



# **ANNUAL REPORT**

2021



Publisher

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Published in February 2022

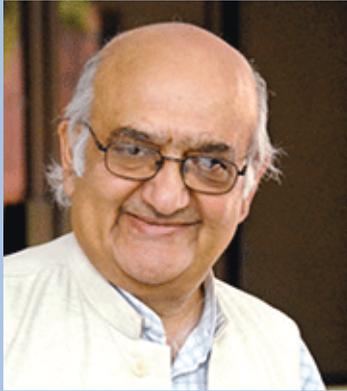
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**Zulker Naeen**

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## MESSAGE FROM **CHAIRMAN** AND **EXECUTIVE DIRECTOR**



The year 2021 has been a year of resilience and excellence for the Centre for Policy Dialogue (CPD). Despite the extraordinary time of challenges due to the ongoing COVID-19 pandemic, our colleagues at CPD were engaged in intense activities on several issues—some are ongoing and some are emerging. CPD researchers have continued to generate new knowledge and promote policy debates around issues which have implications for Bangladesh's development in the times of the pandemic and beyond. CPD's work centred around research, dialogue, publication and outreach. This Annual Report brings you some of the highlights of CPD's activities in 2021. You are invited to visit CPD's website for details.

As the pandemic continues to impact our economic, social and cultural lives, CPD remained engaged in analysing the fallouts of such an unprecedented event. While working on this, CPD scholars have not only explored its implications for the macroeconomic and budgetary management, but also for the important sectors and the people. Their analyses exposed how the pandemic could accentuate inequality and vulnerabilities of the poor people. On the basis of their findings, they recommended for a development approach which will not only 'build back better' but will also create a more equitable society during the post-pandemic period. One important aspect emphasised by CPD scholars while undertaking research is the lack of data. This was felt more during the pandemic, since access to authentic information is crucial for taking any appropriate health and financial measures to deal with the challenge. Hence, CPD researchers have worked on the importance of real time and high quality fiscal and health related data for effective policymaking during the pandemic.

On sectoral issues, CPD experts examined the impact of the pandemic on the labour market. They particularly looked at the situation of the low income groups through primary survey data. They have also looked into the usefulness of the stimulus packages provided to the small businesses for their survival during the pandemic. Another labour market issue explored by CPD scholars was the study on employment of the youth which investigated the skill mismatch of the job seekers. Besides these, CPD researchers worked on a host of other issues such as Sustainable Development Goals (SDGs); Bangladesh's smooth graduation from the least developed country (LDC) category; readymade garments (RMG); trade and regional cooperation; power and energy; gender; Fourth Industrial Revolution (4IR); and climate change and environment.

This year, Bangladesh has marked 50 years of its independence—an occasion not only for celebration but also for introspection and reflection on the impressive progress it has made and the challenges lying ahead. On this occasion, CPD organised a four-day-long virtual international conference this year in collaboration with the South Asia Program of Cornell University, USA. The conference organised by CPD aimed to deepen the understanding of Bangladesh's multifaceted development over the last 50 years. Scholars from around the world discussed the country's developments in different sectors—politics, economy, society and culture.

Leveraging the technological advancement, CPD professionals have made the full use of digital workspace in 2021 as they did in 2020 following the outbreak of the pandemic. By doing so, they remained pro-actively engaged throughout the year during the 'new normal' including the lockdown period. CPD has organised most of its dialogues virtually during this year, connecting every corner of the globe.

In 2021, CPD has deepened its policy advocacy through dialogues, webinars and outreach. CPD has published six books, seven working papers, 14 policy briefs, 191 opinions and several comments, both nationally and globally. Moreover, CPD has stayed on the frontline in policy-influencing by organising numerous dialogues, media briefings, conferences and expert consultations in 2021. With the pace of digital revolution, CPD's outreach over the digital media platforms has grown remarkably.

CPD's accomplishments have always been due to the invaluable dedication and team spirit of all CPD members. We recognise the guidance of the Board of Trustees (BoT) members of CPD in implementing our activities. CPD's highly motivated and committed colleagues of three divisions—Research, Dialogue, and Finance and Administration—have extended their endless cooperation towards fulfilling CPD's ambitious workplan. Sincere thanks are due to our Distinguished Fellows Dr Debapriya Bhattacharya, Professor Mustafizur Rahman, and Professor Rounaq Jahan for their valuable support. We also recognise the contributions of Research Director Dr Khondoker Golam Moazzem and Finance Director Mr M Shafiqul Islam in guiding the CPD team.

Inspired by the commitment of our CPD colleagues and goodwill of our partners, we look forward to striving for strengthened policy analysis and public engagement in 2022. We would like to thank our friends and well-wishers for their continuous support and encouragement during our journey. We wish you a healthy and safe future.

With warm regards,



**Professor Rehman Sobhan**  
Chairman



**Dr Fahmida Khatun**  
Executive Director



## **CPD'S EMERGENCE**

The Centre for Policy Dialogue (CPD) was established in 1993 by Professor Rehman Sobhan as a civil society initiative, with the aim to bridge the gap between empirical research and policy advocacy. Remaining true to its ethos during its journey over the past 28 years, CPD has established itself as Bangladesh's leading civil society think tank. CPD provides a space to stakeholder groups and political parties, with diverse views and perspectives, for undertaking informed discussions on development concerns critical to Bangladesh and beyond.

