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House 40/C, Road 11 (new),
Dhanmondi Dhaka-1209, Bangladesh
Telephone: (+88 02) 41021780 - 2
Fax: (+88 02) 41021783
E-mail: info@cpd.org.bd

Social Safety Net Budget of Bangladesh

The Illusion of Inclusion

Fahmida Khatun, Syed Yusuf Saadat, Anindita Islam and Safrina Kamal

Key findings

1. In the proposed budget for FY2026, the social safety net budget allocation, excluding pension and agricultural subsidy, stood at 8 per cent of the budget and 1.87 per cent of the GDP.
2. Whilst interest on savings certificates has been removed, pensions for government officials and agricultural subsidies account for 45 per cent of the total budget allocation for social protection in FY2026.
3. Apart from pensions for retired government officials, interest payments on national saving certificates and agricultural subsidies, the allocation for all other programmes increased by 3.2 percentage points in the budget for FY2026.

Key Policy Recommendations

1. Given the high prices of essential food items, it is imperative to avoid reducing budget allocations for core social safety net programmes (SSNPs), as this would adversely impact the poor.
2. Pensions for retired government employees and agricultural subsidies should be decoupled from the SSNP budget to ensure more targeted and effective resource allocation in favour of the poor.
3. Redundant programmes should be consolidated to avoid duplication of programmes with overlapping targets, guaranteeing more effective utilisation of resources.

1. Introduction

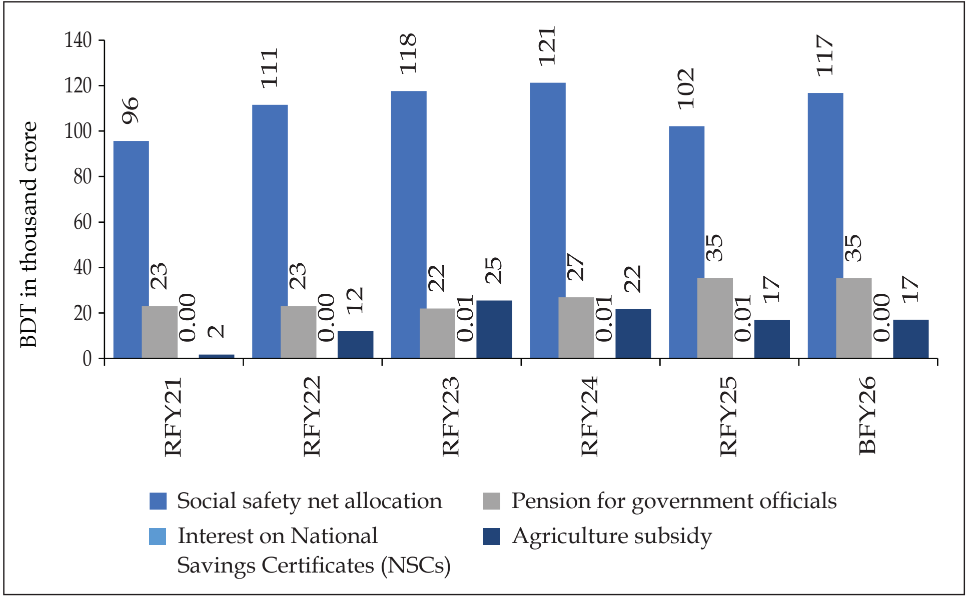
Inclusivity, social justice, and vulnerability mitigation are some thematic concepts that we can link to social protection programmes of an economy with a significant number of people living in poverty. However, an analysis of the country's current state of Social Safety Net Programmes (SSNPs) reveals that there is still no comprehensive and organised approach to social security. The aforementioned goals are hard to achieve given the lack of a cohesive and systematic strategy for social protection. Besides, a large number of informal sector workers remain outside social protection. Bringing them under such programmes is administratively challenging and may result in dualism within the social protection programme. Therefore, there is a need for a universal social security system.

The International Labour Organization's (ILO) Social Protection Floors Recommendation, 2012 (No. 202) (ILO, 2012) asserts that social protection is a human right. It mentions that social protection is a necessity for development, a tool for reducing social exclusion, an investment in workers' empowerment and a mechanism that is conducive towards gradual formalisation of employment (ILO, 2012). The Recommendation calls upon countries to establish and maintain social protection floors and progressively transition to higher levels of social security. In this regard, the ILO recommends that countries abide by 18 broad principles, which include, inter alia, universality, entitlement, adequacy, non-discrimination, transparency and tripartite participation (ILO, 2012). Based on their national circumstances, countries are urged to guarantee income security and essential healthcare throughout one's life cycle so that everyone can live a dignified life, free from hardship. For this purpose, the ILO recommends that countries diversify their sources of finance to fund social protection floors. It also suggests countries take steps towards reducing fraud and tax evasion, which tend to misappropriate valuable resources that could be used more efficiently to provide social protection benefits. The Government of Bangladesh (GoB) has provided social protection to the poor through several SSNPs. However, these programmes fall short of the country's social protection requirements due to resource constraints. A National Social Security Strategy (NSSS) was formulated in 2015 by the then government to build social safety measures for all deserving citizens, particularly the poor and vulnerable, to make the country free from hunger and poverty (General Economics Division, 2015).This policy brief analyses the SSNP budget for FY2026 and underscores the successes and misalignments of the distributed funds in achieving the goals of social protection.

