

CPD

Annual Report 2019



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Message from **CHAIRMAN** and **Executive Director**



We are happy to present the Annual Report 2019 of the Centre for Policy Dialogue (CPD). The Centre has passed another productive year with several creative activities that range from research to dialogue, publication and outreach. CPD researchers generated new knowledge and published research reports and briefs on important issues which are critical for Bangladesh's development. Their scholarship was shared with a broader community of stakeholders, including policymakers, with the objective of shaping policies. While selecting themes for its activities, CPD kept its focus on the core issues such as reducing inequality and vulnerability of the poor through inclusive growth.

CPD continued to work on its flagship programme titled Independent Review of Bangladesh's Development (IRBD). Under this programme, CPD research-

ers assessed the state of the Bangladesh economy and put forward recommendations for the national budget. Additionally, we have undertaken in-depth thematic studies on a number of sectors. One of the significant works in 2019 was that CPD undertook a review of the policy interventions made by the newly elected government during the first 100 days of the government in office. This was a continuation of CPD's work on highlighting the priority areas for political parties prior to the national elections held in December 2018.

The Sustainable Development Goals (SDGs) are another important focus of CPD's work. In 2019, CPD, as the coordinator and secretariat of the Citizen's Platform for SDGs, Bangladesh (SDG Platform), worked on localising the SDGs in Bangladesh through research and outreach. CPD's activities

in this regard analysed the dynamics and challenges of delivering public services in a number of areas including agriculture, vulnerable group development, education, health and WASH. CPD organised a daylong event to discuss these issues where more than about 650 participants from across the country attended and highlighted their concerns as well as demands for better service delivery. Such events were also organised by CPD at the district level.

CPD, along with the SDG Platform, has also implemented a research programme on the state of the SDGs in Bangladesh. Partners of the SDG Platform have prepared six reports on the themes of the 2019 High-Level Political Forum which include SDG4 (education), SDG 8 (decent work), SDG10 (reduced inequality), SDG 13 (climate action), SDG 16 (peace, justice and strong institutions), and SDG 17

(partnership). CPD researchers have implemented the study on Four Years of SDGs in Bangladesh: Measuring Progress and Charting the Path Forward that provides an evidence-based assessment of the progress made so far and the possible challenges for realisation of the 2030 Agenda. The research also suggests the possible pathways for overcoming these challenges. The findings of such research were shared at a programme participated by policymakers, experts and representatives of development partners. CPD received excellent cooperation from various government departments and the Ministry of Planning for implementing the SDGs related activities.

This year, CPD also worked on a host of other issues. These include youth employment, social protection, wage for the workers in the readymade garments sector, a universal pension scheme, Bangladesh's smooth graduation from the least developed country (LDC) category, and Bangladesh's perspectives on the Belt and Road Initiative (BRI) initiated by China.

In keeping with its traditions, CPD successfully hosted its fifth anniversary lecture. We invited Dr. Mario Pezzini, Director of the OECD Development Centre and Special Advisor to the OECD Secretary General on Development. Dr Pezzini delivered his lecture on New Perspective on Global Development: National and International Ways Forward. He highlighted the need for people-oriented global development policies towards sustainable development.

We lost the visionary leader Sir Fazle Hasan Abed this year. He was a founding member of CPD's Board of Trustees and the founder and Chairperson of BRAC, the largest non-government organisation in the world. CPD family mourns the demise of this legendary personality who guided us through his extraordinary organisational vision. We pay our deepest respects to him.

Our various work programmes, demonstrating quality and rigour, would not be possible without the commitment and hard work of each and every member of the CPD family.

CPD's Research, Dialogue, Finance and Administration divisions have provided relentless cooperation to perform our goals smoothly. Sincere thanks are due to our Distinguished Fellows Dr Debapriya Bhattacharya and Professor Mustafizur Rahman for their guidance and intellectual input. We further recognise with appreciation the stewardship of Research Director Dr Khondoker Golam Moazzem and Finance Director Mr Shafiqul Islam. In April 2019, CPD's Director of Dialogue and Communications Ms Anisatul Fatema Yousuf, after almost 18 years of service, retired from CPD. She has been CPD's public face and played a pivotal role in our public engagement and in efficiently connecting CPD with its broader stakeholders. We express our deepest gratitude for her dedicated service to the Centre.

Finally, we would like to thank our friends and well-wishers for their continuous support and encouragement in our mission toward establishing a just and equitable society through knowledge generation and policy advocacy.

With warm regards,



Professor Rehman Sobhan
Chairman, CPD



Dr Fahmida Khatun
Executive Director, CPD



Remembering Sir Fazle Hasan Abed

The CPD family is deeply shocked and saddened on the passing of Sir Fazle Hasan Abed, the founder Chairperson of BRAC.

Sir Abed was a global emblem of welfare and efficient management. A visionary and social innovator Sir Abed KCMG changed millions of lives across the country and around the globe through his unique development models. The CPD family gratefully acknowledges the contribution of this remarkable personality to Bangladesh and beyond.

This quintessential and unparalleled leader passed away on 20 December 2019.

Sir Fazle Hasan Abed was one of the founding trustees of the CPD since its inception in 1993. And till 2019, he remained active in this position as a guide and friend of the CPD family. We are indebted to Sir Abed who always guided the CPD throughout its journey with his profound wisdom and leadership.

Sir Abed was born in 1936 in Bangladesh. He studied Accountancy in London, and qualified as a Cost Management Accountant in 1962. After Bangladesh's Liberation War, he sold his flat in London and came back to Bangladesh with the aim to help the poor and the war-torn people. During this period, BRAC was established.

BRAC has grown to be the largest NGOs in the world today. Alongside BRAC, many feathers continued to be added in his cap throughout his life. He was honoured with numerous national and international recognitions for his achievements in leading BRAC, which includes the Yidan Prize for Education Development (2019), LEGO Prize (2018), World Food Prize (2015), Spanish Order of Civil Merit (2014), Inaugural WISE Prize for Education (2011), David Rockefeller Bridging Leadership Award (2008), Inaugural Clinton Global Citizen Award (2007), UNDP Mahbubul Haq Award for Outstanding Contribution to Human Development (2004), Olof Palme Prize (2001) and Ramon Magsaysay Award for Community Leadership (1980).

In 2010, he was appointed Knight Commander of the Most Distinguished Order of St. Michael and St. George by the British Crown in recognition of his works in terms of poverty alleviation. In 2014 and 2017, he was named in Fortune Magazine's List of the World's 50 Greatest Leaders. Moreover, he was honoured with a Dutch Knighthood in 2019.

Sir Abed will always inspire us.





shape and influence the country's development prospects

equity, justice, fairness and good governance

research, dialogue, dissemination and policy advocacy

poverty alleviation, trade, investment, transport

Our Focus

CPD strives to focus on the frontier issues that are critical to the development of Bangladesh in the present context, and which are expected to shape and influence the country's development prospects over the mid-term horizon.

Our Vision

To contribute towards building an inclusive society in Bangladesh that is based on equity, justice, fairness and good governance.

Our Mission

To service the growing demand of civil society of Bangladesh for a demand-driven and accountable development process by stimulating informed debate, generating knowledge and influencing policy-making through research, dialogue, dissemination and advocacy.

Our Objectives

To enhance national capacity for economy-wide policy analysis; foster regional cooperation in key areas such as poverty alleviation, trade, investment and connectivity; facilitate Bangladesh's effective integration into the process of globalisation.



The Independent Review of Bangladesh's Development (IRBD), CPD's flagship programme, has been assessing the country's macroeconomic development since 1995. Under this programme, the CPD conducts periodic reviews of the state of the Bangladesh economy. The CPD scrutinises the macroeconomic indicators, puts forward recommendations for the national budget, and provides objective analysis of the national budget presented by the Finance Minister of the country. The IRBD programme also includes pre- and post-budget dialogues at the local and national levels. These dialogues are participated by top-level policymakers and key stakeholders. This year, the CPD also carried out intensive analysis to chalk out macroeconomic priorities for the newly elected government.