## **OUR FOCUS**

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



# **Macroeconomic Policy Analysis in the Time of COVID-19**



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, CPD conducts periodic reviews of the state of Bangladesh economy. CPD researchers scrutinise the macroeconomic indicators, put forward recommendations for the national budget, and provide objective analysis of the national budget presented by the Finance Minister of the country. The IRBD programme also includes budget related discussions at the local and national levels. These dialogues are participated by top-level policymakers and key stakeholders. This year, CPD also undertook an in-depth analysis to determine macroeconomic priorities in view of the COVID-19 situation. As part of its regular exercise to review the performance of the economy and analyse the key emerging trends throughout a fiscal year, CPD published the book "Bangladesh Economy in FY2020-21: Interim Review of Macroeconomic Performance".

# CPD BUDGET DIALOGUE 2021



## Poor Reflection of COVID Reality, Paucity of Authentic Data and Lack of Institutional Reform will Constrain Implementation of National Budget FY2021-22

In the context of the national budget for FY2021-22, CPD organised its budget dialogue on 12 June 2021. While presenting an analysis of the national budget, CPD underscored that, given the magnitude of the negative impact of COVID-19 on various sectors, there was a need for a medium term strategy for economic recovery, whereas the budget has no indication on this. This risks the fulfillment of the promise made in the 50th budget to move towards a resilient future by giving priority to lives and livelihoods. It was also highlighted how the lack of data would result in weak implementation of the budget as well as weak assumptions in policymaking.



**M A MANNAN, MP**

"Data is a fundamental requirement for policymaking, and for preparing data, more focus should be put on strengthening of institutions."



**PROFESSOR REHMAN SOBHAN**

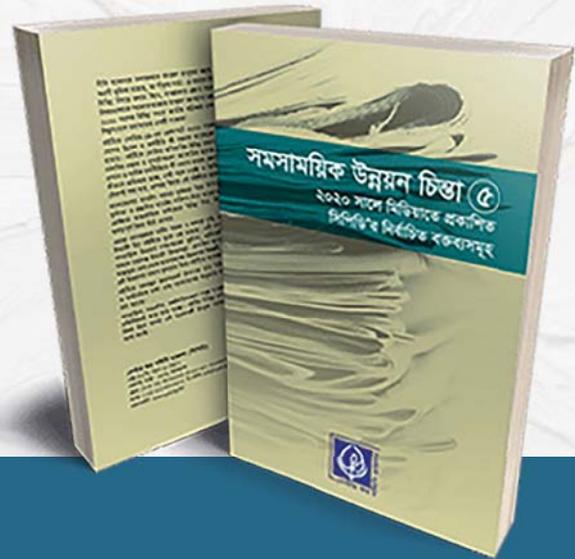
"There should be a government initiated employment creating intervention. The government agencies should have provided poverty data by now."



**SABER HOSSAIN CHOWDHURY, MP**

"Pre-budget consultation with the policymakers need to be more inclusive and the decision-making process needs to be more data driven."

# Somosamoyik Unnayan Chinta: 5



It is a well-known fact that the media has been playing a significant role in terms of advocacy and outreach for translating research into policy. In this context, CPD researchers stay relevant and in the frontline through outreach activities that include op-eds, columns, comments, and interviews on various contemporary issues. In keeping with its tradition, CPD published this book which is a compilation of the Bangla articles, op-eds and interviews by CPD researchers published in the national print and electronic media in 2021.

In an effort to raise public awareness on development issues, this volume is being published since 2015. The present book comprises 93 articles which cover a number of critical themes including national budget and economy, COVID-19, trade, banking, graduation from LDCs, youth employment, labour market, SDGs, among others. Articles in this book are a reflection of CPD's constant effort to contribute towards building a democratic, inclusive and prosperous Bangladesh.

The Monetary Policy Statement (MPS) for fiscal year (FY) 2022 is the second MPS during the ongoing COVID-19 pandemic. Monetary policy has a crucial role in addressing the challenges created due to the pandemic. On the one hand, economic crisis—as a result of disruption in production and supply chains—has led to economic contraction, loss of employment and increased poverty. On the other hand, inflation is creeping up which will have impact on purchasing power and demand, particularly of the poor and low-income families. Besides, the banking sector has been responsible for disbursing loans under the stimulus packages announced by the government. In this context, CPD presented its reflections on the MPS to the media, at a virtual Media Briefing on 3 August 2021. CPD discussed how far the monetary policy will be able to address the challenges during the ongoing pandemic and meet the demands of the Bangladesh economy.





Promotes inclusive  
policymaking

## POLICY BRIEF

2021 (02)

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### Highlights

- The monetary policy of FY2021-22 appears to be a surface policy during the chaotic times of the pandemic.
- The central bank has refrained from taking any active steps to reduce the monetary money in the banking system but has announced that it will continue to act in a neutral stance.
- The targets set for private sector credit growth and economic growth may not be met.
- Inflation might overshoot the package and lead to an unbridled consumption basket.
- Refrains in the banking sector remain outside the radar of the central bank at present.

