation and extended his support for COSOP.
10. Validation workshop. The draft COSOP was shared with a broader group of stakeholders at a validation workshop on 22 February 2022.
11. The COSOP was presented to the IFAD regional economist's network and inputs were incorporated.
12. Consultation with list A countries. A workshop was organized for list A countries to discuss the COSOP on the 7 th of March
13. Consultation with UN partners through the UNCT on the 4<sup>rd</sup> of April

## Strategic partnerships

<i>Partnering objectives</i>	<i>Partners/networks/platforms</i>	<i>Partnership results and outcomes</i>	<i>Justification for partnership</i>	<i>Monitoring and reporting (to be completed for CRR and CCR)</i>
<b>Engaging in policy and influencing development agendas</b>	UNCT Bangladesh	New UNSDCF 2022-2026 with IFAD participation. The UNSDCF articulates five Strategic Priority Areas for engagement: (i) inclusive and sustainable economic development; (ii) equitable human development and well-being; (iii) sustainable, resilient and healthy environment; (iv) transformative, participatory and inclusive governance; and (v) gender equality and eliminating gender-based violence.	Improve the joint effort for the development agenda in the 3 priority (1, 2 y 3) objectives and recommend ways to include target groups in the policy dialogues.	
	WFP – FAO	Political dialogue on food systems, climate change and target groups.	Improve the joint effort to strengthen the food system and inclusion target groups in the policy dialogues. WFP is producing a poverty map through an IFAD grant as a territorial planning tool.	
	Bangladesh Water Development Board	Development of resilient water infrastructure.	Increase strategies and actions on small-scale producers through reducing risks of climate change	
	LGED	Development of resilient communication, market, minor embankment and irrigation infrastructure.	Policy advocacy for rural infrastructure, minor irrigation, physical environment, and climate change issues.	
	PKSF	Development of demand driven microfinance services.	Policy advocacy for financial services, ICT applications in microfinance management, business promotion, poverty reduction, and environment/climate change issues.	
<b>Leveraging cofinancing</b>	WB	Resilience, Entrepreneurship and Livelihood Improvement Project. 2021 – 2026. \$500 million. Implementing agency: Social Development Foundation.	Common target group. The Program Development Objective is to improve livelihoods of the poor and extreme poor, enhance their resilience and support rural entrepreneurship in project areas.	
	WB	Program on Agricultural and Rural Transformation for Nutrition, Employment, and Resilience in Bangladesh. March 2022 estimated board date. \$500 million. Implementing agency: Ministry of Agriculture.	Synergy with SO of the COSOP. The proposed Program Development Objective is to enable resilient production and marketing of high-value, safe, and nutritious food in Bangladesh.	
	PKSF	Innovations in microfinance services for women and youth; and climate change adaptation. Is a current partnership of IFAD in Bangladesh.	Financial institution founded by the Government of Bangladesh to finance rural finance programs and build institutions and is located in Dhaka, Bangladesh. PKSF is accredited to access resources from the Green Climate Fund and is implementing a project <sup>117</sup> . PKSF has been mobilizing additional resources from AsDB, World Bank and GoB.	
	Asian Development Bank	Co-financing of projects.	Potential co-financier of projects in the new IFAD 12 portfolio.	
	Asian Infrastructure Investment Bank	Co-financing of projects.	Opportunities will be explored. AIIB and NDB, they have a lot of financial	

<sup>117</sup> Extended Community Climate Change Project-Flood (ECCCP-Flood): <https://www.greenclimate.fund/ae/pksf>

