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Gender Budget of Bangladesh *Pursuing Parity*

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Key Findings

1. The allocation for the gender budget in FY2025 is 34.11 per cent of the total budget and 4.86 per cent of the GDP.
2. In the revised budget FY2024, the gender budget only grew by 3 per cent compared to the revised budget for FY2023, whereas in the five previous years, the growth rate was in double digits
3. The Ministry of Women and Children's Affairs had the highest gender budget allocation in FY2025, with 90 per cent of its total budget dedicated to gender-related initiatives.

Key Recommendations

1. A monitoring system must be in place to detect how efficiently the gender budget funds are utilised in different ministries.
2. A gender budget report with spending data for women's advancement should be made available for all 44 ministries.
3. The total tax incidence (TTI) of all 12 raw materials used to produce sanitary napkins should be zero, and the conditionalities should be removed to ensure affordability for women and adolescent girls from all income levels.

1. Introduction

Gender equality is essential for the sustainable growth and development of a country. The Constitution of Bangladesh ensures equal opportunities for all citizens through Article 19(1). Article 28(1) explicitly protects women's rights to equal treatment. Article 28(2) guarantees that women will have equal rights with men in public spheres, and Article 28(4) allows for special provisions to empower women as a traditionally disadvantaged group (Government of the People's Republic of Bangladesh, 1972). The government has incorporated women's political, economic and social empowerment into important policy documents such as the Perspective Plan 2021-2041, the Eighth Five Year Plan 2020-2025, and the National Development Policy 2011. In addition, the government is committed to and has formulated action plans to meet the Sustainable Development Goals (SDGs) related to women's empowerment and gender equality. On the international level, Bangladesh is a signatory to the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) and the Beijing Platform for Action.

However, despite all these policy documents and international commitments, Bangladesh still has quite a long way to go regarding women's empowerment. Bangladesh has a Gender Inequality Index value of 0.53, ranking 129 out of 170 countries in 2022, according to the Human Development Report 2021/2022 (UNDP, 2022). According to the Labour Force Survey 2022, women's participation in the workforce was 42.67 per cent. However, 96.6 per cent of women were employed in the informal sector in 2022 (BBS, 2022).

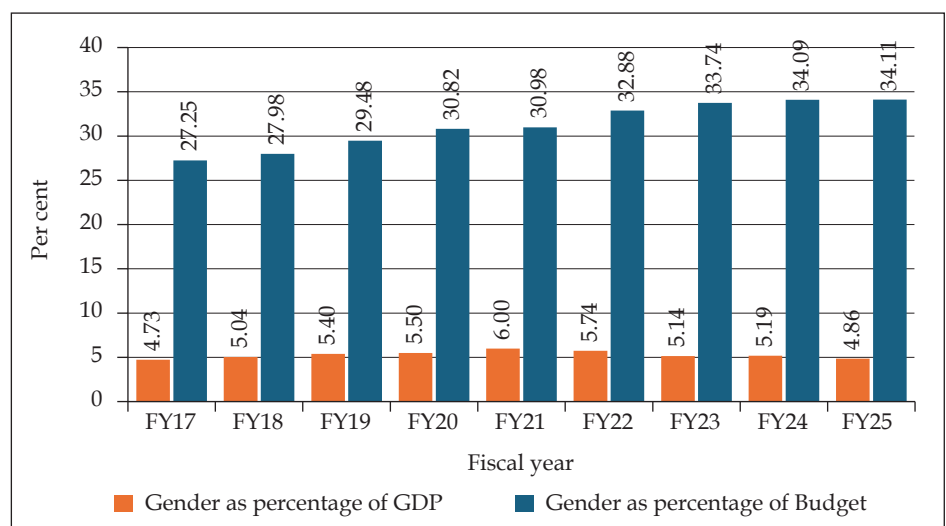
According to World Economic Forum's Global Gender Gap Report, Bangladesh's overall rank in the Global Gender Gap Index is 59th, a significant improvement from 2022, where it was ranked 71st (World Economic Forum, 2023). However, Bangladesh is ranked 139th in Economic Participation and Opportunity, 122nd in Educational Attainment, 126th in Health and Survival, and 7th in Political Empowerment. Thus, Bangladesh's seemingly high ranking and improvement is primarily due to the Political Empowerment ranking, specifically because Bangladesh ranks 1st in terms of years with female/male heads of state in the last 50 years (World Economic Forum, 2023).