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- CPD's Reaction to the MPS FY2021-22 To What Extent Does Monetary Policy Meet the Needs of the Economy?**  
*Fatmeh Akhter and Syed Faiz Siddiqi*
- 1. Introduction**
- On 29 July 2021, the Monetary Policy Statement (MPS) for the fiscal year (FY) 2021-22 was announced by Bangladesh Bank. This was the second MPS during the ongoing COVID-19 pandemic. At present, an economic crisis has developed as a result of the disruption in production and supply chains which has led to economic contraction, loss of employment and increased poverty. At the same time, inflation is creeping up which will have impact on purchasing power and demand, particularly of the poor and low-income families. Therefore, monetary policy has a crucial role in addressing the challenges created due to the pandemic.
- The banking sector has been responsible for disbursing loans under the stimulus packages announced by the government. However, there are a number of pressing challenges facing the banking sector which need to be resolved in order to meet the disrupted financial structure in the country. In the above context, how the MPS for FY2021-22 will be able to achieve the targets outlined in the policy and to meet the requirements of the economy, are issues to be examined. This policy brief highlights a select set of current problems in the banking sector, and discusses whether the proposed MPS for FY2021-22 will be appropriate and adequate in addressing the current economic challenges.
- Global central banks have pursued several strategies in view of the pandemic, which may be categorized into four groups: (i) rate cuts, (ii) liquidity provision and credit support, (iii) money easing and (iv) asset purchases. Bangladesh has opted for all of these policies, except asset purchases, to address the pandemic. Yet Bangladesh Bank, three major areas are important for MPS of FY2021-22: (i) pursuing traditional monetary policy tools for addressing the pandemic, (ii) governance in the banking sector and (iii) administration of stimulus packages. The present analysis is based on these three prisms.
- 2. Brief Review of Monetary Policies in Recent Years**
- Economic growth targets set in previous monetary policy statements were either met or exceeded in four out of five last eight years for which data are available (Figure 1) whereas since data on actual growth of the gross domestic product (GDP) in FY2020-21 is not yet available, it is not possible to ascertain whether monetary policy in the past one year has been successful in supporting economic growth during the COVID-19 pandemic.
- Despite stable economic growth in the pre-pandemic years, private sector credit growth, largely new, fell in FY2016-17, FY2016-17, FY2016-17, and FY2016-17 (Figure 2). In response to low private sector credit growth, the central bank had to reduce its monetary policy targets in several years. Weak private sector credit growth is an economy wide problem of low private sector investment.



In 2021, CPD continued its comprehensive assessment of the state of the Bangladesh economy. CPD also reviewed sectoral challenges regarding the power and energy sector, social protection, and implications of fuel price hikes.

## Reinstating earlier prices of diesel and kerosene is required at an immediate basis



*In view of recovery from the adverse impacts of COVID-19, stability of fuel price is critically important given the 'strategic' nature of the commodity. In this backdrop, **CPD recommends reinstating the earlier prices of diesel and kerosene at an immediate basis.***

In 2021, CPD continued its comprehensive assessment of the state of the Bangladesh economy. In continuation of the tradition, CPD arranged a press briefing on 10 November 2021 to present the First Reading of the State of the Bangladesh Economy in FY2021–22. CPD recommended that the accumulated profits of BPC should be enough to provide some cushion despite the previously accrued losses. The government can keep the prices at their previous levels through subsidies or tax and tariff cuts. Forecasts by multilateral agencies (e.g., World Bank) predict a downward movement of fuel prices in 2022. Absorbing the price shock and focusing on recovery should be the government's prime concern at this point in time.

According to CPD, the price hikes of diesel and kerosene came at a time when prices for daily necessities were already exhibiting an upward trend. Compared to the corresponding period of FY2020–21, prices of several commodities shot up in November 2021 (based on TCB data). The inflation data provided by Bangladesh Bureau of Statistics (BBS) only shows marginal increase in point-to-point basis and declining trend in moving average basis (up to September 2021). This appears to be quite detached from the actual scenario on the ground and raises questions regarding the reliability of inflation data.

Under the project titled, 'Enhancing the Participation of Community-based Organizations (CBOs) and Civil Society Organizations (CSOs) in Democratic Governance in Bangladesh', CPD and Oxfam in Bangladesh in association with the Citizen's Platform for SDGs, Bangladesh organised dialogues that scrutinised whether social protection and employment got adequate focus in the National Budget.

At a virtual national dialogue on 17 June 2021, CPD strongly recommended:

- There is an urgent need to enhance cash transfers to the marginalised and affected households in view of COVID-19.
- Initial budget allocation should not be a constraint to this end.
- Higher coverage and budgetary allocation are required for SSNPs in the form of cash transfer.
- Cash transfer should be seen as an effective tool for supporting the needy and triggering supply-side response in the economy.
- Higher consumption expenditure will also help to boost domestic demand and create opportunities for employment.
- Investment in labour-intensive rural road and infrastructure would be beneficial to stimulate the rural economy. Two programmes: funds to combat the outbreak of the corona pandemic (Tk. 7,300 crore) , and funds to deal with economic and natural shocks (Tk. 5,000 crore), at the margin, will determine the effectiveness of social protection budget.
- New poor/marginalised people should be prioritised to this end.
- There is a need for a transparent and clear reporting of stimulus packages for FY2021–22.
- The stimulus packages will need to be redesigned in view of the experience (lower access and availability as borne out by the survey conducted by CPD) of the past year.
- Extended credit support at subsidised interest rates is required for farmers and low-income people as high cost borrowing will likely put many marginalised households into the debt trap.
- More importance should be given to extending support through NGOs and microfinance institutions.
- There is a need to enhance coverage of credit guarantee scheme.