	(AIIB) and New Development Bank (NDB)		resources and can co-finance operations with IFAD. IFAD has a memorandum of understanding with the AIIB, and the Bangladesh country program offers a unique opportunity to concretely put the memorandum of understanding into practice.	
	GoN	Co-financing of projects.	Potential co-financier of projects in the new IFAD 12 portfolio.	
	DANIDA	Co-financing of projects.	Potential co-financier of projects in the new IFAD 12 portfolio.	
	GCF, GEF	Co-financing of projects.	Access to funding for environment and climate related co-financed projects to IFAD12 portfolio.	
	Spanish Trust Fund	Co-financing of projects.	Potential co-financier of projects in the new IFAD 12 portfolio.	
<b>Enabling coordinated country-led processes</b>	Coordination platform with Ministries Agriculture, Fisheries & Livestock, Local Government and Cooperatives, Water Resources, Financial Institutions Division of MoF	Coordination for the design and implementation of projects; COSOP design and reviews.	Increase impact of each project's activities and experiences.	
<b>Developing and brokering knowledge and innovation (including SSTC)</b>	LGED	Maintenance and protection of climate infrastructure, example Vetiver for slope (road, minor embankment, village protection). Is a current partnership of IFAD in Bangladesh.		
	WFP and FAO	Both agencies are direct implementing partners of two projects, WFP in PROVAT3 and FAO in SACP projects.	These organizations with a presence in Bangladesh have an experience and knowledge for IFAD projects.	
	CGIAR-IRRI-World fish	Research organizations	IFAD has established good partnerships with CGIAR institutes, such as IRRI and World Fish.	
	BRAC	International development organisation based in Bangladesh. In order to receive foreign donations to work in social development, social enterprises, investments and education.	Coordinate to deepen the "leave no one behind" approach as a model in IFAD's investments for the poorest.	
<b>Strengthening private sector engagement</b>	Non-financial and financial service providers.	Private sector is seen as buyers, and provider of technology, technical assistance and microfinances services.	Is limited but gradually expanding under two value chain projects – PACE and RMTP.	
<b>Enhancing visibility</b>	Ministries Agriculture, Fisheries & Livestock, Local Government and Cooperatives, Water Resources, Financial Institutions Division of MoF	Inclusion of financial linkages of the Micro enterprises, small and marginal farmers		

## South-South and Triangular Cooperation strategy

### I. Introduction

1. IFAD has increasingly tried to incorporate South-South and Triangular Cooperation (SSTC) in loan and grant financing activities, as a form of commercial and technical support making use of existing solutions. The projects and/or programmes financed by IFAD and in-country partners have developed approaches to provide technical cooperation based on reciprocal knowledge exchanges between peers.
2. The formulation of the new COSOP 2023-2028 for the People's Republic of Bangladesh facilitated an analysis of the country's economic and development context, identifying opportunities for SSTC activities. The exercise provides a clear idea of how other countries' experiences or resources can be harnessed, and how Bangladesh can share its own experiences and resources with others. SSTC thus is not only an instrument for sharing knowledge among countries; it is also a means to promote investments and financial flows to help countries in their development.
3. In the framework of the new COSOP, SSTC is important to show the results obtained from the rural development initiatives focusing on smallholder agricultural producers, and to highlight the actions and results of the progress achieved on the mainstreaming themes. This appendix presents potential areas for SSTC in Bangladesh as well as opportunities for partnerships that will be explored during the COSOP period. It is also important that SSTC activities are aligned with the key ongoing policies and programmes that are the focus of IFAD investments in Bangladesh.

### II. Opportunities for rural development investment promotion and technical exchanges

4. Bangladesh has established a South-South Cooperation Cell (SSCC) within the Economic Relations Division (ERD) of the Ministry of Finance, which coordinates SSTC activities. South-South Cooperation is included in the National Policy for Development Cooperation. The Access to Information (A2I) programme of Bangladesh is currently leading three platforms<sup>118</sup> following SSTC approaches to facilitate the exchange of knowledge, experiences and best practices and find innovative solutions. Bangladesh has also laid out its vision to utilize SSC in implementing SDGs<sup>119</sup>.
5. The strategic objectives proposed in the COSOP recognise not only IFAD's contributions in Bangladesh, but also the Government's special call to position itself as a provider of technical assistance and South-South Cooperation to other member countries in the region and beyond.