Highlighting

Priorities for the New Government

After the election of the new government in the 11th National Parliamentary Election in Bangladesh, CPD proactively worked towards highlighting the challenges in the economy that the government should prioritise.

This was a continuation of efforts by the CPD that initiated from chalking out the priorities for the electoral debates.

The CPD's analysis highlighted a number of issues under three broad clusters:

1. Macroeconomic management;
2. Performance of selected economic sectors; and
3. Management of certain areas of social sector.

From the analysis, recommendations to the new government were outlined in a book along with the analysis of the performance dynamics of the selected areas over the past 10 years, emergent concerns, and fault lines.

The book titled "State of the Bangladesh Economy and National Elections 2018: Priorities for Electoral Debates" was published this year in which CPD highlighted the followings:

- The quality of government institutions needs to be improved for pursuing social development to achieve inclusive growth
- Bangladesh's impressive economic growth could not

generate adequate employment and reduce inequality

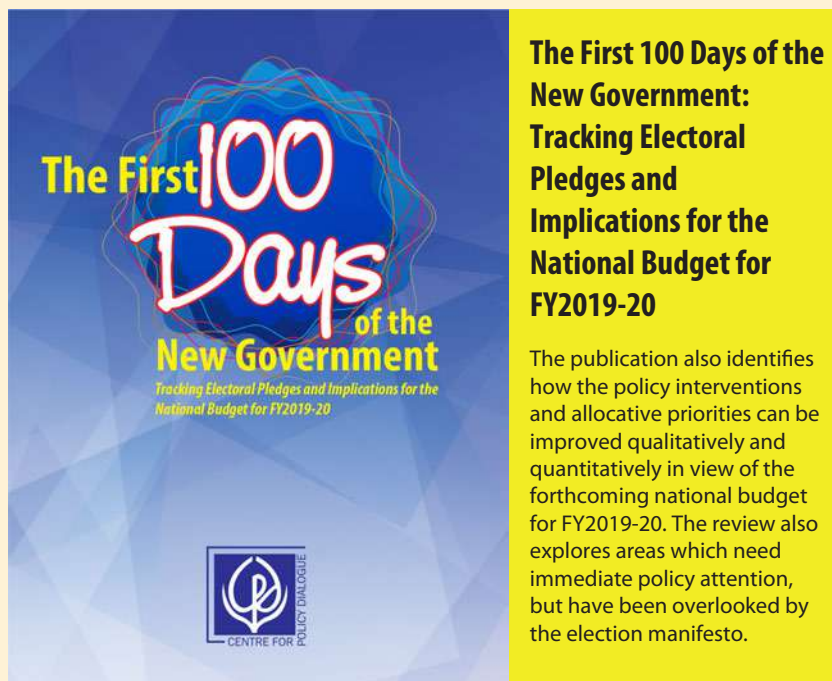
And recommended the newly elected government to focus on:

- Ensuring the quality of growth through improving the quality of government institutions
- Investment to create more jobs, providing quality education and healthcare, and expanding social protection for those who are 'left behind' to make growth inclusive

The CPD aligned its regular practice of presenting the state of the economy with the recommendations for the new government, and the analysis was also in view of how the new government coped with dealing the macroeconomic situation.

The Centre noted that during the period of 2010-17, the contribution of demographic dividend in per capita growth got thinner. Benefits of growth is mostly reaped by the owners of capital; not the labour. It appears that Bangladesh has been passing through a period of 'productivity revolution' which calls for a quality check of growth data. Thus, policymakers should emphasise more on the nature of growth rather than its quantitative outcomes.

Research backed analysis by the CPD showed that:



The First 100 Days of the New Government: Tracking Electoral Pledges and Implications for the National Budget for FY2019-20

The publication also identifies how the policy interventions and allocative priorities can be improved qualitatively and quantitatively in view of the forthcoming national budget for FY2019-20. The review also explores areas which need immediate policy attention, but have been overlooked by the election manifesto.

- There may be a shortfall of Tk. 85,000 crores in revenue mobilisation during FY2019
- One of the formidable economic challenges for the present government is to reform and rejuvenate the banking sector of Bangladesh

In this connection and with the upcoming budget nearing, CPD recommended the followings

- Taking urgent steps towards implementing the planned reforms

- related to revenue mobilisation
- Forming a Banking Commission to identify the problems and make recommendations for the improvement of the sector
- To boost the external sector, the government should implement promises made in their election manifesto like the export diversification, tapping of new markets, and provision of various government support, such as rebates in tariff, tax, VAT and cash incentives

Key Recommendations for the National Budget



Keeping the National Budget in view, the state of the economy that emerged from CPD's analysis, the think tank provided recommendations that were crucial for the new government to address in the National Budget for FY2019-20.

Total revenue mobilisation growth deteriorated from 11.2 per cent during July-December FY2018-19 compared to 16.5 per cent during July-December FY2017-18

The negative overall balance in balance of payments (BOP) persists at (-) 0.33 billion (as of March FY2018-19)

On a positive note, government opted more for bank borrowing, as compared to National Savings Directorate (NSD) sales to finance budget deficit which registered a growth of 662.9 per cent in July-December of FY2017-19

For FY2019-20 National Budget, CPD's key recommendations were:

- Formulating an action plan including implementation of planned reform, reaching out for expanded tax base and new areas for revenue, enhancement of administrative capacity, rationalisation of fiscal incentives and curb on tax evasion
- CPD reiterated its recommendation to form an independent banking commission and expects that the budget would allocate adequate funds for setting up the commission
- Consider fiscal incentive for the export sector. In the short term, the government may also consider raising import duties on luxury items and consumer goods, and Bangladesh Bank can selectively impose higher letter of credit (LC) margin to discourage imports
- Gradually depreciate the Bangladeshi Taka with the help of central bank's sterilisation interventions. Depreciation of Bangladeshi Taka will also help incentivising export and remittances
- CPD paid special attention to identifying the reasons behind the depressed harvest market in the Boro and gave recommendations to provide a one-time cash incentive of Tk 5,000 to each of the 1.82 crore farmers (agriculture input assistance card holders)



Core observations were

CPD's Analysis of the Proposed NATIONAL BUDGET

- Aspiration for tax and non-tax revenue (as % of GDP) of FY2019-20 is lower than that of FY2018-19, the budgetary proposals may not be sufficient to overcome the challenges to adequately mobilise revenue.
- The budget proposes to increase the number of income taxpayers to more than 1 crore by next few years. Specific guidelines such as strategies, timeline and action plan in this regard are missing.
- CPD proposed lowering the income tax rate for the first slab to 7.5 per cent from the existing 10 per cent without changing the taxable income level.
- Under the Annual Development Plan (ADP), five sectors will receive 70.1 per cent of the total allocation of Tk 202,721 crore and the remaining 12 sectors will receive 28.2 per cent only. Among the top five sectors, transport has the lion's share. CPD appreciated that very few new projects were taken up under the ADP while many earlier projects are yet to be completed.
- The allocation for social sectors like education and health still remain far off from the 7FYP targets.
- Beneficiaries under the social protection are expected to increase, but other marginalised groups like the Dalits and Adivasi still remain left out.



Sectoral Analysis by CPD

Alongside macroeconomic analysis, CPD also emphasised on the sectoral issues that are important for Bangladesh to put special focus on.

CPD's study on the Power and Energy Sector of Bangladesh were communicated with the relevant stakeholders through various modes of outreach. From publishing working papers to organising dialogue with key stakeholders, CPD ensured delivery of vital information to the right group of people who can take necessary actions accordingly.