Furthermore, violence against women is still prevalent across both public and private spheres. A survey conducted by Plan International Bangladesh in 2021 showed that fear of violence is prevalent among girls and young women, which negatively affects their career choices and aspirations and increases the likelihood of child marriage. (Khatun, Behtarin, Feroz, & Nawrin, 2022) Bangladesh has formulated several policies and legislations related to the safety of women and girls and protection from domestic violence, workplace violence, child labour, child marriage, child trafficking, and more. However, the lack of adequate coordination between the implementing agencies, lack of proper financing, and an inadequate judiciary system are some of the main reasons why women and girls are not adequately protected (Khatun, Behtarin, Feroz, & Nawrin, 2022).

2. Gender Budget: Trends and Patterns

To mainstream gender equality and reduce gender disparity, Bangladesh has been undertaking gender budgeting since 2009. Initially, the report covered only four ministries, but over time, it has been expanded to all 44 ministries and 62 ministries and divisions of the government. Gender Responsive Budgeting (GRB) is an important strategy for addressing gender disparities. The purpose of gender budgeting as an instrument is to ensure that gender

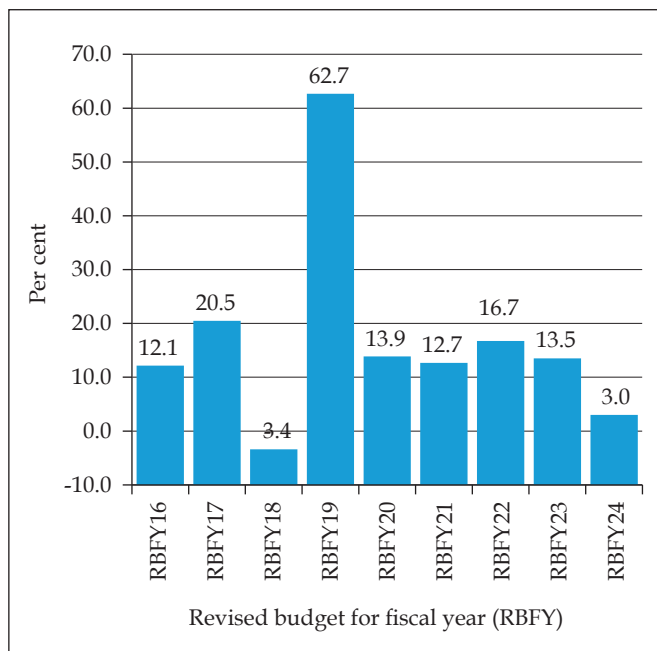
Figure 1: Trend of Proposed Gender Budget, FY2017 to FY2025



Source: Autor's illustration based on Gender Budget Report 2024-25 (Ministry of Finance, 2024a), Poverty & Gender (Archive) (Ministry of Finance, 2023).

mainstreaming is integrated into the budgetary system and process and that the budget allocations at all levels are decided with a gender perspective in mind (Khatun, Behtarin, Feroz, & Nawrin, 2022).

Figure 2: Yearly Growth Pattern of Gender Budget, RBFY 2016 to RBFY 2024



Source: Author's illustration based on Gender Budget Report 2024-25 (Ministry of Finance, 2024a), Poverty & Gender (Archive) (Ministry of Finance, 2023).