2. Budget Allocation for SSNPs

Bangladesh's social safety net budget has traditionally been artificially inflated by including the pensions of government officials, interest payments of National Savings Certificates and Agricultural subsidies within its scope. It has been repeatedly recommended that these programmes be decoupled from the total budget and SSNP funds be allocated to more relevant programmes. Whilst providing pensions to government officials, who have dedicated their lives to the service of the nation and the people is of paramount importance, not all retired government officials are vulnerable. Therefore, the budget allocation for pensions for retired government officials must be decoupled from

Figure 1: Social Safety Net Allocation, Pension for Government Officials, Interest on National Savings Certificates, Agricultural Subsidy



Source: Authors' illustration based on data from the Ministry of Finance, 2025.

the social safety net budget allocation. In recent years, the social safety net budget has been artificially inflated even further by including the interest payments of National Savings Certificates and agricultural subsidies within the social safety net budget allocation. However, the interest payments have finally been removed from the budget for FY2026. Similarly, the benefits of agricultural subsidies are enjoyed by all farmers—those who are poor and vulnerable as well as those who are more well-off and secure. Therefore, agricultural subsidies are not intended exclusively for the vulnerable. Especially taking into consideration the high targeting error, this programme is inefficient as a social protection programme in providing adequate benefits to the poor farmers of the country. Due to the presence of these two programmes, Bangladesh's social safety net budget allocation appears larger than it is. As of FY2026, two of Bangladesh's largest SSNPs—pensions for retired government officials, and agricultural subsidies—had no relevance to the poor or vulnerable.

Figure 1 shows the breakdown of social safety net allocation from the Revised Budget for the Fiscal Year (RBFY) 2021 to the Budget for the Fiscal Year (BFY) 2026. The SSNP allocation increased by 14 per cent from RBFY2025 to BFY2026 (MOF, 2025). Number of programmes reduced from 140 to 99, which is commendable, especially since the interest payment for National Savings Certificates was finally removed (MOF, 2025). Allocation for pensions slightly decreased from BDT 35,407.05 crore to BDT 35,282.50 crore (MOF, 2025), whereas Agricultural subsidy management increased from BDT 16,972 crore to BDT 17,000 crore. Pensions and agricultural subsidies still account for approximately 45 per cent of the SSNP budget in FY2026 (MOF, 2025). Removing these programmes will free up budget to be redirected to other necessary programmes, as shown by the allocation per beneficiary statistics.

2.1 Utilisation of SSNPs

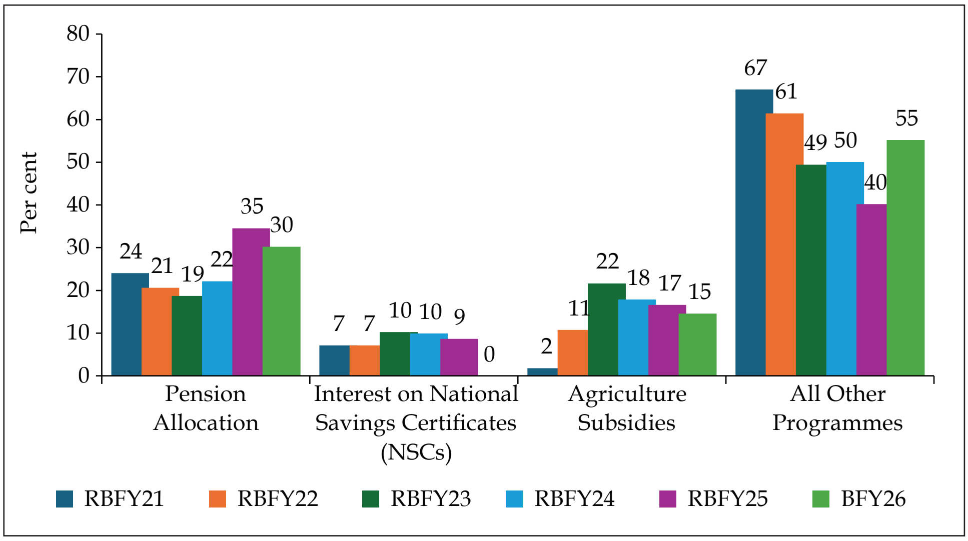
It is important to note that whilst the Ministry of Finance (MoF) publishes the budget allocation and revised budget allocation for SSNPs, the actual expenditure on SSNPs is never published. Various studies have highlighted many problems with Bangladesh's social safety net schemes. Some of the most prevalent issues are inadequate funding, poor targeting, wasted resources, poor communication between organisations responsible for implementation, excessive overhead, and the complete lack of an assessment framework to measure results (Rahman et al., 2011) (Khatun et al., 2012). Addressing inclusion and exclusion errors, fraud, and corruption in social assistance systems in Bangladesh is challenging due to the lack of comprehensive information and insufficient competence within government ministries to conduct internal audits that may uncover the underlying causes of irregularities in these programmes. Research has shown that the highest likelihood of errors, fraud, and corruption arises when choosing recipients (van Stolk & Tesliuc, 2010). In Bangladesh, there is a widespread understanding that beneficiary selection for social security programmes is often flawed, resulting in high exclusion errors (eligible individuals not covered) and inclusion errors (ineligible individuals receiving benefits) (Razzaque & Rahman, 2025). The criterion used to assess programme eligibility is based on poverty and vulnerability selection, which is usually determined by income level. Data on beneficiary distribution from 2022 also shows a discrepancy between programme goals and coverage. A fundamental fault in targeting is implied by this misalignment in allocation, where a disproportionate allocation to households that are neither poor nor vulnerable overshadows the focus on the neediest, especially the extreme poor.