Through CPD's study on "The Power and Energy Sector of Bangladesh: Challenges of Moving beyond the Transition Stage", the organisation highlighted the issues that require immediate attention :

- Bangladesh's energy and power sector needs to shift its activities from the 'emergency management' (in early 2010s) to 'market-led' management (towards 2021-2030).
- Given the development of the power and energy sector, the 'Speedy Supply of Power and Energy Act' needs to be discontinued immediately.
- It is high time to pay attention to the primary energy sector particularly domestic gas and coal.
- The predominance of power sector value chain over primary energy value chains needs to be gradually reduced.
- Gradual withdrawal of all sorts of inefficient activities.
- Energy-mix should ensure supply of energy and power at reasonable tariffs and with good quality.
- There should have a gradual shift in energy tariff-setting mechanism from administered tariff to market-based tariff.
- Future demand for power and energy needs to be addressed based on the master plan.
- A proper plan is required in the use of subsidy; similarly, providing fiscal incentives to particular companies needs to be justified.
- The possible debt burden due to setting up costlier power plants as well as meeting the huge import bill for the import of raw materials (petroleum, liquid natural gas (LNGs)) for power plants needs to be taken into account.
- The governance in the power and energy sector institutions needs to be strengthened further.



Sustainable Development Goals (SDGs)

CPD in 2019 continued its initiatives that focused on localisation of SDGs in Bangladesh. Through reaching out to local-level stakeholders, CPD ensured that the voices from the grassroots are heard at the national level. Role of non-state actors (NSAs), in implementing the SDGs was given special attention by CPD in 2019, as the Secretariat of the Citizen's Platform for SDGs, Bangladesh. Under this activity, CPD ensured advocating for active participation of NSAs at global level, through organising a dialogue in New York. CPD also voiced for importance of good governance to ensure successful delivery of the SDGs in Bangladesh. Local governance and national-level governance were both highlighted, showing the level of effective governance required to achieve the 2030 agenda.



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গণতান্ত্রিক সুশাসনে জনসম্পৃক্ত প্রতিষ্ঠানের অং

মলন ২০১৯

১৮ ডিসেম্বর ২০১৯

আইসিসিবি, ঢাকা

গণতান্ত্রিক সুশাসন ও

জনসম্পৃক্ত তৃণমূল প্রতিষ্ঠানের



সহযোগিতায়



Citizen's Platform for SDGs, Bangladesh
সহযোগিতায়



Enhancing accountability and widened space for citizen's participation in the delivery process of the public services are vital to realise the SDGs in Bangladesh. A number of communities across the country are lagging behind due to critical challenges to exercise the rights of access to public services. Government needs to focus on strengthening coordination among local authorities and improving appreciation among local communities about public services to ensure smooth implementation of national policies at the local level.

Local citizens of 13 districts examined the quality of public service delivery in the areas of agriculture, vulnerable group development, education, health, and water and sanitation. Based on these social audit reports, a citizen's charter was adopted at the CBO Conference 2019 where the observations and aspirations of grassroots citizens related public services were reflected.

The event was designed to discuss and analyse the dynamics and challenges in

terms of delivering public services related to agriculture, VGD, health, WASH and education. The day-long event was participated by around 650 participants from across the country including representatives from hard-to-reach communities, officials from local government and administrators, development practitioners, social activists, international development partners among others.

Enhanced Accountability at Local Level: Key to Improve Public Service Delivery



Localising SDGs in Bangladesh



Gaibandha Sunamganj Chattogram Barguna

CPD through its research and outreach from local to national level, has worked throughout 2019 on localising the SDGs in Bangladesh.

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In line with its previous works, the think tank ensured that proper policy advocacy is done to effectively deliver the SDGs. Hence, while working on the key essence of the SDGs—'Leave No One Behind', CPD in 2019 gave immense effort in bringing up the voices of the people at the grassroots level to the policymakers at the national level.

CPD utilised its research capacity in identifying major challenges in different regions of Bangladesh, mostly categorised as riverine islands (Char in Bengali), wetlands (Haor in Bengali) and coastal areas. This exercise was followed by in-house experts providing specialist recommendations.

Major recommendations

Overall budget allocation for social protection has to increase. Local government institutions and representatives can partner with community-based organisations for selecting beneficiaries and monitor these projects for effective delivery of these services.

Gaibandha



Key findings

Key challenges relate to ensuring quality of implementation of projects like the social safety net programme (SSNP) and adequate provisioning of these services.



Sunamganj

Key findings

People in Sunamganj are highly dependent on a single crop and fishing as livelihood options. These conditions make them vulnerable during natural disasters and lean seasons including the months when fishing is prohibited.

Major recommendations

The social protection programmes and other national schemes should be re-designed according to the local context for ensuring sustainable livelihoods in Haor areas. And, the government should focus on improving the quality of public services for Haor development like delivering subsidies and incentives for fertilisers and enhancing access to credits.

Key findings

Women living in the disaster-prone and hard-to-reach coastal areas are being deprived of public services due to the lack of government's capacity and various social barriers.

Major recommendations

To empower women in disaster-prone and hard-to-reach areas socially and economically, targeted and specialised public services should be introduced, and effectiveness of the existing services should be increased as well.



Chattogram

Major recommendations

Enhanced coordination and communication between government and non-government organisations is essential to increase accountability and proper monitoring in ensuring effective healthcare service delivery.

Barguna



Key findings

People of such hard-to-reach and disaster-prone areas are being deprived of necessary health services due to the lack of human resource in public services.

Role of NSAs in Implementing the SDGs

In successful delivery of the SDGs, the government and non-government initiatives need to put in collective and coordinated efforts.

With the High-Level Political Forum (HLPF) meeting in view, CPD as the secretariat of the Citizen's Platform for SDGs, Bangladesh led an exercise of analysing and reporting the state of the SDGs in 2019. The exercise focused on the theme of the 2019 HLPF meeting is "Empowering people and ensuring inclusiveness and equality". The set of the Goals which will be reviewed are—Goal 4: Quality Education, Goal 8: Decent Work and Economic Growth, Goal 10: Reduced Inequalities, Goal 13: Climate Action, Goal 16: Peace, Justice and Strong Institutions, and Goal 17: Partnerships for the Goals.

With the help of the Platform partners, six reports on the aforementioned Goals were prepared. CPD also led one of the reports for one Goal—Goal 17. An overview report was prepared by CPD and the findings were disseminated at a day-long conclave, "Citizens Conclave: Four Years of SDGs in



Bangladesh”, in presence of relevant stakeholders.

From the overview report, CPD highlighted the importance of disaggregated data without which the efficacy of SDG implementation cannot be fruited. CPD also suggested that the government policies should be more in line with the SDGs and also gave some key recommendations required to fast-track the SDG implementation process.

Over 700 people from across the country participated at the day-long event. CPD further highlighted that NSAs including NGOs, think tanks, media and private sectors in developing countries like Bangladesh are playing a critical role in implementing the SDGs.

This was reiterated in a dialogue held in New York on 11 July 2019 titled “Addressing an Understated Issue in the SDG Discourse: Contribution of the Southern Non-State Actors”. The dialogue was organised jointly by CPD, Citizen’s Platform for SDGs, Bangladesh, Concern Worldwide, Oxfam International, and The Hunger Project.

The event was organised during the HLPF meeting when all the global and national stakeholders of SDGs were present in New York.





Good Governance Key to Achieving the 2030 Agenda

Enhancing accountability and space for citizen's engagement in the delivery process of the public services are vital to implement the SDGs in Bangladesh.

In this connection, CPD designed its activities throughout the year to shed light on what democratic practices are essential to deliver the SDGs successfully.

Alongside governance at the national level, sufficient emphasis was also given on increasing the efficiency of local-level governance.

In a conference organised by CPD and attended by representatives from community-based organisations from across the country, the Centre recommended that:

Government needs to focus on strengthening coordination among local authorities and improving awareness among local communities about public services to ensure smooth implementation of national policies at the local level.

At a national-level dialogue, it was highlighted that:

Accountability of the state institutions and strengthening of local governance are practices that are key enablers of democracy. Such democratic

practices will help ensure proper implementation of the SDGs and ensure sustainable development even beyond 2030.

