

# **42<sup>nd</sup> Governing Council of IFAD 14-15 February 2019**

## **Written Statement by**

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**Finance Minister**

**Government of the People's Republic of Bangladesh**

Mr. Chairperson,

President of International Fund for Agricultural Development (IFAD), Mr. Gilbert Foussoun Hounbo,

Distinguished Governors and Delegates,

Excellencies,

Ladies and Gentlemen

I am greatly honored to represent the People's Republic of Bangladesh to the 42<sup>nd</sup> session of IFAD's Governing Council. As the countries across the globe are witnessing technological changes at an unprecedented pace, the theme of this year's session '***Rural Innovation and Entrepreneurship***' provides good opportunity to focus on the faster development of agriculture and rural economy. Indeed, innovation and entrepreneurship are the two phenomena that are constantly shaping our societies.

Government of Bangladesh has been successfully implementing pro-poor inclusive growth strategy during last one decade under the dynamic leadership of the Hon'ble Prime Minister Sheikh Hasina to uplift the well-being of its citizens. With the government's relentless efforts in the pursuit of building a poverty-free prosperous country, Bangladesh has moved ahead with a steady and stable economic growth maintaining sound macro- economic stability. With an average GDP growth rate of 6.6 percent during the last decade and surpassing 7 percent consecutively during the last three years, it is among the fastest growing economies of the world. After achieving 7.86 percent growth in 2017-18, we are striving to achieve the double digit growth by 2023. Per capita income rose to US\$ 1,751 in 2018 from US\$ 543 in 2006; real wage increased considerably and inflation came down to 5.35 percent. Bangladesh became a lower middle income country in 2015 and fulfilled all the three criteria in 2018 for graduation from a Least Developed Country to a Developing Country.

**Mr. Chair,**

Bangladesh achieved remarkable success in socio-economic indicators. Average life expectancy rose to 72.0 years, parity in boys and girls ensured in primary and secondary education, literacy rate

increased to 72.8, infant mortality rate per thousand live births decreased to 24 in 2017 from 48 in 2005 and maternal mortality rate decreased to 1.72 in 2017 from 3.48 in 2005. Bangladesh attained Millennium Development Goals and is considered a role model of development. Bangladesh is ranked 106<sup>th</sup> among 157 countries in the World Bank's Human Capital Index 2018. Poverty reduced to 21.8 percent in 2018 from 40 percent in 2005 and hardcore poverty reduced to 11.3 percent in 2018 from 25.1 percent in 2005. Bangladesh's success in socio economic advancement is globally admired as a 'Development Miracle'.

The achievements and success of the government in accelerating economic development and improving the socio economic condition of the common mass have earned all out confidence of the people in favor of present government. This is strongly demonstrated in the result of the election, held in 30 December, 2018 in which the grand alliance led by the Hon'ble Prime Minister Sheikh Hasina secured a historic landslide victory.

**Distinguished Delegates,**

Our Father of the Nation Bangabandhu Sheikh Mujibur Rahman had a dream of building a nation free from hunger and

poverty. His daughter, Hon'ble Prime Minister Sheikh Hasina, took up the task, and I am happy to inform you that under her dynamic leadership and dedication, we are very near to the fulfillment of Bangabandhu's dream.

We consider rural economy and its improvement as the center piece of development and prosperity. During the last decade, we have been succeeded in bringing diversity in rural economy. As a result, rural of farm activities has expanded many folds. The government gave utmost priority in building rural infrastructure, developing rural transport and communication facilities and investing in expansion of trade and commerce in rural areas. This has enhanced the contribution of non-agricultural sector to growth of income and employment in rural families. The growth of mobile financial services in rural Bangladesh has contributed significantly in financial inclusion of the poor people.

Hon'ble Prime Minister has declared “**My Village -My Town**” program under which all modern civic and urban amenities will be made available in every villages. Developed infrastructure, potable water supply, modern health care, quality education, sanitation and waste management, power and energy supply, high speed internet

connectivity etc. will be expanded to every village. To deepen the mechanization in agriculture, workshops, service centers for agricultural equipment will be established through which rural youth and entrepreneurs will be trained for productive employment. Innovation will be the driving force in transforming the idea and plan in to reality.

Bangladesh has entered in the era of ‘demographic dividend’. Young people comprises one-third of our total population, which is around 53 million. During last 10 years, the government implemented wide ranging programs on education, skill training, credit facilities, national service, youth development etc. through which employment and self-employment was created at a large scale and small rural entrepreneurs emerged with greater strength and prospect. About 13.4 million jobs were created from 2005-06 to 2017-18. Unemployment was gradually reduced to 4.2 percent in 2017.

We are committed to make our young population to well organized productive labor force. Hon’ble Prime Minister has declared a program titled **“Youth Power – Bangladesh’s Prosperity”**. The government strives to enhance entrepreneurship

among youths by providing collateral free loans, and government facilities including funding, technology and innovation. Our aim is to create 15 million new job opportunity by 2023.

Bangladesh has shown an impressive performance in agriculture during the last decade with an average growth rate of 3.8 percent. The growth rate was 4.2 percent in FY2017-18. The country has performed very well in the production of food grains, which grew about 49 percent from 27.9 million metric ton in FY2005-06 to 41.52 million metric ton in FY2017-18. Again, Bangladesh has been able to advance to the fourth position in the globe in aquaculture. The country has been successful in ensuring food security for its growing population.

In line with other development partners, IFAD played a key role in the transformation of our rural areas, investing in rural development, helping fight against poverty and food insecurity, and building resilience. Bangladesh has so far received 845.0 million US dollar financial support from IFAD. On behalf of the people of Bangladesh, I take the opportunity to appreciate the contribution of IFAD. At the same time I would like to request IFAD to enhance its support to accelerate our ongoing progress.

I recall few highlights of keynote speech of our Honourable Prime Minister Sheikh Hasina delivered in the forty-first session of IFAD's governing council. She shared the success stories of Bangladesh, starting from the 'Green Revolution', envisioned by Bangabandhu, to today's mechanized agricultural growth and about the resilience, hardship, adaptive nature of rural Bangladeshi people who made our country self-sufficient in food grains.

**Mr. Chair,**

Our Honourable Prime Minister believes in the principle of leaving no one behind on the way to development, as envisaged in the global agenda of SDGs. In order to meet the challenges of climate change, we have already prepared long term plan, titled, *Delta Plan 2100* to preserve our water bodies, forests and nature. For this, we need greater support from the international community such as IFAD as envisaged in agenda 2030. Moreover, it is important to ensure sustainable value chain for agricultural products so that rural people become self-reliant. To achieve the targets of SDGs, a collective effort of the government as well as development partners is paramount. We are committed to establishing support-services to

agricultural activities and entrepreneurship development to accelerate small enterprises so as to achieve a sustained and vibrant rural economy.

Bangladesh is committed and will continue collaboration with the international community towards achieving hunger and poverty-free world by 2030 and position itself as a developed country by 2041.

Thank you all.

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