# COVID-19 Pandemic

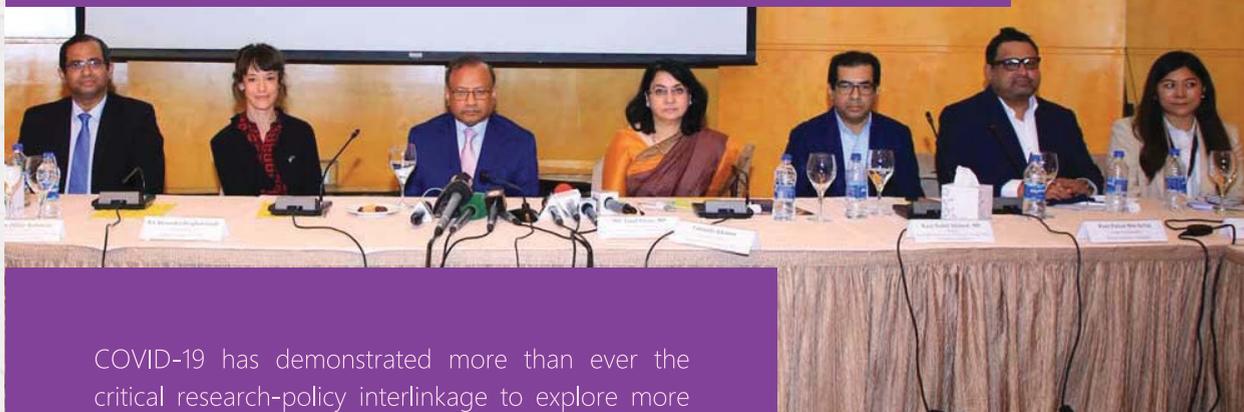


In order to mitigate the COVID-19 affected sectors and people, the government has announced a number of stimulus and relief packages. CPD continued its assessment of these support measures. Its work also focused on how these packages benefitted the small and medium enterprises (SMEs) and women-led enterprises. CPD researchers shared observation on health protocols, improving health management and limited economic activities during lockdown to tackle the second wave of the pandemic.

This pandemic has demonstrated more than ever the critical research-policy interlinkage to explore more evidence-based and target-oriented solutions with a view to ensuring sustainable recovery. Despite a large number of public policy responses and associated measures, there is a dearth of reflection of research-based evidence. Based on these findings, CPD arranged a policy workshop on 7 November 2021.

CPD's COVID-related work further delved into data-driven vaccination strategy.

## COVID-induced policy responses suffer from the lack of research-based evidences



COVID-19 has demonstrated more than ever the critical research-policy interlinkage to explore more evidence-based and target-oriented solutions with a view to ensuring sustainable recovery. In fact, during the pandemic, as many as 561 official orders have been released by the Government of Bangladesh of which 49 orders are related to small and medium enterprises (SMEs) and women-led enterprises. Despite the large number of public policy responses and associated measures, there is a dearth of reflection of research-based evidences. These observations were discussed at a policy workshop held on 7 November 2021. The policy workshop underscored the importance to examine the linkage between public policies and research during the pandemic and to define how the challenges of the marginalised businesses have been addressed.

**Despite the large number of public policy responses and associated measures, there is a dearth of reflection of research-based evidences.**

**- CPD (7 November 2021)**

Virtual Dialogue on

## DATA-DRIVEN POLICY MAKING DURING THE PANDEMIC TAKING THE EXPERIENCES FORWARD



**Chief Guest**  
Dr Shahnaz Arefin  
Secretary, SID  
Ministry of Planning



**Guest of Honour**  
H E Mr Nathalie Chuard  
Ambassador  
Embassy of Switzerland  
in Bangladesh



**Remarks by**  
Mr Mohammad Tajul Islam  
Director General  
Bangladesh Bureau of  
Statistics



**Chair**  
Dr Debapriya Bhattacharya  
Distinguished Fellow  
CPD



**Introductory Remarks**  
Dr Fahmida Khatun  
Executive Director  
CPD



**Special Commentator**  
Dr Morseda Chowdhury  
Director, JNRP  
BRAC



**Special Commentator**  
Dr Rumana Huque  
Professor  
Department of Economics, DU



**Special Commentator**  
Mr Anir Chowdhury  
Programme Advisor  
a2i Programme



**Keynote Presenter**  
Mr Muntazeer Kamal  
Senior Research  
Associate, CPD



**Special Commentator**  
Dr A M Zakir Hussain  
Working Group Member  
Bangladesh Health  
Watch (BHW)

## Political buy-in is essential for data development

The ongoing COVID-19 pandemic has given rise to a range of adverse socio-economic and health impacts. These fallouts have exponentially increased the demand for reliable data coming from healthcare professionals, policymakers, and the public at large. Indeed, data deficits are inhibiting the government from pursuing necessary and effective public policy actions, including vaccination drive, to combat the scourge. In this context, it is critically important to understand the process of generating basic statistics in view of COVID-19 in Bangladesh. It is also important to assess how far these statistics are translated into policy responses by the government and how data gaps have posed challenges in terms of policy actions by the government. At the same time, identifying the best practices from global and national experience would be most useful for replication and adaptation in future policymaking. Based on these observations, a virtual dialogue was organised on 25 November 2021.