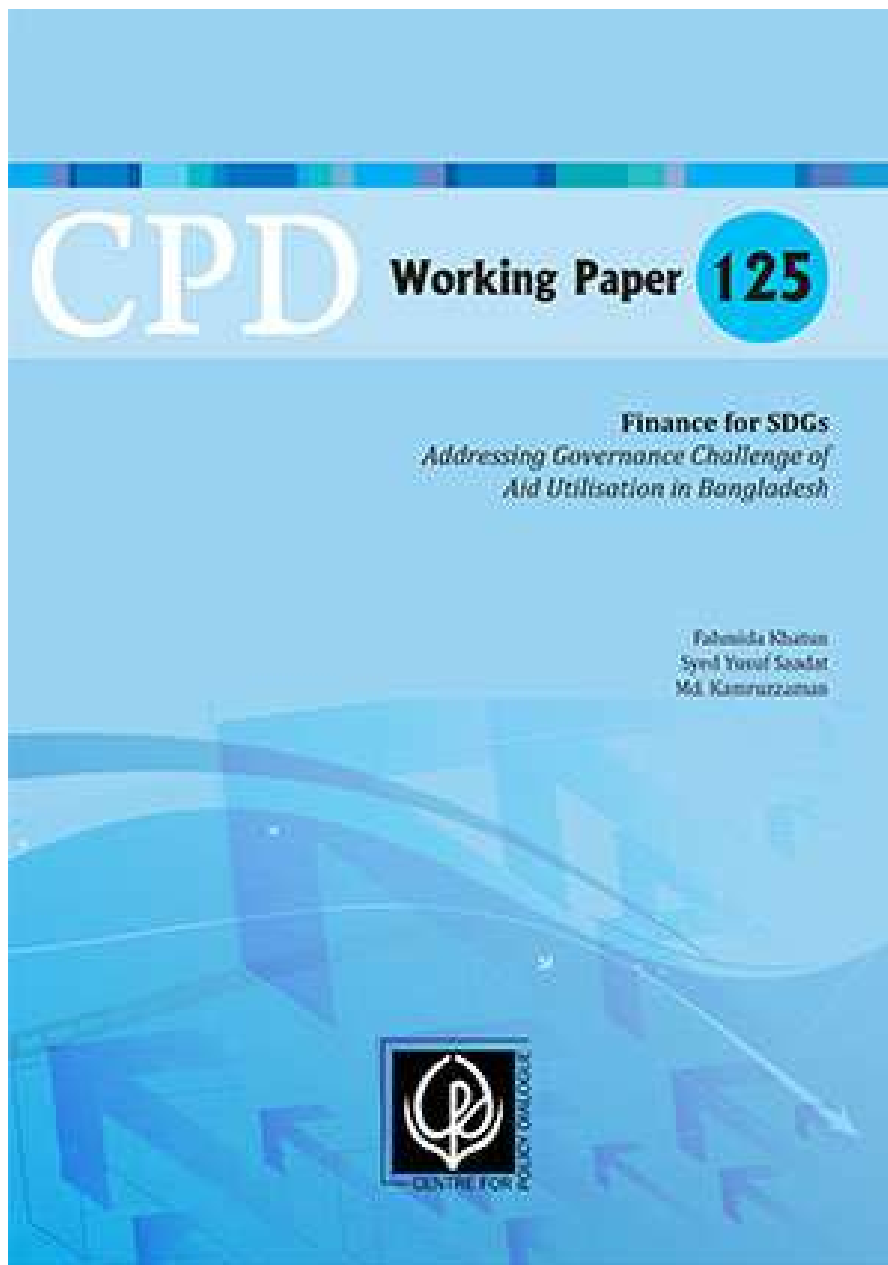
CPD even focused on highlighting the role of urban local government.

CPD felt that the urban local government in Bangladesh is yet to realise its potential role in delivering the SDGs.

Institutions such as City Corporations and Municipalities are not able to function with full autonomy.

In this connection, CPD feels that some of the solutions lie in forming an updated regulatory framework, a Local Government Commission, and creating a platform for consultation with the line ministries.

Even beyond advocacy through dialogues, CPD also extended its recommendation with regard to governance challenges of aid utilisation in Bangladesh through publications. This is critical with respect to having a better understanding of financing the SDGs, especially in the backdrop of Bangladesh's upcoming graduation from least developed country (LDC) status, which may potentially take place in 2024.





Youth and Employment

CPD, in 2019, gave timely attention to youth and employment related concerns. Given the population mix of Bangladesh, bringing youth to the frontline of the development process is the key to move towards progress. Hence, the Centre felt the utmost need for human resource development and acted accordingly. CPD brought their attention to understanding the need of an efficient public delivery system to provide necessary education and skill development programmes required for strengthening the youth. Addressing election pledges to generate employment for the youth was also given special focus in discussions by the CPD in 2019. Vulnerable groups were identified according to geographic, educational background and other social clusters. Studies were carried out to identify challenges to these groups mostly. For national-level advocacy and for addressing employment and capacity challenges of the total youth population of Bangladesh, various studies were also carried out.



Hearing from the Most Vulnerable Youth Groups

In 2019, CPD carried out studies that analysed the challenges faced by certain groups of youth across Bangladesh.

Youth from myriads of groups and levels, including plain-land Adivasi, Dalits, along with young people from slums, from madrasa education background and other groups were the central focus of the discussions and advocacy undertaken by CPD.

The research findings were pertinent to specific clusters of youth. Inputs from the practical experiences of the youth were also noted. Beyond 2019, CPD aims to carry on its advocacy in this sector through national-level dialogues for effective policy influencing.

As part of activities under this criteria, CPD's major involvement included cross-learning sharing with the

identified vulnerable youth groups. CPD reached out to these targeted groups through workshops where CPD informed the respective groups about their state of employment against a broader national picture. Also, the youth groups were introduced with different skills that might help these groups get more decent employment and contribute more to the development process.

Moreover, the youth groups also shared the challenges they face in acquiring the services related to skill development programmes and access to education .

Throughout the year, CPD actively got involved to analyse challenges facing the marginalised youth in accessing jobs, and to assess the efficacy of the public service delivery in addressing these challenges.

Lack of transparency and accountability of the concerned public offices deprive youths in accessing essential services related to these challenges.



State of Sylhet Division

- Only 2.3 per cent of male and 1.3 per cent of female aged 20-24 have bachelor degrees.
- Academic attainment higher than secondary level is found to be much less compared to that of national average



State of Rangpur Division

- Only 3.1 per cent of youth aged between 20-24, have a bachelor degree
- Unemployment in Rangpur is highest in Kurigram (17.3 per cent) and Gaibandha (9.6 per cent)



State of Slum dwellers in Dhaka

- The total literacy rate among slum dwellers of Bangladesh is 33.26 per cent
- Rishaw/van pulling is the main source of income for 17 per cent of the slum dwellers



State of Madrasa students

- 52.8 per cent of the madrasa graduates earn below Tk 10,000 monthly
- Only 0.2 per cent Madrasa students are not in education, employment or training

Human Development and Social Protection

Human development and social protection remain a core focus in CPD's research portfolio. CPD has been undertaking research on these themes both independently and in collaboration with other relevant organisations and development partners.

CPD focused on two major groups for human development in 2019. Strengthening the major labour force working in the readymade garments (RMG) sector and advocacy for social protection mechanism of the elderly population of Bangladesh were among the major concerns of CPD this year. Analysis and reaction to the new minimum wage structure had been a timely approach in ensuring benefit of both the labours and the sustainability of the RMG sector. Also, introduction of a major concept like 'Universal Pension Scheme (UPS)' was important contribution by the CPD to move towards a better standard of living for the elder cohort of Bangladesh.

The announcement of new minimum wages for the export-oriented readymade garments (RMG) sector of Bangladesh in August 2018 exposed a number of non-compliances—a significant mismatch between proposed new minimum wages and workers' demands; b) non-compliance with regard to inter-grade skills based setting of wages; and c) non-compliance in implementing the new wages. In this context, the CPD published a Working Paper this year titled "New Minimum Wage of the RMG Sector: Addressing the Issues of Non-Compliance in Implementation".



Wage debates in the RMG sector

After revised wage structure (wage 2019) for the export-oriented RMG sector of Bangladesh was announced on 13 January 2019, CPD carried out its analysis and shared its concerns over:

- a) Significant mismatch between proposed new minimum wages and workers' demands;
- b) Non-compliance with regard to inter-grade skills based setting of wages; and
- c) Non-compliance in implementing the new wages.