These inequities are made worse by the fact that many low-income and vulnerable households are not given any kind of aid (Razzaque, et al., 2025). A crucial contradiction can be seen in the relationship between poverty metrics and actual beneficiary needs. Depending only on income or consumption-based standards for social protection, eligibility is insufficient since it ignores other important aspects of vulnerability and deprivation (Razzaque, et al., 2025). In some instances, households that technically meet income standards may be better off than others that are excluded. Since necessary resources surpass mere income thresholds, such a criterion may not always account for the complicated reality of household well-being. Therefore, some exclusion errors may involve households that are comparatively better off in terms of consumption, whilst some inclusion errors may be justified by underlying socioeconomic vulnerability, even though they are technically erroneous under strict eligibility rules (Razzaque, et al., 2025). Due to insufficient monitoring and assessment, these irregularities continue without being reduced or stopped. The fact that the actual expenditure on SSNPs in Bangladesh is not publicly disclosed makes it challenging to ascertain how much money is being spent, how many people are being benefited, and whether there are any anomalies in the expenditure.

2.2 Actual Allocation for the Poor in SSNPs

Over the years, the incorporation of pensions for retired government officials, interest payments on national savings certificates, and agricultural subsidies into the social safety net budget has diminished the share allocated to programmes intended for the poor and vulnerable. As shown in Figure 2, pensions for retired government officials rose significantly, from 24 per cent of the total social safety net budget in the RBFY2021 to 30 per cent in the Budget for BFY2026 (MOF, 2025). On the other hand, agricultural subsidy allocation as a share of the total SSNP budget increased significantly from 2 per cent to 15 per cent during the same period. Evidently, budgetary allocation for all other programmes significantly decreased from 67 per cent to 55 per cent from RBFY2021 to BFY2026.