### III. SSTC engagement rationale

6. During the previous COSOP period, several SSTC initiatives were implemented. A few examples follow:
  - a. PACE project implemented by Palli Karma-Sahayak Foundation (PKSF) collaborated with the Vietnamese development organization Centre for Education and Community Development (CECD) and received technical support from Vietnamese experts to expand the crab culture sub-sector.
  - b. Hydroponic fodder, implemented by PKSF, was mentioned on the Rural Solutions Portal through a collaboration between APR, PMI and SSTC team.
  - c. Several stock-taking exercises on climate resilience were organized through an SKD-APR collaboration where 8 projects from Bangladesh, Bhutan, India, and Nepal shared lessons learnt.
  - d. The Bangladesh Rural Advancement Committee, more well-known by its acronym BRAC, provided its expertise on the Graduation approach in a collaboration with IFAD

<sup>118</sup> South-South Network for Public Service Innovation, Alliance for Asian Apprenticeship, and South-Asia Civil Registration Network.

<sup>119</sup> <https://a2i.gov.bd/publication/public-service-innovation/>

in Kenya. This model is being replicated to Tunisia through a new partnership with the Government of Tunisia.

7. The examples listed above show the potential of the activities within the Bangladesh PoLG. Future opportunities should target the area of post-harvest processing and value addition to serve both domestic demand and tap into export opportunities. Experiences of other Global South countries are seen as more relevant for Bangladesh as they involve similar levels of technology and required investment. Possible examples include fruit pulp processing (oranges and mangoes), coffee roasting and other high-value technologies, along with the setting up of various regulatory and certification bodies.

#### **IV. Partnerships and initiatives**

8. IFAD works with numerous partners in Bangladesh, many of which are interested in incorporating SSTC initiatives into their respective activities. Possible partners include DANIDA, GoN, Helvetas, JICA, AIB, IsDB and other bilateral organizations. These organizations have experience working in countries similar to Bangladesh, and can provide the linkages as well as funding to enable SSTC activities. It is important to keep in mind that this is not an exhaustive list, since new SSTC activities and partners can be identified by the Government and/or suggested by stakeholders during the implementation period.
9. SSTC work and targeting could be oriented towards vulnerable and traditionally excluded rural groups, including women, youth and indigenous peoples, as these are mainstreaming strategic and essential pillars in contributing to the reduction of poverty and malnutrition.
10. In terms of entrepreneurship, capacity-building, information technology and rural financing, there are opportunities to develop exchanges with other countries in the region that have obtained positive results in these areas. A partner for this has not yet been determined. In regard to market access and certifications, it is proposed that work be done with the ITC.
11. One example of SSTC is adaptation of graduation model in Tunisia that was successfully developed by BRAC, a famous Bangladeshi NGO.

#### **V. Conclusion**

12. SSTC responds to the growing interest of developing countries to share lessons learned through knowledge exchange, technology and experience, as well as promoting trade and investments. In this context, Bangladesh could certainly benefit from SSTC's technical cooperation aspects and promotion of investments.
13. Bangladesh has already developed interesting SSTC initiatives in recent years and should try to maximize existing experiences to expand the new intervention. In this regard, it will be critical to mobilise funds for SSTC initiatives. IFAD needs to set up appropriate and diversified financing options and an enhanced institutional architecture for SSTC.
14. Considering the Agenda 2030, and especially SDGs 1 and 2, and recognizing the great demand for technical knowledge and investment alternatives expressed by the government, IFAD is ready to continue to act as a knowledge intermediary and support the exchange of good practices and investment opportunities during the implementation of the new COSOP.