CPD stated that the current wage debate should be understood from a combination of three aspects—challenges of wage implementation, structural readjustment and extra expense due to wage increase.

From the study, CPD published a Working Paper in 2019 and recommended that addressing these non-compliances will require, among others, strengthening the Minimum Wage Board in setting minimum wages, awareness-raising activities through better communication tools, strengthening monitoring mechanism of the Department of Inspection for Factories and Establishments (DIFE) in post-implementation period, and strengthening workers' organisations in facilitating the implementation process.

CPD also organised a timely dialogue with garments owners, labour union and other relevant stakeholders to uphold these findings.

CPD presented these findings in form of learnings for wage structuring mechanism.



Introducing a Universal Pension Scheme in Bangladesh: In Search of a Framework

CPD proposed an introduction of Universal Pension Scheme (UPS) as a tool to reduce inequality in income distribution.

The number of people over 60 years of age in Bangladesh is projected to rise from about 12.6 million (8 per cent of total population) in 2017 to 20.7 million (11 per cent of total population) by 2031 and 42.3 million people (20 per cent of total population) by 2051. Therefore, the issue of introducing a UPS should be seen and examined from this broader perspective of the rising aspirations of the citizens of Bangladesh, said the Centre.

CPD proposed a structure for the UPS mechanism, where:

- Pillar 0: Social Protection Floor
- Pillar I: Social Insurance Pillar
- Pillar II: Complementary Pillar
- Pillar III: Voluntary Personal Savings

The transition and timeline from pillar to pillar was also proposed. CPD carefully chalked out the possible financing and institutional framework required to implement the UPS.

After identifying key challenges, a set of recommendations was elaborated, among which the following were included:

- An additional 2-3 per cent gross domestic product (GDP) equivalent of tax will be needed to be mobilised to establish Pillar 0 UPS
- In order to implement Pillar I UPS, mandatory and active participation of private sector employers will be required
- Fundamental reforms of the asset management companies (e.g. insurance companies, banks, etc) will need to be undertaken before the UPS can be introduced in full measure
- There is a need for a qualified authority to oversee the investment decisions of pension fund assets and proper management of liquidity reserves to facilitate smooth transfer of incomes to beneficiaries after retirement

These ideas were shared through a Policy Note, which was shared with relevant stakeholders. For further advocacy, a brief of the idea was presented with the stakeholders through a dialogue.

Regional Cooperation

CPD believes in the method of a collaborative effort and partnership of different countries and regions in terms of universal economic, social, and environmental progress. The organisation has also arranged various dialogues in this connection.

Since the beginning of its journey, CPD has worked on issues including Bangladesh's interest in the World Trade Organization (WTO), the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), the Bangladesh, China, India and Myanmar Economic Corridor (BCIM), the South Asian Association for Regional Cooperation (SAARC), among others.

In 2019, CPD's notable effort concerning Bangladesh's integration into the regional economy included organising a day-long international conference titled "Belt and Road Initiative: Positioning Bangladesh within Comparative Perspectives". The conference was organised to improve understanding on the Belt and Road Initiative (BRI) and discuss the economic and political dynamics of this visionary development initiative of the People's Republic of China from Bangladesh's development perspective. The conference was held on 8 September 2019.

The Belt and Road Initiative (BRI), launched by the Chinese government, is known to be the most ambitious infrastructure project of the century which stretches from East Asia through Europe. As China intends to engage in the global economy mainly through investments in infrastructure, it will require enhanced openness and transparency in implementing the projects in countries like Bangladesh.

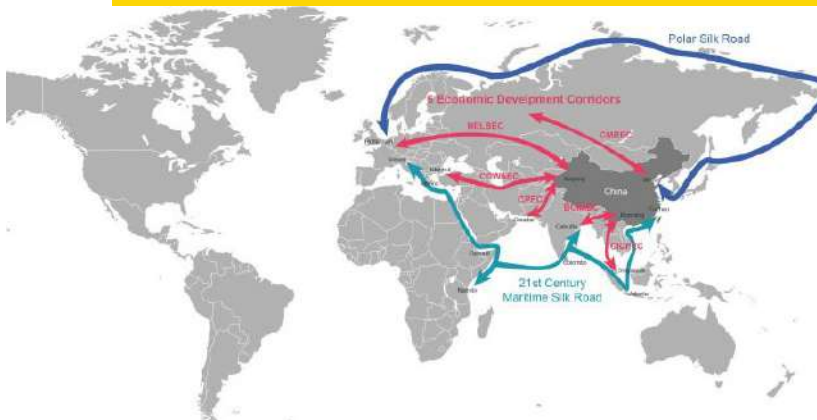
While implementing BRI projects, Bangladesh should be mindful about financial, social and environmental risks of large projects. Emphasis was also given on local participation while designing and executing BRI projects in Bangladesh.

CPD opined that:

- BRI provides an opportunity to seize benefits, particularly in areas of trade, investment, connectivity, education and tourism, through strong ties with countries particularly in the Southern Asian region, more specifically, with China and India.
- Bangladesh needs formidable resources to build the required transport infrastructure to be connected with the Bangladesh, China, India and Myanmar (BCIM) corridor.
- Realisation of the BRI objectives will also help Bangladesh in achieving the SDGs.

Belt and Road Initiative

What are Bangladesh's Interests?



- While the BRI has the potential to bring in positive economic development, it may cause irreversible damage to the environment.

The followings are the highlighted recommendations by CPD:

- In order to address the challenges associated with the BRI projects, the Government of Bangladesh should implement the BRI projects through open, transparent and competitive contracting and procurement process in order to ensure the quality of the projects.
- Implementation of BRI projects will require trade facilitation reforms. Some of these measures include standardisation and harmonisation of procedures and regulations across countries, improvement of trade facilitation and logistics at the border, crossborder



electronic data exchange, speedy customs clearance, and customs cooperation and measures to ensure security of people, vehicles and cargo on the move.

While the BRI projects hold high promises for economic development, the outcome will be determined by the way Bangladesh plans and executes these high value projects.

CPD organised a day-long international conference titled “Belt and Road Initiative: Positioning Bangladesh within Comparative Perspectives” on 8 September 2019 in Dhaka.

These views were upheld by the CPD at the conference. Experts from China, India, Nepal and Bangladesh, policymakers, political leaders, academics and experts, business leaders, civil society members, international development partners and representatives of the media among others took part at the three sessions of the conference.

Current Debates at the WTO and the LDC Concerns



Bangladesh's Trade, Investment and LDC Graduation

Bangladesh is underway to graduate from the LDC group in 2024. However, the country will continue enjoying the benefits of the LDC category till 2027. Losing out on benefits like duty free quota free (DFQF) market access and others beyond 2027, can affect the trade growth of countries like Bangladesh.

The country is also graduating at a time when the global trade scenario and the World Trade Organization (WTO) are not in the best of situations. Thus, Bangladesh needs to have a clear understanding of the challenges it would face upon graduation, and should proceed with a concrete plan to ensure a smooth transition and a sustainable LDC graduation.

CPD organised a policy dialogue on "Current Debates at the WTO and the LDC Concerns" to discuss these issues.

"New and forgone trading opportunities may emerge from ongoing negotiations of the conflicts between the United States and China with regard to trade. Thus, new ongoing developments in the world would have 'decisive impacts' on countries like Bangladesh."

– Professor Rehman Sobhan
Chairman, CPD

"The value of LDC exports of goods and services increased by 13 per cent in 2018, reaching USD 239 billion. The growth of LDC exports was faster than the growth of world exports, which increased by 10 per cent"

– H E Ms Monique Van Daalen, Ambassador and
Permanent Representative of the Netherlands and
Chair, LDC Sub-Committee, WTO, Geneva



Graduating LDCs in an Evolving WTO: Options and Strategies

In 2019, Professor Mustafizur Rahman and Dr Debapriya Bhattacharya, the two Distinguished Fellows of CPD, also prepared a paper in collaboration with the Friedrich Ebert-Stiftung (FES) Bangladesh Office, titled “Graduating LDCs in an Evolving WTO: Options and Strategies”.