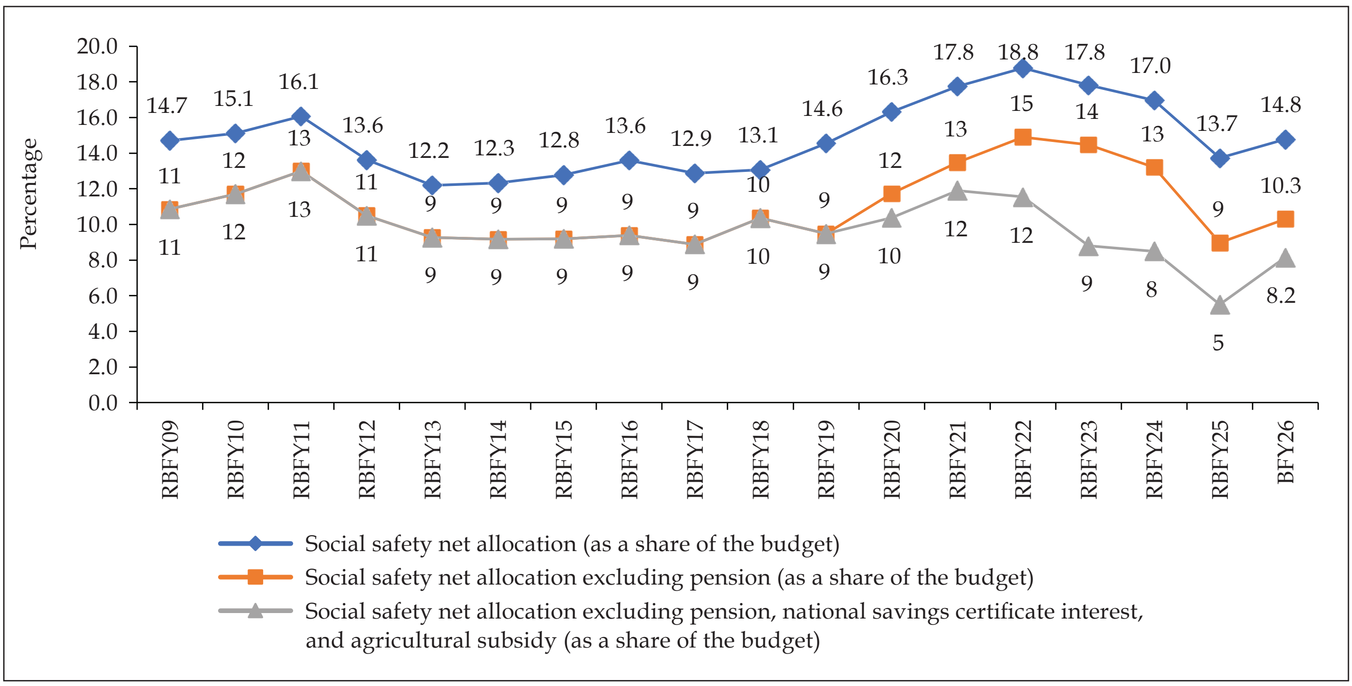
Figure 2: Distribution of Social Safety Net Allocation (as a share of total social safety net budget)



Source: Authors' illustration based on data from the Ministry of Finance, 2025

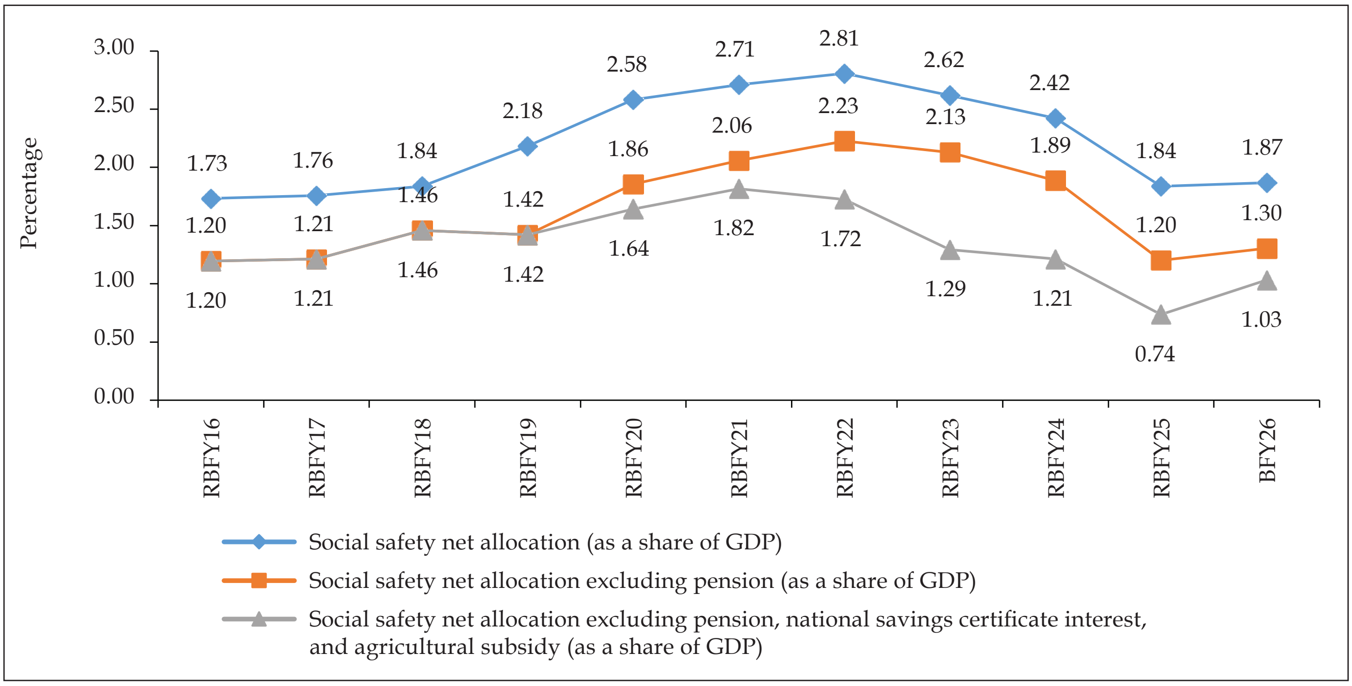
Figure 3 shows that the social safety net allocation as a share of the budget had increased from 15 per cent in RBFY2009 to 17 per cent in RBFY2024 but decreased to 14.8 per cent in BFY2026. The social safety net allocation, excluding pension,

Figure 3: Social Safety Net Allocation as a Share of the Budget



Source: Authors' illustration based on data from the Ministry of Finance, 2025.