## Country at a glance

[Source: [Country portfolio summary](#)]

### Some Units of Measurement

1. 1 maund = 82.29 lb = 37.3241 kg
2. 1 kg = 1.0716916 seer = 2.2046226 lb.
3. 1 acre = 0.404686 Hectare
4. 1 bale of jute = 0.1814369 Metric Ton
5. 1 crore = 10 million
6. 1 lakh = 0.1 million
7. 1 mile = 1.6093 Kilometre
8. 1 kilometre = 0.6213712 mile
9. 1 square mile = 2.589988 sq. kilometre
10. 1 square kilometre = 0.3861022 sq. mile

Bangladesh									
Summary of IFAD Country Portfolio									
A. Project began in previous COSOP but completed during 2012-2022									
Name of the project	Implementing Agency	Start (Entry into Force)	End (Current Completion)	Total Cost (USD)	IFAD (USD)		Status	International Co-funding	International contribution in on-going projects (million \$)
					Grants	Loan			
1 SCBRMP	LGED	1/14/2003	3/31/2014	26,740,000	N/A	21,973,000	Financial Closure	N/A	
2 MIDPCR	LGED	9/22/2006	9/30/2013	43,893,684	N/A	24,946,873	Financial Closure	Netherlands	4,751,552
3 FEDEC	PKSF	1/8/2008	3/31/2014	57,786,875	N/A	35,030,946	Financial Closure	N/A	
4 NATP I	MoA	3/25/2008	12/31/2014	84,530,935	N/A	19,450,366	Financial Closure	World Bank	62,489,501
<b>Subtotal</b>				<b>212,951,494</b>		<b>101,401,185</b>			<b>67,241,053</b>
B. Projects under current COSOP (2012-2022)									
1 PSSWRSP	LGED	11/6/2009	6/30/2018	119,797,515		32,000,047	Financial Closure	ADB	55,000,329
2 CDSPIV	BWDB and others	5/9/2011	3/31/2022	139,152,001		67,930,048	On-going	Netherlands	21,492,741
3 HILIP-CALIP	LGED	7/18/2012	9/30/2021	133,309,182	16,090,727	71,139,932	On-going	Spanish Fund	29,745,137
4 CCRIP	LGED	6/28/2013	6/30/2019	150,053,320	1,007,502	60,011,411	Project Completed	Strategic Climat Fund	29,970,381
CCRIP								ADB	20,003,132
CCRIP								German credit Institution for Reconstruction	8,838,813
5 PACE	PKSF	12/11/2014	12/31/2022	129,787,650		58,074,650	On-going	Republic of Korea (Grant)	360,000
6 NATP II	MoA	8/7/2016	6/30/2023	220,400,000		23,800,000	On-going	World Bank	176,000,000
NATP II								USAID	7,400,000
7 PROVATI3	LGED	2/13/2018	3/31/2024	92,374,000	1,250,000	64,500,000	On-going	N/A	
8 SACP	MoA	8/1/2018	9/30/2024	110,715,000	2,000,000	66,500,000	On-going	Rural Poor Stimulus Facility (RPSF) Phase I	915,000
SACP								Rural Poor Stimulus Facility (RPSF) Phase II	1,092,379
9 RMTP	PKSF	12/3/2019	9/18/2025	200,000,000	1,000,000	81,000,000	On-going	Denmark	8,299,000
<b>Subtotal</b>				<b>1,295,588,668</b>	<b>21,348,229</b>	<b>524,956,088</b>	-	-	<b>359,116,912</b>
<b>TOTAL</b>				<b>1,508,540,162</b>	<b>21,348,229</b>	<b>626,357,273</b>	-	-	<b>426,357,965</b>