**Data deficits are inhibiting the government from pursuing effective public policy actions.**

- CPD (25 November 2021)



## DATA-DRIVEN VACCINATION STRATEGY FOR A COVID-19 FREE WORLD



**Chair**  
**Dr Debapriya Bhattacharya**  
Chair, Southern Voice and Distinguished Fellow, Centre for Policy Dialogue (CPD)



**Panelist**  
**Anir Chowdhury**  
Policy Advisor, a2i Programme, ICT Division/Cabinet Division, Government of Bangladesh



**Panelist**  
**Dr Agnes Binagwaho**  
Vice Chancellor, University of Global Health Equity



**Panelist**  
**Natalia Aquilino**  
Incidence, Monitoring and Evaluation Program Director, CIPPEC



**Panelist**  
**Terry Parris Jr.**  
Engagement Director, THE CITY



**Panelist**  
**Towfiqul Islam Khan**  
Senior Research Fellow, Centre for Policy Dialogue (CPD)

Organised by



in association with



# HYBRID SESSION

- CPD's hybrid session titled 'Data-driven Vaccination Strategy for a COVID-19 Free World' at the United Nations World Data Forum (UNWDF) 2021

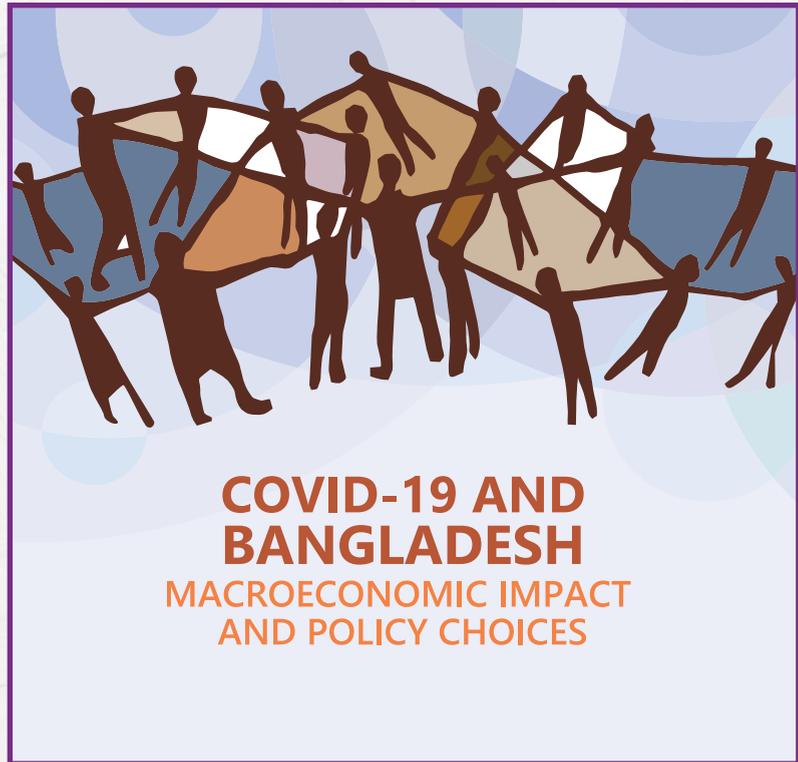


## Pandemic related data initiatives should lead to strengthening of public health system

CPD, in 2021, also looked into how effective relief supports and agricultural incentives were in response to COVID-19 and 'Amphan'

## How will we tackle the second wave of the pandemic?

In the context of the second wave of the pandemic, CPD organised a dialogue on 12 April 2021. This Dialogue highlights the recommendations to maintain health guidelines, improvement of health management and limited economic activities during lockdown. In dealing with the ongoing pandemic, maintaining proper hygiene, adequate social distancing, providing medical support and assistance have become a challenge. The second wave of COVID-19 hit Bangladesh. In this backdrop, the government is going to enforce a week-long hard lockdown across the country from the upcoming week. In the previous year 2020, government imposed a similar lockdown which had a long-term impact on economy, employment, education and other livelihood factors. We are still struggling to recover from the economic crisis that we already had. If the government imposes another lockdown, there will be a huge impact on health, economy, employment and challenges in other related sectors.



CPD recommended maintaining health guidelines, improvement of health management and limited economic activities during lockdown

A grayscale world map is centered on the Indian subcontinent. A red circular location pin is placed over India, with a thin red line extending from the center of the pin down to the map. The background of the map is a light gray dotted pattern.

**LDC Graduation**

One of the key research areas of CPD is Bangladesh's graduation from the LDC status. Currently, Bangladesh is at a critical juncture where the impacts of COVID-19 have multiple implications for the LDC graduation of Bangladesh. Across the year, CPD has remained vocal about various implications in the context of Bangladesh's LDC graduation. In line with this objective, CPD arranged several dialogues and published a working paper on LDC Graduation.

## Pursuing LDC proposal for preference extension is important but so is doing the homework

CPD made recommendations for Bangladesh to move out of the LDC group in a smooth and sustainable manner. Ahead of the 12th WTO Ministerial Conference (MC12), CPD pointed out at a virtual dialogue, on 18 November 2021, that pursuing the LDC proposal for preference extension is important but so is doing the homework.