Figure 4: Social Safety Net Allocation as a Share of the GDP



Source: Authors' illustration based on data from the Ministry of Finance, 2025.

national savings certificate interest, and agricultural subsidy, has decreased from 11 per cent in RBFY2009 to 8 per cent in BFY2026 (MOF, 2025). However, it has increased from the last year's budget by 3.2 percentage points. The budget allocation for SSNPSs for the poor and vulnerable in FY2026 has been reduced compared to the previous budget of FY2025 (MOF, 2025).

Figure 4 shows that the social safety net allocation as a share of GDP increased from 1.73 per cent in RBFY2016 to 1.87 per cent in BFY2026 (MOF, 2025). However, social safety net allocation, excluding pension, national savings certificate interest, and agricultural subsidy as a share of GDP, experienced a slight decrease from 1.20 per cent in RBFY2016 to 1.03 per cent in BFY2026 (MOF, 2025). The difference in SSNP allocation as a share of GDP, with and without the inclusion of pensions, interest payments, and subsidies, highlights the extent to which these programmes inflate the budget. This reveals an inefficient use of SSNP resources, as a significant portion is directed towards groups that are neither poor nor vulnerable. Such low SSNP budget allocation indicates protecting the welfare of the poor and vulnerable was never a big priority for the government. It is worth noting that the Eighth Five Year Plan (8FYP) of Bangladesh targeted to increase the budget allocation for social safety nets, excluding pensions for retired government officials, to 2 per cent of GDP by FY2025 (GED, 2020).

3. Scope and Scale of SSNPs

Social protection may impact the extent of poverty by either preventing individuals from falling into poverty or by assisting them in escaping it. As of 2022, 5 per cent of the population, or 8.2 million people, were living below USD 2.15 per day; 30.03 per cent of the population or 49.5 million people, were living below USD 3.65 per day, and 74.10 per cent of the population, or 122.3 million people, were living below USD 6.85 (World Bank, 2022) (BBS, 2022). The share of national income held by the poorest 5 per cent of the population in Bangladesh has decreased from 1.03 per cent in FY1992 to 0.37 per cent in 2022 (BBS, 2023). Moreover, the richest 5 per cent of the population in Bangladesh were 18 times richer than the poorest 5 per cent of the population in FY1992. This income inequality drastically worsened in 2022, when the richest 5 per cent of the population in Bangladesh were 81 times richer than the poorest 5 per cent of the population (BBS, 2023). As a result, SSNPs are vital for supporting Bangladesh's vast number of poor and vulnerable people.

Furthermore, Bangladesh has grappled with high inflation for several years, largely due to policy and institutional failures. In June 2025, the general and food inflation rates were 8.48 per cent and 7.39 per cent, respectively, and the non-food inflation rates were 9.37 per cent, indicating persistent and unyielding inflationary pressure (BBS, 2025). Moreover, rural Consumer Price Index (CPI) was higher than urban CPI, and disaggregated data shows that rural areas face higher non-food inflation with stagnant incomes, whilst urban areas struggle with sharper food price hikes (BBS, 2025). Between 2019 and 2025, prices of essentials like rice, oil, sugar, and beef surged above global levels, driven by domestic inefficiencies and external shocks, requiring urgent reforms in supply chains and market oversight (TCB, 2025). The burden of high inflation falls disproportionately on the poor and low-income households. The purchasing power of ordinary people has eroded significantly due to price hikes in essential goods like food and fuel.. The suffering of the poor and low-income families, which began following the outbreak of the COVID-19 pandemic in early 2020, has continued to date. Matters were made worse by the Russia-Ukraine conflict, which began around in late February of 2022. In 2021, the Food Prices for Nutrition 2.1 database, created by the World Bank, International Food Policy Research Institute (IFPRI), and Tufts University, showed that 125.2 million people, or 73.9 per cent of Bangladesh's population, could not afford a nutritious diet (World Bank, 2024).