<b>Macroeconomic indicators</b>								
<b>Indicators</b>	<b>FY15</b>	<b>FY16</b>	<b>FY 17</b>	<b>FY 18</b>	<b>FY 19</b>	<b>FY 20</b>	<b>FY21(p)</b>	
Real GDP growth (base: 2005-6) (%)	6.55	7.11	7.28	7.86	8.15	3.51	5.47	
Real GDP growth (base: 2015-16) (%)	n.a	n.a	6.59	7.32	7.88	3.45	5.43	
CPI Inflation (average) (%)	6.41	5.5	5.94	5.78	5.47	5.65	5.56	
Gross Domestic Savings (%)	22.09	24.98	25.33	22.83	25.02	23.77	24.17	
Gross domestic investment (%)	28.89	29.65	30.51	31.23	31.57	30.47	29.92	
Current account balance (%)	1.79	1.92	-0.53	-3.49	-1.69	-1.46	-1.07	
Gross official reserves (in Billion USD)	25.02	30.18	33.41	32.94	32.72	36.04	46.39	
In terms of months of imports	6.5	7.2	6.6	6	6	6.1	6.9	
<b>Source: Bangladesh Bank</b>								
<b>Real GDP Growth by Sectors: Base 2005-06</b>								
	<b>FY15</b>	<b>FY16</b>	<b>FY 17</b>	<b>FY 18</b>	<b>FY 19</b>	<b>FY 20</b>	<b>FY21(p)</b>	
Agriculture (%)	3.3	2.8	3	4.2	3.92	4.59	3.45	
Industry (%)	9.7	11.1	10.2	12.1	12.67	3.25	6.12	
Services (%)	5.8	6.3	6.7	6.39	6.78	4.16	5.6	
GDP (at constant market price)	6.55	7.11	7.28	7.86	8.15	3.51	5.47	
<b>GDP composition by sector (%)</b>								
Agriculture (%)	16	15.4	14.7	14.23	13.65	13.74	13.47	
Industry (%)	30.4	31.5	32.4	33.66	35	34.78	34.99	
Services (%)	53.6	53.1	52.9	52.11	51.35	51.48	51.53	
Total	100	100	100	100	100	100	99.99	
<b>Source: Bangladesh Bank</b>								
<b>National Poverty Level</b>								
		<b>2016*</b>	<b>2018</b>	<b>2020</b>	<b>2021</b>			
Poverty rate (%)		23.2						
Extreme poverty rate (%)		12.9						

<b>Indicators</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Population (in million)</b>					
Both sexes	156.8	158.9	160.8	162.7	164.6
Male	78.6	79.6	80.5	81.4	82.4
Female	78.2	79.3	80.3	81.3	82.2
Intercensal growth rate	1.37	1.37	1.37	1.37	1.37
Country size (sq. Km)	147,570	147,570	147,570	147,570	147,570
<b>Population by Broad Age-groups (percent)</b>					
<b>Both sexes</b>					
0-14	31.7	30.8	30.8	29.3	28.8
15-49	52.6	53.7	53.6	54.4	54.6
50-59	7.9	7.8	8.1	8.3	8.7
60+	7.8	7.7	7.5	8	7.9
Total	100	100	100	100	100
<b>Fertility</b>					
<b>Crude Birth Rate (per 1000 population)</b>					
Total (both sexes)	18.9	18.8	18.7	18.5	18.3
<b>Infant Mortality Rate (per 1000 live births)</b>					
Total - Both Sexes	30	29	28	24	22
<b>Under 5 Mortality Rate (per 1000 live births)</b>					
Total - Both sexes	38	36	35	31	29
<b>Maternal Mortality Ratio (per 1000 live births)</b>					
Total (urban+rural)	1.93	1.81	1.78	1.72	1.69
<b>Expectation of Life at birth (Years)</b>					
Men	69.1	69.4	70.3	70.6	70.8
Women	71.6	72	72.9	73.5	73.8
BBS	Bangladesh Sample Vital Statistics				