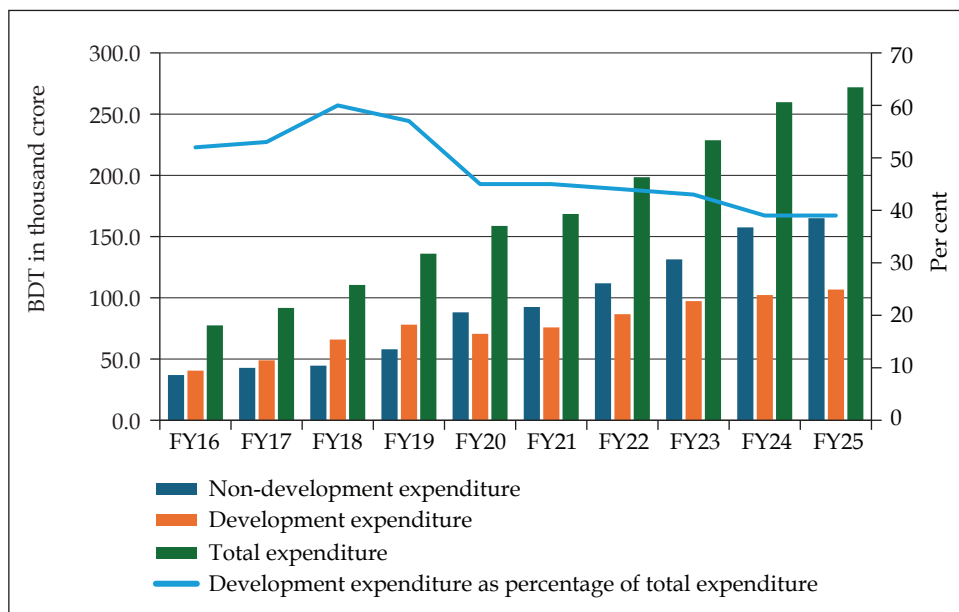
The size of the allocation for the gender budget in FY2025 was BDT 271,818.6 crore, which made up 34.11 per cent of the total budget and 4.86 per cent of the GDP (Figure 1). The allocation for the gender budget increased by 14.1 per cent in FY2025 compared to the revised budget for FY2024. In FY2025, the gender budget as a percentage of GDP decreased from 5.19 per cent in FY2024 to 4.86 per cent in FY2025.

At the Sustainable Development Goals (SDG) Summit 2023, the government of Bangladesh committed to increasing the gender allocation to a minimum of 35 per cent of the national budget by 2025 (United Nations Department of Economic and Social Affairs, 2023). The proposed budget for FY2025 fell just short of this target, accounting for 34.11 per cent of the total budget, but it is yet to be seen what percentage the gender allocation is in the revised budget for FY2025.

Figure 2 shows that from FY2015 to FY2024, only one revised budget has not seen positive growth: the revised budget of FY2018, which has seen a negative growth rate of 3.4 per cent compared to the revised budget of FY2017. In the revised budget of FY2024, the gender budget only grew by 3 per cent compared to the revised budget of FY2023, whereas in the five previous years, the growth rate was in double digits.

The gender budget was allocated for development expenditures has decreased from 57 per cent in FY2019 to 43 per cent in FY2023 and 39 per cent in FY2024 and FY2025 (Figure 3).

Figure 3: Trend of Gender Budget Allocation



Source: Author's illustration based on Gender Budget Report 2024-25 (Ministry of Finance, 2024a), Poverty & Gender (Archive) (Ministry of Finance, 2023).

The Ministry of Women and Children's Affairs received the highest allocation of the gender budget, BDT 4,697.6 crore, which amounts to 90 per cent of the ministry's total budget (Table 1). The Ministry of Primary and Mass Education received the second highest gender allocation of BDT 24,901 crores, amounting to 64.2 per cent of the total budget, followed by the Ministry of Social Welfare, which received a gender allocation of BDT 6,751.6 crores, which is 52.5 per cent of the total ministry's budget.