Table 1: Some Programmes with Allocation Less Than BDT 500 per Beneficiary per Month in the Proposed Budget for FY2026

Existing Programmes	Per capita budget allocation for 2025-2026 (monthly)	Percentage change in budget from FY25 to FY26	Increase or decrease in budget
Printing and Distribution of Free Textbooks	26.88	40.23	Increase
Service and Support Centre for Persons with disabilities	49.67	3.88	Increase
Relief Operation-rehabilitation	56.52	-0.14	Decrease
VGF Programme	57.99	4.16	Increase
Free Textbook Distribution Among Students	58.25	-8.24	Decrease
Agriculture Rehabilitation Assistance	75.09	0.89	Increase
Trust for the Protection of Persons with Neuro-Developmental Disabilities	104.52	-0.23	Decrease
Stipend for Primary School Students	120.38	-6.12	Decrease
National Legal Aid Services Organisation	132.17	12.80	Increase
Relief Activities	141.67	6.09	Increase
Bangla New Year allowance for Heroic Freedom Fighter	177.21	0.00	No change
Open Market Sales (OMS)	233.50	5.94	Increase
Distressed Women and Children Welfare Fund	245.10	0.00	No change
Rehabilitation and Alternative Livelihood Programme for persons engaged in begging	250.00	0.00	No change
Stipend under the Technical and Madrasa education division	256.85	102.61	Increase
VGF Programme for Fishermen	315.17	4.16	Increase
Improving access and retention through a harmonised stipend programme	331.21	7.59	Increase
Relief Operation-rehabilitation (House grant)	496.45	0.00	No change

Source: Authors' compilation based on data from the Ministry of Finance, 2025.

The persistent nature of rising inflation necessitated that the budget for FY2026 provide some relief to the poor and vulnerable, whose savings have been eroded and whose income has lost its purchasing power. The budget for FY2026 shows a slight increase in allocation for Open Market Sales (OMS) from BDT 3,240.60 crore to BDT 3,433.08 crore (MOF, 2025). Many of the programmes identified as inefficient or duplicative in the FY2025 budget were removed, reducing the number of programmes from 140 to 99 (MOF, 2025). However, there is room for further consolidation as many programmes still display degrees of overlapping and inefficient management. Additionally, the majority of these programmes are very small in scope and scale, with allocations less than BDT 500 per beneficiary per month (Table 1), an amount that is hardly adequate amid aforementioned inflationary pressures.

The low allocation per beneficiary per month raises questions about the effectiveness of Bangladesh's overall social protection strategy. It remains unclear why Bangladesh has been pursuing a large number of small programmes spread out over many different ministries and divisions of the government, budget after budget, year after year. Such a policy reduces the ultimate impact of SSNPs on the beneficiaries and creates ample room for inefficiencies to flourish.

Another issue with targeting is asymmetric information about programmes and their criterion. Often, 'speed money' is used to bypass restrictions and avail benefits which were essentially meant for more vulnerable households. Additionally, targeted results are greatly impacted by prior access to programme availability information, which is frequently shared through local networks. In addition to decreasing the likelihood of exclusion mistakes for individuals linked to these networks, households with prior information are more likely to be wrongly recruited. This suggests that households with greater connections and knowledge can utilise their informational advantages to obtain benefits, sometimes at the expense of less knowledgeable but more vulnerable people. This is frequently done through local figures like union members or school committee members. These situations demonstrate how the social protection system's reliance on unofficial routes can result in unequal access and perpetuate targeting mistakes (Kamal & Saha, 2014) (Razzaque, et al., 2025).

4. Estimated Cost of Social Protection Floors

It has been estimated that if historical trends continue, business as usual, then 60 million children of primary school age will remain outside of school, and 167 million children

Table 2: Cost of Universal Child Benefits (as a percentage of GDP)

Age groups (in years)	Cost of universal child benefits (as a percentage of GDP)			
	0 – 4	5 - 9	10 - 14	0-14
Benefit level				
100 per cent of the national poverty line	1.50	1.49	1.92	4.91
75 per cent of the national poverty line	1.12	1.12	1.44	3.68
50 per cent of the national poverty line	0.75	0.75	0.96	2.46
25 per cent of the national poverty line	0.37	0.37	0.48	1.23
100 per cent of the minimum salary	0.06	0.06	0.08	0.21
75 per cent of the minimum salary	0.05	0.05	0.06	0.16
50 per cent of the minimum salary	0.03	0.03	0.04	0.11
25 per cent of the minimum salary	0.02	0.02	0.02	0.05
USD 2 PPP per day	1.00	1.00	1.29	3.29
USD 1 PPP per day	0.50	0.50	0.64	1.64

Source: Authors' calculations based on ILO's Social Protection Floors Cost Calculator (ILO, 2024).