CPD-FES Virtual Dialogue on  
**Upcoming MC12**  
**Bangladesh's Expectations and Possible Stance**

				
<b>Chair</b> Professor Rehman Sobhan Chairman, Centre for Policy Dialogue (CPD)	<b>Chief Guest</b> Tipu Munshi, MP Hon'ble Minister Ministry of Commerce, GoB	<b>Special Guest</b> Faruque Hassan President, BGMEA and Managing Director, Giant Group	<b>Moderator</b> Syed Manzur Elahi Treasurer, CPD Board of Trustees and Chairman, Apex Group	<b>Discussant</b> Md. Hafizur Rahman Director General WTO Cell, Ministry of Commerce, GoB
				
<b>Discussant</b> Dr. Nazneen Ahmed Country Economist United Nations Development Programme (UNDP), Bangladesh	<b>Discussant</b> Dr. Mostafa Abid Khan Ex-Member, Bangladesh Trade and Tariff Commission	<b>Keynote presentation</b> Professor Mustafizur Rahman Distinguished Fellow Centre for Policy Dialogue (CPD)	<b>Welcome remarks</b> Shadhan Kumar Das Programme Co-ordinator Friedrich-Ebert-Stiftung (FES)	<b>Welcome remarks</b> Dr. Khondaker Golam Moazzem Research Director Centre for Policy Dialogue (CPD)

"Trade negotiation and strategies should be approached not just in consideration of the graduation but also in consideration of the changing world order."

- Professor Rehman Sobhan



"There is a need for continued trade negotiation and domestic capacity building in view of the LDC graduation."

- Mr Faruque Hassan, President, BGMEA



Bangladesh will graduate from the least developed country (LDC) category by 2026. This will bring both opportunities and challenges. Therefore, Bangladesh will need to graduate with momentum and with sustainability, and this requires a whole society and whole of country approach involving government, business and entrepreneurs, non-state actors and effective institutions and good governance. Graduation from LDC to non-LDC developing country will open up new opportunities such as—global branding and image; perception about capacities and risks; credit rating (sovereign bond, private Sector raising capital in foreign markets); and attracting investment by taking advantage of new branding and positive perception. However, there are many challenges associated with the graduation. These observations emerged at the CPD’s virtual dialogue held on 4 March 2021.



**MD SHAHRIAR ALAM, MP**

“LDC graduation will help Bangladesh create a better image globally which will attract more foreign investors to invest in Bangladesh.”



**PROFESSOR REHMAN SOBHAN**

“Focus should be on preparing for new challenges in the global competitive market for the export-oriented products of Bangladesh.”



**KAZI NABIL AHMED, MP**

“Bangladesh needs to convert this window of challenges to the window of opportunity.”



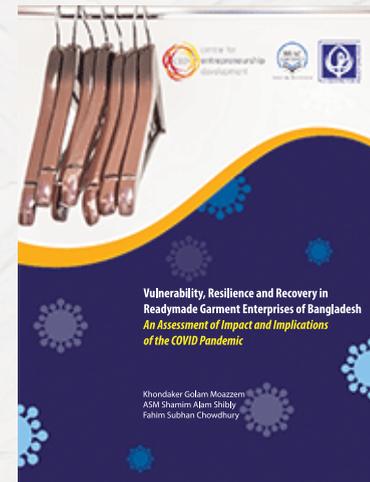
# Readymade Garments (RMG)

# VULNERABILITY, RESILIENCE AND RECOVERY OF THE RMG SECTOR IN VIEW OF COVID-19

The vulnerability, resilience and recovery in the readymade garments (RMG) sector in view of the COVID-19 pandemic has been examined by CPD. Preferential market access debate in light of EU's EBA & Prospect of GSP+ for Bangladesh, corporate accountability of the RMG sector, challenges in ensuring workers' well-being and industrial safety of the RMG sector during the post-Accord-Alliance were some of the issues highlighted by CPD.

**Rebuilding the partnership between brands, suppliers, governments and international organisations key to recovery of the apparel value chain.**  
- CPD, 20 April 2021

The export-oriented apparels sector of Bangladesh has been struggling to recover from the COVID-19 related challenges. CPD has conducted a study in this context. CPD suggests that it is important to appreciate how much capacity of resilience and recovery has been gained by the RMG enterprises. Such an under-testing will help understand the possible future path of recovery of these enterprises. CPD study also aims to identify challenges of the RMG enterprises in terms of resilience and recovery from their existing state of vulnerabilities. The study has estimated the level of resilience of recovery during the COVID period compared to that in the post-covid period. Based on the analysis, the study has put forward a set of recommendations with regard to policy and operational issues.



# SPECIAL REPORTS



Weaknesses of small factories challenged the post-COVID recovery of the RMG sector

## Continued Reforms of Labour Laws and Rights Essential on the Way to Graduation from the LDC Group

CPD study reviews the shortcomings in the legislation, in the monitoring and application of the relevant standards in Bangladesh, and it puts forward suggestions for fulfilling all the requirements of GSP+ related to labour standards in a time-bound manner.