The paper examines five areas of interests as regards graduating LDCs. Newly emerging concerns which will have to inform the stance of the graduating LDCs; priorities for the graduating LDCs in the context of the Doha Round agenda (DDA) of the WTO; a possible stance of LDCs and graduating LDCs taking account of the new issues that emerged from the WTO MC11 in Buenos Aires; debates concerning WTO reforms and what this means for the LDCs; and a set of strategies that graduating LDCs, such as Bangladesh in particular, should pursue to secure their offensive and defensive interests in the WTO, are discussed in various chapters of the paper.

How Coherent are Trade and Investment Policies of the Southern Finance Providers?

Dr Debapriya Bhattacharya, Distinguished Fellow, CPD, Professor Mustafizur Rahman, Distinguished Fellow, CPD, and Mr Syed Muhtasim Fuad, Former Programme Associate, CPD, authored a research study titled, “How Coherent Are Trade and Investment Policies of the Southern Finance Providers?: A Case Study of Indo-Bangla Lines of Credit”.

Highlighted recommendations from the study:

- Revisit the processing of South-South cooperation (SSC).
- Develop and strengthen institutional architecture for implementing initiatives under the SSC.
- Take steps to increase negotiating capacity.
- Engage local government bodies, civil society and the private sector in implementing SSC projects.
- Promote a Southern initiative to design a SSC framework.



In 2019, CPD successfully organised an annual lecture delivered by the eminent scholar, Dr Mario Pezzini, Director of the OECD Development Centre and Special Advisor to the Secretary General on Development.

CPD also organised various in-house events to observe several important days of the calendar. Organising such events regularly strengthened the bonding of the CPD family and provided a homely environment for its members.



CPD Anniversary Lecture 2019 by Mario Pezzini

Over the span of five years, CPD has maintained the tradition of hosting Anniversary Lectures each year. Anniversary Lecture is indeed a great way to showcase research, and to better connect and share ideas with the public.

CPD's tradition of hosting Anniversary Lectures on various

important themes have had far-reaching ramifications on spreading awareness and policy-making throughout the course of time. The Anniversary Lecture 2019, the fifth one, took place on the 10th of December 2019. The lecture was delivered by an eminent scholar, Dr Mario Pezzini, Director of

Perspectives on Global Development Rethinking Development Strategies



the OECD Development Centre and Special Advisor to the OECD Secretary General on Development. The theme of this year's lecture was "Perspectives on Global Development: Rethinking Development Strategies".

Dr Pezzini's Lecture titled "New Perspective on Global Development: National and International Ways Forward" focus on the issues of effective development planning and strategies at the national level and the need for people-centred approach at the international level. He emphasised on structural reform and nationally-driven development practices in combating social unrest. The lecture would be imperative for a better understanding of the mechanism of a more equitable and unified approach to national development and globalisation.

The lecture by Dr Pezzini focused on:

(i) The context: Understanding the global trends and paradoxes that our world faces today;

(ii) The national way forward: Strengthening national strategies to respond to increasing social demands; and
(iii) The international way forward: Transitioning to an era of a renewed multilateralism.

While delivering the lecture, Dr Pezzini stated that governments should revisit their development policies and strategies to ensure that marginalised communities are not deprived of their rights and access to development. It would require to formulate an inclusive approach for sustainable development. Ensuring social protection, providing required public services including education and health, and skills for labour force would be key factors to attain such development.

The Anniversary Lecture included development experts, researchers, members of the civil society organisations, students, and representatives from media.

CPD's Social Events



Capacity Development



Capacity development is the process which enables an organisation to attain and develop various pertinent skills, knowledge, tools, and other resources for improving its overall capacity in order to function efficiently. One of the CPD's mottos is to attract talented young professionals with commitment for working in an environment for inclusive growth and development and enhance their capacity to make them future development leaders.

In view of the above, the CPD places high importance on the capacity building of its staff, since this contributes to strengthening institutional capabilities. CPD takes active interest in mentoring the juniors—not only researchers, but professionals of other divisions as well. In this respect, junior staff members are given opportunities to participate in training programmes, seminars and courses that would enhance their knowledge and professional capacities. Also they are sent to various events to participate and contribute in the discussions and to encourage them to build professional network.

In 2019, 16 junior CPD officials took part in 62 engagements that were deliberated to enhance their competencies in their respective professional sectors and diversify their skills. Among these, seven were overseas assignments.

As a part of its capacity development programmes, CPD also arranges Young Scholar Seminar Series (YSSS) sessions on a regular basis where young professionals present and showcase their study findings.



Young Scholars' Seminar Series (YSSS)

Young Scholars' Seminar Series (YSSS) is a platform for young professional to nurture their analytical as well as articulation and presentation skills. YSSS holds in-house discussion with presentation of CPD's young researchers on topics from their ongoing research. The discussion provides suggestions from colleagues to address scopes of improvements in their study. Four sessions were observed under the YSSS programme in 2019.

The first session of YSSS in 2019 was organised on 15 April 2019. Two presentations were made by CPD professionals at this YSSS session. Mr Syed Yusuf Saadat, Research Associate, CPD, made a presentation on "The Value of a Bangladeshi Woman's Time: An Econometric Analysis" and Mr Mohammad Ali, Programme Associate, CPD, presented on "Advancing Climate Change Preparedness and Response in Bangladesh".

The following two sessions were organised in July. On 22 July 2019, Ms Tarannum Jinan, Senior Administrative

Associate of CPD, and Mr Md. Sazzad Mahmud Shuvo, Senior Dialogue Associate, made presentations on two training sessions attended by them. Ms Sarah Sabin Khan, Senior Research Associate gave a comparative assessment on these two above-mentioned trainings. The third session was also held on 23rd of the same month where Ms Bidisha Choudhury, Programme Associate, presented her study on "Introducing Universal Pension Scheme in Bangladesh: The Financing Mechanism" and Ms Sayeeda Jahan, Research Associate, presented her study on "Business Cycles and Hydrocarbon Gas Liquids Prices".

The fourth session of YSSS was held on 20 November 2019. Two presentations were made by CPD professionals at this YSSS session. Mr Md. Al-Hasan, Research Associate of CPD, made a presentation on the paper titled "Self-Employment: Pathway to Prosperity or Poverty?" and Mr Syed Yusuf Saadat, Research Associate of CPD, made a presentation on the paper "Returns to Computer Use in Bangladesh: An Econometric Analysis".