## Financial management issues summary

COUNTRY		Bangladesh		CONCEPT NOTE			
<b>A. COUNTRY PORTFOLIO PERFORMANCE</b>							
<b>Country – FM KPIs:</b>							
<i>FM Inherent Risk:</i>	<b>High</b>	<p>The Transparency International Corruption Perception Index (CPI) score for Bangladesh in 2021 is 26 and ranked 147th out of 180 countries. In 2019 and 2020, Bangladesh was ranked at 146th with same score index of 26. Like the last year, Bangladesh is again the second-worst performer in curbing corruption among the South Asian countries, with Afghanistan being the worst. It shows that the progress in anti-corruption efforts and reform is slow and have not yet effective.</p> <p>Public Financial management (PFM). The latest Public Expenditure and Financial Accountability (PEFA) assessment report for Bangladesh was published in 2016. It indicates that seven performance indicators improved, fourteen remain the same and seven deteriorated since the last PEFA of 2010. Controls in budget execution, reporting, accounting and audit remain weak.</p> <p>According to the May 2020 Joint World Bank-IMF Debt Sustainability Analysis (DSA) , Bangladesh remains at a low risk of external and a low overall risk of debt distress. Despite the economic shock caused by COVID-19, external debt indicators are below their thresholds and the public debt level is below the benchmark under the baseline and stress test scenarios. Bangladesh GDP growth rate dropped from 8.2% in 2019 to 5.2% in 2020 mainly as an impact of COVID-19 pandemic. However, the GDP growth for 2021 is projected at 7.2%</p>					
<i>1Country Disbursement Ratio (rolling-year)</i>	19.80%						
<i>Outstanding Ineligible Expenditure</i>	-						
<i>Outstanding Advances (Projects in Expired Status)</i>	-						
<i>Applicable PBAS cycle:</i>	IFAD12						
<i>PBAS Available allocation:</i>	-86,276,985						
<p>1Corporate Disbursement Ratio Methodology considers ASAP, AFD, IFAD, KFW and SPA financing sources only.</p>							
<b>CURRENT LENDING TERMS</b>		Blend					
<b>B. PORTFOLIO, FM RISK &amp; PERFORMANCE</b>							
<b>Existing Portfolio:</b>							
Project	Financing instrument	FLX Status (2)	Lending Terms	Current cy	Amount (millio	%Disb	Completion date

					n)		
CDSP IV	200000289800	DSBL	HIGHLY CONCESSIONAL BY CURRENCY	USD	13.8	18.65	30/03/2022
CDSP IV	200000289900	DSBL	BLEND TERMS BY CURRENCY	USD	6.8	33.58	30/03/2022
HILIP - CALIP	G-C-ASP-847-A	DSBL	ASAP GRANTS	XDR	9.9	96.66	29/06/2022
HILIP - CALIP	G-I-C-847-	DSBL	LOAN COMPONENT GRANTS	XDR	0.63	80.97	29/06/2022
HILIP - CALIP	L-E--3-	DSBL	HIGHLY CONCESSIONAL TERMS 0.75 pc	EUR	21.4	100	29/06/2022
HILIP - CALIP	L-I--847-	DSBL	HIGHLY CONCESSIONAL TERMS 0.75 pc	XDR	34.45	95.82	29/06/2022
PACE	200000072200	DSBL	HIGHLY CONCESSIONAL TERMS 0.75 pc	XDR	26.35	99.04	31/12/2022
PACE	200000083500	DSBL	SUPPLEMENTARY FUNDS GRANTS	USD	0.36	100	31/12/2020
PACE	200000366600	DSBL	HIGHLY CONCESSIONAL BY CURRENCY	USD	9.04	22.13	31/12/2022
PACE	200000366700	DSBL	BLEND TERMS BY CURRENCY	USD	9.04	22.13	31/12/2022
NATP 2 - BD	200000072100	DSBL	HIGHLY CONCESSIONAL TERMS 0.75 pc	XDR	17	85.81	29/06/2023
SACP	200000229300	DSBL	HIGHLY CONCESSIONAL TERMS 0.75 pc	USD	64.5	41.21	29/09/2024
SACP	200000229400	DSBL	LOAN COMPONENT GRANTS	USD	2	66.5	29/09/2024
SACP	200000347000	DSBL	SUPPLEMENTARY FUNDS GRANTS	USD	0.92	100	29/09/2024
SACP	200000392500	DSBL	SUPPLEMENTARY FUNDS GRANTS	USD	1.09	100	30/03/2022
PROVATI	200000212400	DSBL	HIGHLY CONCESSIONAL TERMS 0.75 pc	USD	63.25	36.42	30/03/2026
PROVATI	200000212500	DSBL	LOAN COMPONENT	USD	1.25	100	30/03/2026