# CPD's

recommendations in  
view of labour and  
working environment

- Labour and working environment in RMG should adhere to the United Nations Guiding Principles (UNGPs)
- Strengthening institutional capacities and better coordination crucial for industrial safety in the RMG sector
- Corporate accountability practices in the RMG sector could ensure workers' well-being during the COVID pandemic period

RMG SECTOR DURING COVID PANDEMIC

## CORPORATE ACCOUNTABILITY ON LABOUR AND HUMAN RIGHTS

CASE OF FINANCIAL STIMULUS  
PACKAGE FUNDS

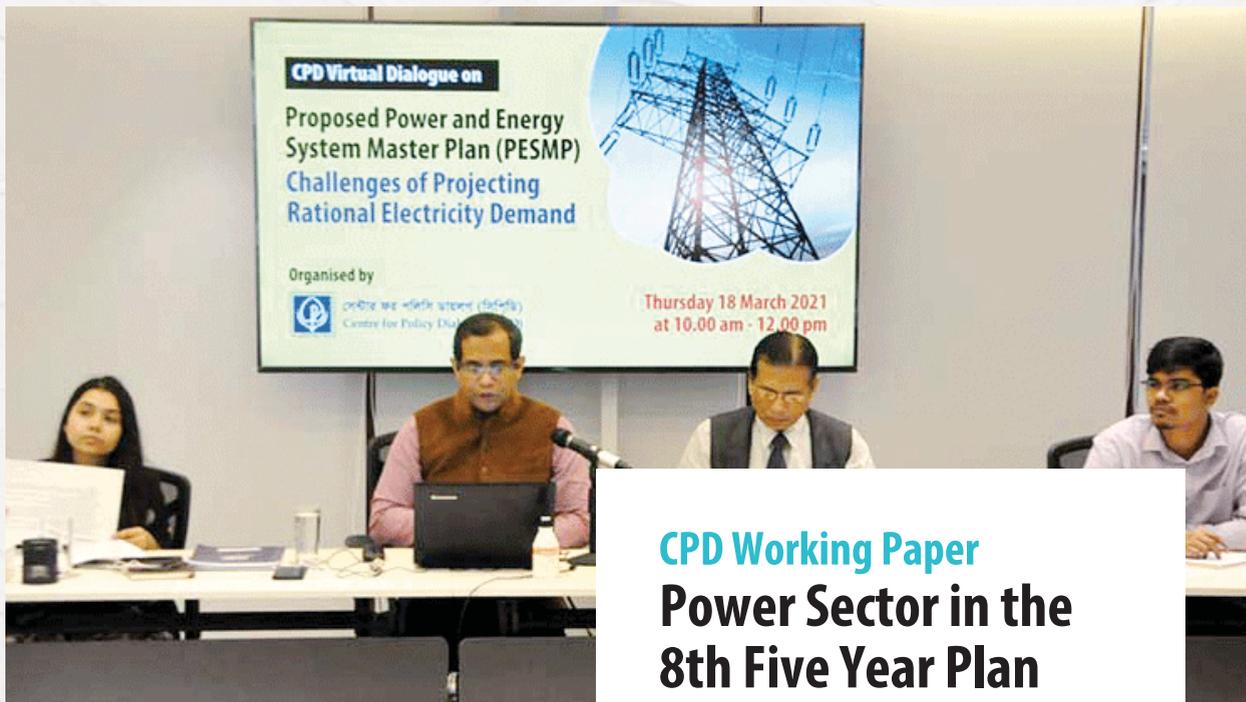


# Power and Energy

# Budget allocation for renewable energy-related projects should further be enhanced

CPD stressed on appropriate use of national capacities and resources in designing of the Proposed Power and Energy System Master Plan (PESMP). The success of the power sector depends on efficiency, better pricing, low carbon power generation, and improvement of transmission and distribution. CPD study shows that the sector continued to rely on fossil-fuel based power generation and related transmission and distribution.

The national budget for FY2022 has special importance from the power sector in the context of changing national and global perspectives with regard to addressing climate vulnerability particularly through clean energy and green growth. Unfortunately, the proposed budget for the power sector has little reflections of that perspective.



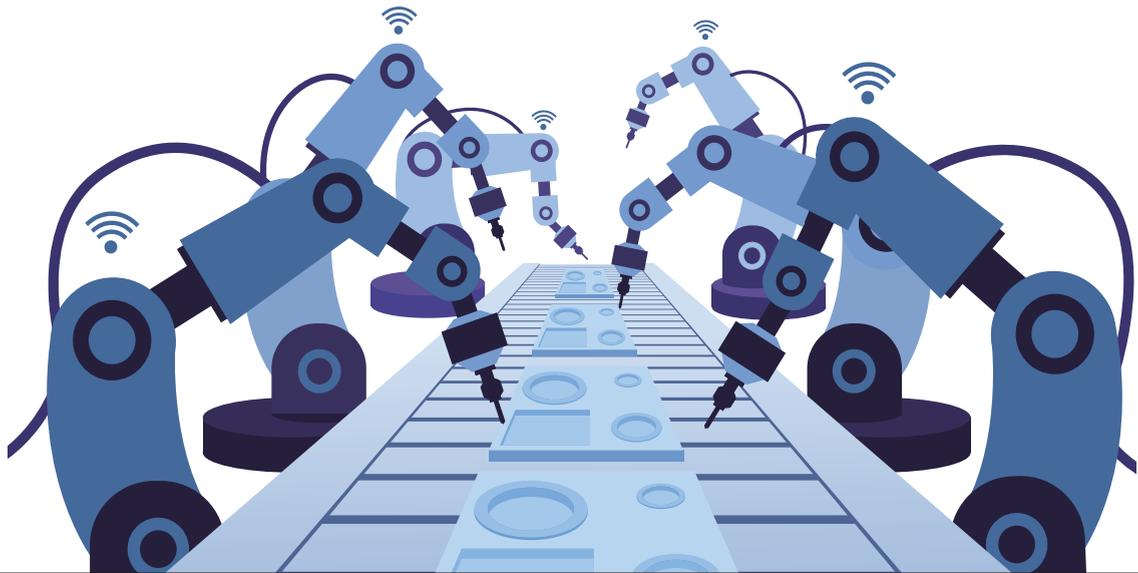
**CPD also called for appropriate use of national capacities and resources in designing of the Proposed Power and Energy System Master Plan (PESMP)**