Note: i) Calculations include only the cost of non-contributory social assistance benefits for the specified population but do not include social insurance; ii) Employers and workers' contributions finance social insurance and delivers higher benefits; iii) Child benefit consists of a cash transfer to families with children of the selected age groups; iv) Administration costs are included for all benefits and 3 per cent administrative costs are assumed for all universal benefits; v) Assuming that total population is 169,356,251, GDP per capita is BDT 208,447, National Poverty Line is BDT 35,021, Minimum salary is BDT 1,500, the share of children in the population is 28.4 per cent, the share of orphans among children is 0.1 per cent, the share of older persons in the population is 5.8 per cent and total fertility rate is 2.0.

will live in poverty worldwide in 2030 (UNICEF, 2016). ILO's Social Protection Floors Recommendation, 2012 (No. 202), acknowledges income security for children as a core component of a national social protection floor. Yet only 35 per cent of children worldwide, 28 per cent of children in Asia, and 29.4 per cent of children in Bangladesh were covered by social protection benefits in 2017 (ILO, 2017). Calculations for Bangladesh, using ILO's Social Protection Floors Cost Calculator, reveal that the cost of providing cash benefits equal to 25 per cent of the national poverty line to all children less than five years old would be only 0.37 per cent of GDP (Table 2). On the other hand, providing United States Dollar (USD) 1 per day at purchasing power parity (PPP) to all children under five in Bangladesh would cost 0.5 per cent of GDP (Table 2).

Table 3: Cost of Universal Social Benefits to Orphans (as a percentage of GDP)

Benefit level	Cost of universal social benefits to orphans (as a percentage of GDP)
100 per cent of the national poverty line	0.01
75 per cent of the national poverty line	0.01
50 per cent of the national poverty line	0.01
25 per cent of the national poverty line	0.00
100 per cent of the minimum salary	0.00
75 per cent of the minimum salary	0.00
50 per cent of the minimum salary	0.00
25 per cent of the minimum salary	0.00
USD 2 PPP per day	0.01
USD 1 PPP per day	0.00

Source: Authors' calculations based on ILO's Social Protection Floors Cost Calculator (ILO, 2024).

Note: i) Calculations include only the cost of non-contributory social assistance benefits for the specified population but do not include social insurance; ii) Employers and workers' contributions finance social insurance and delivers higher benefits; iii) Child benefit consists of a cash transfer to families with children of the selected age groups; iv) Administration costs are included for all benefits and 3 per cent administrative costs are assumed for all universal benefits; v) Assuming that total population is 169,356,251, GDP per capita is BDT 208,447, National Poverty Line is BDT 35,021, Minimum salary is BDT 1,500, the share of children in the population is 28.4 per cent, the share of orphans among children is 0.1 per cent, the share of older persons in the population is 5.8 per cent and total fertility rate is 2.0.

The world's orphan population is growing as a result of various crises, including natural catastrophes, armed conflicts, mass migration, poverty, and epidemics (NAR, 2020). Over the past 20 years, nearly 750,000 people have died due to natural calamities, thereby orphaning countless children (NAR, 2020). The majority of these deaths, about 79 per cent, occurred in poor Asian countries, countries with the greatest number of orphans, such as Bangladesh, India, the Philippines, Pakistan, and Indonesia (NAR, 2020). It was revealed in a high court decision that over 3.4 million children who were parentless and homeless in Bangladesh required birth certificates (UNICEF, 2024). Thus, according to this high court judgement, 3.4 million children are considered to be the lower range of the real number of children in Bangladesh who are currently living on the streets without parental supervision (UNICEF, 2024). Calculations for Bangladesh, using ILO's Social Protection Floors Cost Calculator, show that the cost of providing social benefits equal to 100 per cent of the national poverty line to orphans would be only 0.01 per cent of GDP (Table 3). Similarly, providing USD 2 per day PPP to orphans in Bangladesh would cost 0.01 per cent of GDP (Table 3).

Although pensions for the elderly are the most commonly provided form of social protection in the world, 32 per cent of the elderly population worldwide, and 66 per cent of the elderly population in Bangladesh, are still not covered by any social protection benefits (ILO, 2017). Bangladesh also has some of South Asia's most stringent legal requirements for obtaining old-age pensions. Calculations for Bangladesh, using ILO's Social Protection Floors Cost Calculator, show that the cost of providing cash benefits equal to 100 per cent of the national poverty line to all persons aged 65 years and above would be 1.01 per cent of GDP (Table 4). On the other hand, providing USD 2 per day PPP to all persons aged 65 years and above in Bangladesh would cost 0.67 per cent of GDP (Table 4).

Using ILO's Social Protection Floors Cost Calculator, it can be shown that the cost of providing unemployment support, such as the 100-day Employment Generation Programme, equal to 100 per cent of the national poverty line for 100 days per year for one person at working age per vulnerable household would be 25.81 per cent of GDP (Table 5). On the other hand, providing USD 2 per day PPP for 100 days per year for one person of working age per vulnerable household would cost 17.27 per cent of GDP (Table 5).