			GRANTS				
RMTP (PKSF)	200000309800	DSBL	LOAN COMPONENT GRANTS	EUR	0.9	0	31/12/2025
RMTP (PKSF)	200000309900	DSBL	HIGHLY CONCESSIONAL BY CURRENCY	EUR	48.1	15.88	31/12/2025
RMTP (PKSF)	200000310000	DSBL	BLEND TERMS BY CURRENCY	EUR	23.75	32.16	31/12/2025
RMTP (PKSF)	200000358300	DSBL	SUPPLEMENTARY FUNDS GRANTS	EUR	6.69	20	31/12/2025
WR2CC - ASAP2 Grant	200000346800	DSBL	SUPPLEMENTARY FUNDS GRANTS	USD	0.4	90	29/06/2022

Project	Project FM risk rating	Performance Score: Quality of Financial Management	Performance Score: Quality & Timeliness of Audit	Performance Score: Disbursement Rate	Performance Score: Counterpart funds
CDSP IV	Substantial	Moderately Unsatisfactory	Mod. satisfactory	Highly Unsatisfactory	Moderately Unsatisfactory
HILIP - CALIP	Moderate	Satisfactory	Mod. satisfactory	Moderately Unsatisfactory	Satisfactory
PACE	Low	Satisfactory	Satisfactory	Satisfactory	Moderately Satisfactory
NATP 2 - BD	Substantial	Satisfactory	Mod. unsatisfactory	Moderately Satisfactory	Moderately Satisfactory
SACP	Moderate	Moderately Satisfactory	Mod. satisfactory	Moderately Satisfactory	Satisfactory
PROVATI	Substantial	Moderately Unsatisfactory	Mod. satisfactory	Moderately Unsatisfactory	Moderately Satisfactory
RMTP (PKSF)	Moderate	Moderately Satisfactory	Satisfactory	Moderately Satisfactory	Moderately Satisfactory
WR2CC - ASAP2 Grant	Low	Not Specified	Not Specified	Not Specified	Not Specified

*The Bangladesh portfolio currently consists of seven ongoing projects and one project under design stage (CDRS). IFAD has received a request from the government to extend CDSP for another 27 months with the new project completion and the financial closing dates to 30/06/2024 and 31/12/2024.*

*ICP is in place at central level. The use of country public financial management systems is extensive for donor-funded projects, especially in relation to budgeting, fund flows, accounting and the audit. Budgeting processes are overall well functioning but deficiencies have been noted related to reporting especially at early stage of the project implementation. Internal controls and internal audit also remain an area of substantial weakness across the Bangladesh portfolio. All donor funded projects are audited by FAPAD on a yearly basis. Its performance, in terms of quality and timelines, has improved in recent years.*

*The portfolio currently contains three projects with substantial FM inherent risk (CDSP IV, NATP 2 - BD,*



and PROVATI), three projects with Moderate risk (HILIP CALIP, SACP and RMTP) and two projects with low risk (PACE and WR2CC-ASAP2 Grant).

*Lesson learned:*

- *Finance staff capacity skill need to be strengthened.*
- *Internal control and internal audit functions are in need of improvement;*
- *Computerized accounting system for project need to be procured at early stage*
- *Timelines of financial reporting*
- *Timelines of audit report and follow up of findings/recommendation*

*Mitigation measures:*

- *The main mitigation strategy for financial management includes detailing of financial management procedures, making the PMO responsible for consolidation, reporting of the financial statement; provide training to project staff, and hiring qualified staff for the project.*
- *Assess the fund flow, internal control and reporting arrangement during the design*
- *Efficient organizational arrangements are essential for smooth project implementation*
- *Adequate internal control measures should be introduced and used at all levels*
- *Procure and set-up of appropriate accounting software able to produce the financial reporting meeting the government and IFAD requirements, which include recording counterpart funding (both in-kind materials and labour and cash) contributions.*

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