3. Critical Issues of the Gender Budget

1. Missing Gender-Related Expenditure Statement in FY2025

Each year, the Ministry of Finance releases a summary of Gender-Related Expenditures, which breaks down the Operating Expenditure and Development Expenditure of the proposed budget for that year, the revised budget for the previous year, and the proposed budget for the previous year. Since it was not released this year, there were no figures for the total revised budget allocation for FY2024 and that year's revised non-development and development expenditures.

2. Discrepancies in the data for total actual expenditure of FY2022

The total expenditure figures in the Gender Budget Reports for 2024 and 2025 do not match. According to the Gender Budget Report 2024-25, report, the total actual expenditure in FY2022 was BDT 165,752 crore (Ministry of Finance, 2024a), whereas in the Gender Budget Report 2023-24, it was reported to be BDT 116,141 crore (Ministry of Finance, 2023). There is a 30 per cent discrepancy between these two numbers.

3. Lack of transparency

Despite yearly increases, the gender budget will fail to empower women unless the fund utilisation is strongly monitored. There should be a major focus on the proper implementation of the allocation. Experts suggest the government introduce a systematic, gender-sensitive national budget monitoring procedure. In FY2025, the Ministry of Finance employed a new method to separate the gender-related allocations from the overall budget of each ministry, called the Gender Finance tracking (GFT) model (Ministry of Finance, 2024a). It is hoped that this new monitoring system will address some of the previous issues. Experts also assert that every project on women and gender issues should have at least one non-governmental expert to monitor the project activities neutrally.

4. Poor inter-ministry coordination

Poor inter-ministry coordination is another issue that needs to be addressed. As 44 ministries and divisions are associated here, economists and policymakers recommend forming a cell of gender experts at the finance ministry to centrally assess the gender sensitivity of all government programmes and improve coordination amongst the ministries and divisions.

Table 1: Top 5 Ministries/Divisions Receiving a Significant Share of Gender Budget in FY2025

Ministry/Division	Budget 2025 (in crore BDT)	Gender Budget (in crore BDT)	Gender-relevant allocation as a percentage of total ministry/division budget
Ministry of Women and Children's Affairs	5,222.2	4,697.6	89.9
Ministry of Primary and Mass Education	38,819.3	24,901.0	64.2
Ministry of Social Welfare	12,869.4	6,751.6	52.5
Secondary and Higher Education Division	44,108.3	21,484.8	48.7
Medical Education and Family Welfare Division	11,282.4	5,478.6	48.6

Source: Gender Budget Report 2024-25 (Ministry of Finance, 2024a).

5. Reductions of allocation in the revised budget

It is commonly seen that the funds allocated for the gender budget of different ministries are cut while the revised budget is prepared. The proposed budget in FY2024 was BDT 259,690.9 crore, whereas the revised budget for FY2024 was 238,188, which was a decrease of 8 per cent (Ministry of Finance, 2024a). The priorities towards women in the development budget must not be curtailed when the budget gets revised.

6. Funding for women in the informal sector

Funding for women in the informal sector is not differentiated in the gender budget, even though 96.6 per cent of women were employed in the informal sector (BBS, 2022).

4. Gender-related Programmes in the Social Security Budget

There are many social safety net programmes specifically for women. Table 2 gives details of the programmes.

In terms of entrepreneurship support, allocations for Joyeeta Foundation, a programme to support women's entrepreneurship, increased from BDT 7.73 crore in FY2024 to BDT 11.95 crore in FY2025, and the allocation for Capacity Building of Joyeeta Foundation significantly increased from BDT 43.55 crore in FY2024 to BDT 89.07 crore in FY2025.

For social support, the allocation for Safe Motherhood Through Livelihood Improvement Facility (SAFE LIFE) increased significantly from BDT 3.77 crore in FY2024 to BDT 20 crore in FY2025, and the allocation for Maternal Neonatal Child Health (MNCH) and Health System Improvement Project more than doubled from BDT 307 crore in FY2024 to BDT 613 crore in FY2025.