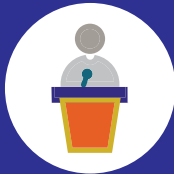


75
Deliberations at overseas events



87
Publications

**CPD's
Policy Activism
in 2019**



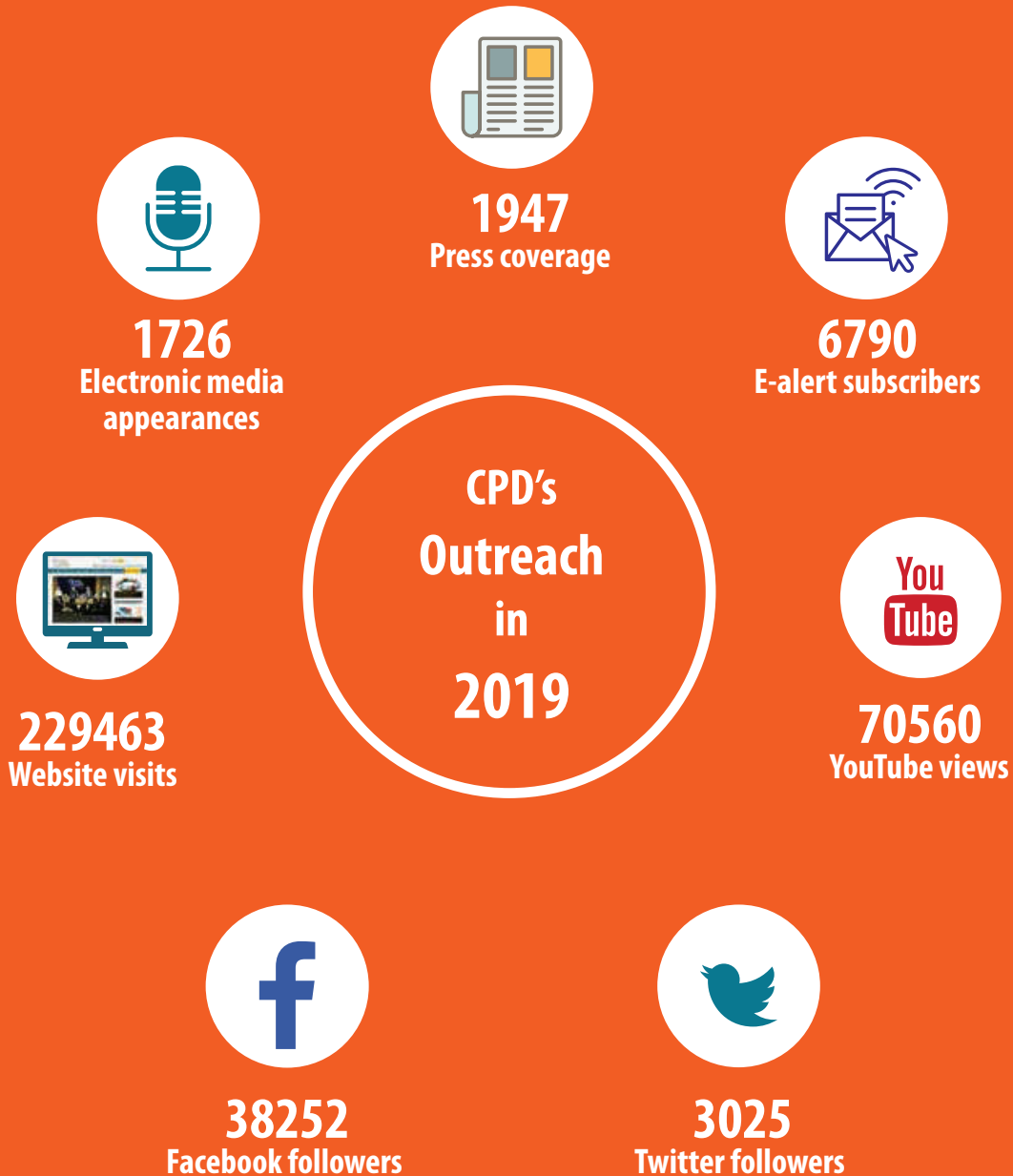
120
Deliberations at national fora



122
Events



17
Memberships in policymaking and advisory bodies



Institutional Structure

CPD's institutional structure is one of its key strengths, ensuring the independence of its research and dialogue activities, and relevance of the CPD initiatives to diverse stakeholders. The three divisions of the Centre—Research, Dialogue & Communication, and Administration & Finance—function in an interconnected and coordinated manner to serve the institutional work plan.

Research division

In line with CPD's objective to be involved in multi-disciplinary and non-partisan research, CPD researchers conduct research studies, aligning methodologies with research goals, using a range of tools to acquire information, preparing reports and presenting findings to management and other stakeholders, identifying trends and patterns.

CPD also encourages its researchers to pursue higher studies, support them proactively, and publish articles under joint authorship. Moreover, capacities of young researchers are enhanced by sending researchers regularly for training and attending conferences and seminars both in Bangladesh and abroad.

Management of Dialogue and Communication division

The Dialogue Division is a key component for CPD's advocacy. CPD constantly works to obtain effective outreach of CPD activities through the virtual and other media. In order to translate the research findings into a language that could reach all levels of stakeholders and beneficiaries, advocacy is imperative. And the Dialogue Division primarily aims to promote and disseminate the research results through effective means of outreach and publications.

Finance and administration division

Another pillar of the CPD is the Finance and Administration Division. This section is continuously working to contribute towards efficient management. As the number of projects at CPD is increasing, the Finance and Administration Division is thriving to become an up-to-date and proficient component with a view to strengthening CPD's operations.

Governance and Internal Management

Board of Trustees

The highest body in CPD's governance structure is the Board of Trustees (BoT). The Board, with the support of an Executive Committee (comprising BoT's Member- Secretary and the Treasurer), is entrusted to provide the overall guidance to the activities of CPD.

Chair of the Board
Professor Rehman Sobhan
Chairman, CPD

Sir Fazle Hasan Abed
Founder and Chairperson, BRAC
(16 November 1993 - 20 December 2019)

Ms Khushi Kabir
Coordinator, Nijera Kori

Nobel Laureate Muhammad Yunus
Chairman, Yunus Centre

Mr M Syeduzzam
Former Finance Minister

Mr Syed Manzur Elahi
Chairman, Apex Group

Dr Anisuzzaman
Professor Emeritus, University of Dhaka
Chairman, Bangla Academy

Advocate Sultana Kamal
Former Member (Minister), Advisory
Council of Caretaker Government

Dr Debapriya Bhattacharya
Distinguished Fellow, CPD

Ms Rasheda K Chowdhury
Executive Director, CAMPE
Former Adviser, Caretaker Government of
Bangladesh in 2008

Dr Shahdeen Malik
Advocate, Supreme Court of Bangladesh

Professor Dr Syed Manzoorul Islam
Former Professor, Department of English,
University of Dhaka
Writer, Novelist, Translator and Columnist

Ms Parveen Mahmud FCA
Managing Director
Grameen Telecom Trust

Professor Mustafizur Rahman
Distinguished Fellow, CPD

Dr Fahmida Khatun
Executive Director, CPD
(Member-Secretary: CPD-BoT)

Management and Implementation Committee (MIC)

The MIC is mandated with the task of overall supervision, monitoring and decision-making of the day-to-day work and administrative issues of CPD. A total of 41 MIC meetings were held in 2019.

The MIC members' list in 2019 included:

Dr Fahmida Khatun

Executive Director

Dr Debapriya Bhattacharya

Distinguished Fellow

Professor Mustafizur Rahman

Distinguished Fellow

Ms Anisatul Fatema Yousuf

Director, Dialogue & Communication
(Up to July 2019)

Mr M Shafiqul Islam

Director, Administration & Finance
(Member-Secretary: CPD-MIC)

Dr Khondaker Golam Moazzem

Research Director

The other institutional bodies that contribute towards governing the CPD are:

Research Management Committee (RMC)

The committee that takes stock of progress in research works, designs and implements strategic coordination among various research programmes/activisms, and discusses research proposals of the CPD. RMC is chaired by the CPD Research Director, and participated by all mid- to senior-level researchers. Three meetings of the RMC were held in 2019.

Three meetings of the RMC were held in 2018.

Review, Coordination and Planning (ReCAP)

A discussion platform of all CPD staff on issues pertaining to any institutional activity and/or matter.

In 2019, five ReCAP meetings were held.

LIST OF STAFF

As of 31 December 2019

Professor Rehman Sobhan
Chairman

Dr Fahmida Khatun
Executive Director

Dr Debapriya Bhattacharya
Distinguished Fellow

Professor Mustafizur Rahman
Distinguished Fellow

Mr M Shafiqul Islam
Director, Administration & Finance

Dr Khondaker Golam Moazzem
Research Director

Mr Uttam Kumar Paul
Joint Director, Finance

Mr Avra Bhattacharjee
Joint Director, Dialogue and Outreach

Mr Towfiqul Islam Khan
Senior Research Fellow

Ms Nazmatun Noor
Publication Specialist

Mr A H M Ashrafuzzaman
Deputy Director, IT

Mr Md. Mamun-ur-Rashid
Deputy Director, Administration

Mr Abdul Quddus
Senior Administrative Associate
Mr Mostafa Amir Sabbih
Senior Research Associate

Mr Muhammad Zillur Rahman
Senior Associate-Internal Auditor

Ms Sarah Sabin Khan
Senior Research Associate

Mr Md. Sarwar Jahan
Senior Dialogue Associate (Web)

Mr Muntaseer Kamal
Senior Research Associate

Ms Tarannum Jinan
Senior Administrative Associate

Mr Md. Sazzad Mahmud Shuvo
Senior Dialogue Associate
(Communication)