Table 4: Cost of Universal Pensions (as a percentage of GDP)

Benefit level	Cost of universal social benefits to orphans (as a percentage of GDP)
100 per cent of the national poverty line	1.01
75 per cent of the national poverty line	0.76
50 per cent of the national poverty line	0.50
25 per cent of the national poverty line	0.25
100 per cent of the minimum salary	0.04
75 per cent of the minimum salary	0.03
50 per cent of the minimum salary	0.02
25 per cent of the minimum salary	0.01
USD 2 per day at PPP	0.67
USD 1 per day at PPP	0.34

Source: Authors' calculations based on ILO's Social Protection Floors Cost Calculator (ILO, 2024).

Note: i) Calculations include only the cost of non-contributory social assistance benefits for the specified population but do not include social insurance; ii) Employers and workers' contributions finance social insurance and delivers higher benefits; iii) Child benefit consists of a cash transfer to families with children of the selected age groups; iv) Administration costs are included for all benefits and 3 per cent administrative costs are assumed for all universal benefits; v) Assuming that total population is 169,356,251, GDP per capita is BDT 208,447, National Poverty Line is BDT 35,021, Minimum salary is BDT 1,500, the share of children in the population is 28.4 per cent, the share of orphans among children is 0.1 per cent, the share of older persons in the population is 5.8 per cent, total fertility rate is 2.0.

Table 5: Cost of Unemployment Support (as a percentage of GDP)

Benefit level	Benefit duration			
	100 days	200 days	300 days	365 days
100 per cent of the national poverty line	25.81	51.62	77.43	94.20
75 per cent of the national poverty line	19.36	38.71	58.07	70.65
50 per cent of the national poverty line	12.90	25.81	38.71	47.10
25 per cent of the national poverty line	6.45	12.90	19.36	23.55
100 per cent of the minimum salary	1.11	2.21	3.32	4.03
75 per cent of the minimum salary	0.83	1.66	2.49	3.03
50 per cent of the minimum salary	0.55	1.11	1.66	2.02
25 per cent of the minimum salary	0.28	0.55	0.83	1.01
USD 2 per day at PPP	17.27	34.54	51.81	63.03
USD 1 per day at PPP	8.63	17.27	25.90	31.51

Source: Authors' calculations based on ILO's Social Protection Floors Cost Calculator (ILO, 2024).

Note: i) Calculations include only the cost of non-contributory social assistance benefits for the specified population but do not include social insurance; ii) Employers and workers' contributions finance social insurance and delivers higher benefits; iii) Child benefit consists of a cash transfer to families with children of the selected age groups; iv) Administration costs are included for all benefits and 3 per cent administrative costs are assumed for all universal benefits; v) Assuming that total population is 169,356,251, GDP per capita is BDT 208,447, National Poverty Line is BDT 35,021, Minimum salary is BDT 1,500, the share of children in the population is 28.4 per cent, the share of orphans among children is 0.1 per cent, the share of older persons in the population is 5.8 per cent, total fertility rate is 2.0.

5. Policy recommendation

The various programmes targeting niche groups as well as the general poor people create an illusion—the illusion of inclusion. Considering the analysis of the proposed social safety net budget for FY2026, this policy brief makes the following recommendations:

- Review SSNPs to properly determine intervention priorities as recipient families' economic and social profiles change over time.
- Re-evaluate existing SSNPs to focus on better targeting, avoiding overlaps, and introducing finite planning with exit strategies.
- Strategically prioritise consolidating processes, reinforcing social protection floor goals, and directing the NSSS towards universal goals.
- Extensively examine and scrutinise SSNP beneficiaries from programme and sector-level vulnerability perspectives.
- Comprehensively map the most vulnerable groups to build social safety net activities that satisfy the SDG ambition to 'leave no one behind'.
- Reallocate the skewed distribution of social safety net initiatives to ensure successful interventions and goal achievement.
- Rigorously monitor and analyse social safety net initiatives within a unified database and framework for future planning and budget allocation.
- Improve interministerial coordination and examine programme mergers to reduce administrative expenses and improve efficiency.
- Collaborate effectively for a collective goal by considering changes in poverty, employment, and fiscal space to realise the NSSS vision.
- Identify critical areas of extreme poverty, hunger, and the most vulnerable groups to realign SSNPs with the 2030 Agenda.
- Develop comprehensive policies and programmes for poverty alleviation strategies to guarantee food and income rights and access to employment, skills, and credit.
- Emphasise social protection measures and establish institutional, legal, and administrative frameworks to support job creation and policy objectives as the economy grows.
- Assess social protection and safety nets to ensure policies and institutions safeguard employment and income stability, especially for disadvantaged populations.
- Expand fiscal space and optimise fiscal stance to support NSSS implementation and extend social insurance coverage in informal sectors and companies through financial incentives and subsidies.

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