Table 2: Allocations for Women-specific Programmes in the Social Security Budget of FY2025*(in BDT crores)*

Name of the Programmes	Objectives	Budget 2023-24 Revised (in crore BDT)	Budget 2024-25 (in crore BDT)
Allowance for Widows and Destitute Women	To improve the financial security of the widow and destitute women, women empowerment, etc.	1,711.40	1,844.32
Safe Motherhood Through Livelihood Improvement Facility (SAFE LIFE)	To provide specialised health services to the pregnant and postpartum women and neonates in the targeted area	3.77	20.00
Joyeeta Foundation	To create and support women entrepreneurs	7.73	11.95
Capacity Building of Joyeeta Foundation	To enhance the capacity of the Joyeeta Foundation	43.55	89.07
Investment Component for Vulnerable Group Development Programme (ICVGD)	To eradicate extreme poverty and improve food security and nutrition of rural poor women	259.51	50.49
Maternal Neonatal Child Health (MNCH) and Health System Improvement Project	To introduce midwife-led maternal and newborn health care, and facilitate safe delivery	307.04	612.88
Strengthening Women's Ability for Productive New Opportunities (SWAPNO)	To uplift women from extreme poverty through productive and sustainable livelihoods	37.49	59.14
Vulnerable Women Benefit (VWB) Programme	To ensure food security and improve the socio-economic status of the destitute rural women in Bangladesh	2,030.48	2,195.46
Tottho Apa: Empowering Women Through Information and Communications Technology (ICT) Towards Digital Bangladesh Project	Empowering rural women through information and communication technology	85.65	89.50
Promotion of Women Entrepreneurs for Economic Empowerment at the Grassroot Level	To build the capacity of women entrepreneurs	86.25	96.00
Enhancing Adaptive Capacities of Coastal Communities, mainly Women, to Cope with Climate Change-Induced Salinity	To strengthen the adaptive capacities of coastal communities, especially women, to cope with the impacts of climate change	47.90	61.20
Promoting Gender Responsive Enterprise Development and Technical and Vocational Education and Training (TVET) Systems	To promote the employability of the female workforce to improve their economic wellbeing	42.36	55.00
Special Assistance Fund for Women Development	To create employment opportunities and generate economic activities for women	25.00	25.00
Assistance to Women Entrepreneur Fund	To encourage women's entrepreneurship	100.00	100.00
Her Power Project: Empowerment of Women Through ICT Frontier Initiative	To promote women's empowerment in information technology applications	48.54	78.00
Integrated Rural Employment Support Project for the Poor Women (IRESPPW)	To create employment opportunities for poor women	86.00	100.00

Source: Author's compilation based on Social Security Budget Report 2024-2025 (Ministry of Finance, 2024b).

However, the allocation for the Investment Component for the Vulnerable Group Development Programme (IICVGD) decreased significantly from BDT 259.91 crores in FY2024 to BDT 50.49 crores in FY2025.

In addition, allocations for some significant programmes have been stopped in FY2025, such as the Women’s Skill-Based Training for Livelihood Programme, the credit support programme Micro-credit for Women Self-Employment, and Women, Child Protection and Child Welfare. Such actions may result in slower progress in achieving gender-related targets.

5. Taxation on sanitary napkins

Despite the importance of sanitary napkins in ensuring menstrual hygiene among women and girls, the use of

sanitary napkins is still less than desired throughout the country. One of the biggest reasons for this is that they are not affordable for most of the population. In FY2025, the government extended the exemption from Value Added Tax (VAT) (excluding AT) and Supplementary Duty (SD) on six imported raw materials out of 12 used in the production of sanitary napkins and diapers until June 2025 (Ministry of Finance, 2024c) (Table 3). However, many local companies do not qualify for this temporary tax cut due to certain conditions. Firms must set up machinery on the factory premises to benefit from the tax-free benefits. In addition, a company has to invest a minimum of BDT 76 crore, have its own testing lab, have environmental clearance from the Department of Environment, ensure at least 30 per cent value addition and employ at least 250 Bangladeshis in the factory. In addition, interested companies will have to apply to the National Board of Revenue (NBR) to get the scope of