Mr Md. Hasanur Rahman
Front Desk Officer

Mr Md. Al-Hasan
Research Associate

Ms Asmaul Husna
Publication Associate

Mr Syed Yusuf Saadat
Research Associate

Ms Sayeeda Jahan
Research Associate

Ms Tahsin Sadia
Executive Associate

Ms Rafia Rowshan Khan
Research Associate

Ms Sumona Sharmeen
Dialogue Associate

Ms Shakila Sultana
Finance and Accounts Associate

Mr Md Shidul Islam Bhuiyan
Finance and Accounts Associate

Mr Md. Shaiful Hassan
Programme Associate (DTP)

Mr Md. Irtaza Mahub Akhond
Programme Associate (Communication)

Ms Rehnuma Siddique Shinthi
Programme Associate

Ms Tamara-E-Tabassum
Programme Associate

Mr Md Sajjad Hossain
Programme Associate

Ms Tamanna Taher
Programme Associate

Ms Rezwana Rashid Antora
Programme Associate

Ms Fareha Raida Islam
Programme Associate

Mr Abu Saleh Md. Shamim Alam Shibly
Programme Associate

Mr Shoeb Siddique
Junior Administrative Associate

Mr Harunur Rashid
Junior Administrative Associate

Ms Arusa Binte Iqbal Rahim
Intern

Ms Karisa Musrat
Intern

Ms Nawshin Nawar
Intern

Mr Tamim Ahmed
Intern

Mr Anisuzzaman
Driver

Mr Md. Selim Sarder
Driver

Mr Mohammad Yeahia
Driver

Mr Abul Kashem
Driver

Mr Md. Salauddin
Driver

Mr Md. Hasan
Driver

Mr Liton Miah
Office Assistant

Mr Mohammad Mohiuddin
Messenger cum Office Assistant

Mr Sonjoy Das
Office Assistant

Mr Md Sohag Hossain
Office Assistant

Ms Rahila Khatun
Office Cook

Mr Shalim Mia
Cleaner

Ms Nilufa Begum
Assistant Cook

Mr Md. Rone
Cleaner cum Office Assistant

Ms Taslima Khatun
Cleaner

Study Leave

Ms Maeesa Ayesha, Publication Associate, 1 September 2019 to 30 August 2021 (2 years) to pursue MA in Educational Innovation and Leadership at the Tallinn University, Estonia.

Financial Affairs

Audit Report

Hoda Vasi Chowdhury & Co Chartered Accountants

Independent Auditor's Report to the Board of Trustee of Centre for Policy Dialogue Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Centre for Policy Dialogue ("CPD") which comprise the balance sheet as at 30 June 2019 and the statement of income and expenditure and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of the CPD present fairly, in all material respect, of the financial position of the CPD as at 30 June 2019, and of its statement of income and expenditure and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as applicable for a non-governmental and not for profit organization like CPD.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the CPD in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Board of Trustee for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements of the CPD in accordance with IFRSs as applicable for a non-governmental and not for profit organization like CPD, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing these financial statements, management is responsible for assessing the CPD's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the CPD or to cease operations, or has no realistic alternative but to do so.

The board of trustee are responsible for overseeing the CPD's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the CPD's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the CPD's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the CPD's to cease to continue as a going concern.



Hoda Vasi Chowdhury & Co

Dhaka, April 30, 2020

Hoda Vasi Chowdhury & Co
Chartered Accountants

Centre for Policy Dialogue
Statement of Financial Position (Balance Sheet)
As at 30 June 2019

	Notes	Amount in Taka	
		30-Jun-19	30-Jun-18
Assets			
Non-current assets			
Property, plant and equipment	3	154,264,048	141,575,275
Security deposits	4	466,043	466,043
Total non-current assets		154,730,091	142,041,318
Current assets			
Advances	5	13,734,476	10,573,865
Fund receivables	6	12,414,975	23,803,984
Accrued interest		896,059	1,881,908
Cash and cash equivalents	7	140,112,507	140,149,890
Total current assets		167,158,017	176,409,646
Current liabilities			
Liability for expenses	8	4,511,844	10,045,256
Withholding tax and VAT payable		-	746,026
Accounts payable		5,307,107	1,012,220
Advance income	9	33,798,453	42,096,354
Total current liabilities		43,617,404	53,899,856
Net current assets		123,540,613	122,509,790
Net assets		278,270,704	264,551,108
Funds and liabilities			
Staff welfare fund		5,800,479	5,287,130
Staff provident fund		1,136,770	7,913,880
Staff gratuity fund		61,672,914	71,032,853
Accumulated fund	10	209,660,542	180,317,245
Total funds and liabilities		278,270,704	264,551,108

The annexed notes form an integral part of these financial statements.



Director Administration & Finance



Executive Director

See annexed Auditor's report to the Board of Trustees of same date



Hoda Vasi Chowdhury & Co

Dhaka, April 30, 2020

Chartered Accountants

Centre for Policy Dialogue
Statement of Income and Expenditure
For the year ended 30 June 2019 (Corresponding period for half year ended 30 June 2018)

Amount in Taka			
Notes	1 July 2018 to 30 June 2019	1 January 2018 to 30 June 2018	
Income			
	189,026,215	91,048,896	
11	4,188,741	3,782,728	
	193,214,956	94,831,624	
Expenditure			
	42,696,458	22,451,217	
13	8,990,568	4,513,111	
	869,480	613,163	
	1,827,354	1,079,472	
	494,128	586,148	
	1,270,581	910,126	
	982,387	625,084	
	3,005,021	2,016,638	
	647,713	1,048,995	
	2,229,284	466,081	
	973,224	496,171	
	77,625	219,662	
	309,349	162,679	
	907,641	361,044	
	200,076	40,000	
	193,858	180,790	
	4,235,363	4,051,741	
	69,910,109	39,822,122	
	134,712,501	55,009,502	
	204,622,610	94,831,624	
	(11,407,654)	-	
10			

The annexed notes form an integral part of these financial statements.



Director Administration & Finance



Executive Director

See annexed Auditor's report to the Board of Trustees of same date



Hoda Vasi Chowdhury & Co

Dhaka, April 30, 2020

Chartered Accountants

Centre for Policy Dialogue

Statement of Cash Flows

For the year ended 30 June 2019 (Corresponding period for half year ended 30 June 2018)

	Amount in Taka	
	1 July 2018 to 30 June 2019	1 January 2018 to 30 June 2018
A Cash flows from operating activities		
Deficit for the year	(11,407,654)	-
<i>Adjustment for non-cash items:</i>		
Depreciation	4,235,363	4,051,741
Security deposit	-	-
Staff gratuity fund	(9,359,940)	1,955,480
Staff provident fund	(6,777,110)	171,455
Staff welfare fund	513,349	711,233
Adjustment with retained earnings	40,750,950	(8,715,118)
<i>Movement in current assets and liabilities:</i>		
Advance to staff and others	(3,160,611)	1,033,726
Fund receivables	11,389,009	(1,423,317)
Accrued Interest	985,849	3,538,122
Withholding income tax	(746,026)	(537,553)
Accounts payable	4,294,887	(391,006)
Advance Income	(8,297,901)	36,074,461
Liability for expenses	(5,533,412)	4,515,857
Net cash from operating activities	16,886,754	40,985,081
B Cash flows from investing activities		
Acquisition of property, plant and equipment	(17,999,770)	(8,207,555)
Disposal of fixed assets	1,075,633	-
Net cash used in investing activities	(16,924,137)	(8,207,555)
C Cash flows from financing activities	-	-
D Net increase decrease in cash and cash equivalents (A+B+C)	(37,383)	32,777,528
E Opening cash and cash equivalents	140,149,890	107,372,362
F Closing cash and cash equivalents	140,112,507	140,149,890

The annexed notes form an integral part of these financial statements.



Director Administration & Finance



Executive Director



cpd.org.bd



cpd.org.bd



[cpdbd](https://twitter.com/cpdbd)



[CPDBangladesh](https://www.youtube.com/CPDBangladesh)

Centre for Policy Dialogue (CPD)

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Bangladesh

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