Table 3: Tax Breakdown of Imported Sanitary Napkins and Raw Materials Required to Make Sanitary Napkins, FY2025

HS CODE	Description	CD	SD	VAT	AIT	RD	AT	TTI
96190000	Sanitary towels (pads) and tampons, napkins and napkin liners for babies and similar	25	45	15	5	3	5	127.72
48239094	Air laid paper imported by Ind.IRC.VAT-compliant hygiene product manufacturers	25	20	15	5	0	5	85.00
35052000	Glues Based on Starches, Dextrins or Other Modified Starches	5	0	15	5	15	5	49.00
35069110	Adhesives Based on Rubber or Plastic (Including Artificial Resins)	25	0	15	5	3	5	58.60
39069000	Acrylic Polymers, In Primary Forms, Nes	10	0	15	5	0	5	37.00
39199020	Performance Tape/Closure/Side Tape	25	0	15	5	0	5	55.00
39201020	Other plates, sheets, film, foil and ethylene are imported by VAT regi. personal	25	0	15	5	3	5	58.60
40021100	Latex Of Styrene-Butadiene or Carboxylated Styrene-Butadiene Rubber	5	0	15	5	0	5	31.00
47032100	Semi-bleached or Bleached Coniferous Chemical Wood Pulp, Soda, not elsewhere specified	0	0	15	0	0	5	20.00
48119090	Other Paper, Paperboard, Cellulose Wadding and Webs of Cellulose Fibres not elsewhere specified	25	0	15	5	3	5	58.60
54024400	Other yarn, single, untwisted or with a twist not exceeding 50 turns per metre	5	0	15	5	0	5	31.00
56031110	Nonwovens of Man-Made Filaments Weighing <=25g/M2	25	0	15	5	3	5	58.60
63079000	Made Up Articles (Including Dress Patterns) not elsewhere specified	25	0	15	5	3	5	58.60

Source: Author’s compilation based on Duty Calculator, Bangladesh Customs (National Board of Revenue Bangladesh, 2024).

importing the six raw materials without SD and VAT (Daily Star Online Report, 2019). In addition, other import tariffs include Customs Duty (CD), Advanced Income Tax (AIT), Regulsatory Duty (RD), and Advance Trade VAT (AT). Furthermore, the Total Tax Incidence (TTI) on imported sanitary napkins and diapers is 127.71 per cent (National Board of Revenue Bangladesh, 2024).

6. Recommendations

- *The preparation process for the gender budget should be made transparent.*

Establishing fixed indicators for evaluating performance, setting achievable targets, clearly defining ministry functions, ensuring accountability to taxpayers, implementing monitoring mechanisms, and transparently disclosing the use of the gender budget for all 44 ministries are essential steps for improving effectiveness and accountability.

- *TTI for raw materials used to make sanitary napkins should be zero.*

The TTI of all 12 raw materials used to produce sanitary napkins should be made zero, and the conditionalities to avail these benefits should be removed to ensure affordability for women and adolescent girls of all income levels.

- *There should be a dedicated part of the budget for indigenous women.*

Indigenous women and girls are especially vulnerable and, therefore, should have a separate budget allocation for education, healthcare and employment generation.

- *There should be separate allocations for women employed in the informal sector.*

Since 96.6 per cent of women were employed in the informal sector (BBS, 2022), there should be a separate allocation for them in the gender budget.

- *Adequate resources should be allocated, and efficient use of existing funds related to the prevention of violence against women and children should be ensured.*

- *There need to be gender-disaggregated beneficiary assessments of all ministries and divisions.*

Ministries and divisions often claim to impact women's advancement and rights positively. Still, there is sometimes no objective evidence to back up such claims due to the limited availability of hard data. In the gender budget report for FY2025, there is data on some priority spending of the ministry or division on women's advancement, but only for 10 of the 62 ministries and divisions. It is crucial to undertake gender disaggregated beneficiary assessments of the major activities of all 62 ministries and divisions.

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