## **CPD Working Paper Power Sector in the 8th Five Year Plan**

*Reflection on Its Strategy and Initiatives*

In the backdrop of the 8th Five Year Plan (8FYP), the study suggests to focus on undertaking proper measures such as: demand rationalisation and demand-side management; enhancing efficiency of power plants, cost reduction; abandoning coal-fired power plants; abandoning old, expensive fuel-based and quick rental and rental power plants; and gradual shifting towards cleaner energy-mix by enhancing use of non-conventional renewable energy mix for power generation.

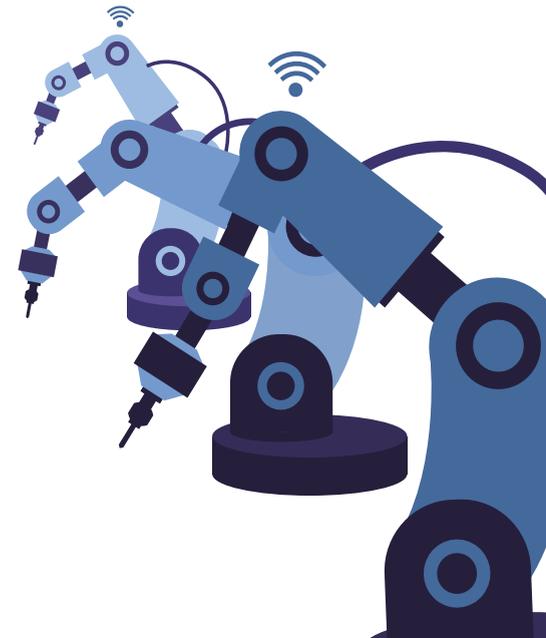
# Fourth Industrial Revolution and Future of Work



# Appropriate skill set and availability of data will be key to reaping the benefits of 4IR

The Fourth Industrial Revolution (4IR) has touched almost all aspects of human life. With the rapid evolution of emerging technologies, such as artificial intelligence, robotics, internet-of-things, and blockchain, it is pertinent to study its impact on a developing economy like Bangladesh. This is expected to have an impact on the way people live, the way people work, the way people receive services and the way people think. While there is optimism about the 4IR as to how it will change the future of work (FoW), there are also apprehensions regarding the impact of the 4IR on the FoW.

As a matter of fact, how the FoW will be shaped due to the 4IR will depend on the preparedness of countries in terms of educating and skilling its human resources and providing access to technologies. Moreover, development challenges in an emerging economy like Bangladesh can be tackled to a large extent by making a transition from a factor-driven to a productivity-driven economy and also by using technology in many sectors. Indeed, this transition can also create opportunities for these countries to improve their efficiency and productivity. In this context, CPD has undertaken four studies under the research programme “The Future of Work in Bangladesh”. They cover the following issues: digital platform economy; digital trade in services; artificial intelligence in IT service sector; and transforming Bangladesh's health sector in 4IR.





## Digital Trade in Services

How Can Bangladesh Seize Opportunities?

## Transforming Bangladesh's Health Sector in the Fourth Industrial Revolution

Fahmida Khatun and Syed Yusuf Saadat  
November 2021



## Digital Platform

Economy in Bangladesh  
Opportunities and Challenges

While there is optimism about the 4IR as to how it will change the future of work (FoW), there are also apprehensions regarding the impact of the 4IR on the FoW.

Potentials of digital trade in services should be increased through better accessibility, affordability and application of technology.

Infrastructure and regulatory environment must catch up with the expanding needs of digital platform economy in Bangladesh.

## Seven recommendations by CPD to overcome challenges in E-commerce sector

1. Existing law and regulations should be amended and those should be implemented properly for taking actions on the fraudulent e-commerce organisations.
2. Institutional capacity of the relevant organisations and departments such as the Ministry of Commerce, Bangladesh Bank, Directorate of National Consumers' Right Protection, Financial Intelligence Unit, and Competition Commission should be enhanced through sufficient and skilled human resource and adoption of technology.
3. Coordination among the various institutions including the Ministry of Commerce, Bangladesh Bank, law enforcing bodies and other relevant organisations should be increased and the role of these bodies needs to be clearly defined.
4. Financial intelligence should collect regular data on E-commerce and share those with relevant bodies and also with public on a regular basis to increase accountability of these businesses and make customers aware of the activities of E-commerce businesses.
5. Awareness among the e-commerce customers should be increased so that they behave responsibly and do not fall prey to such traps of dishonest e-commerce organisations.
6. Private associations like e-Commerce Association of Bangladesh (e-CAB) have a role to collect information of new businesses before registering, assess their sustainability and allow membership of the businesses by monitoring the operations of these businesses.
7. Government should solve the problem but through the legal framework of the Company Act and not by investing public money on these fraudulent companies.

# Labour and Employment

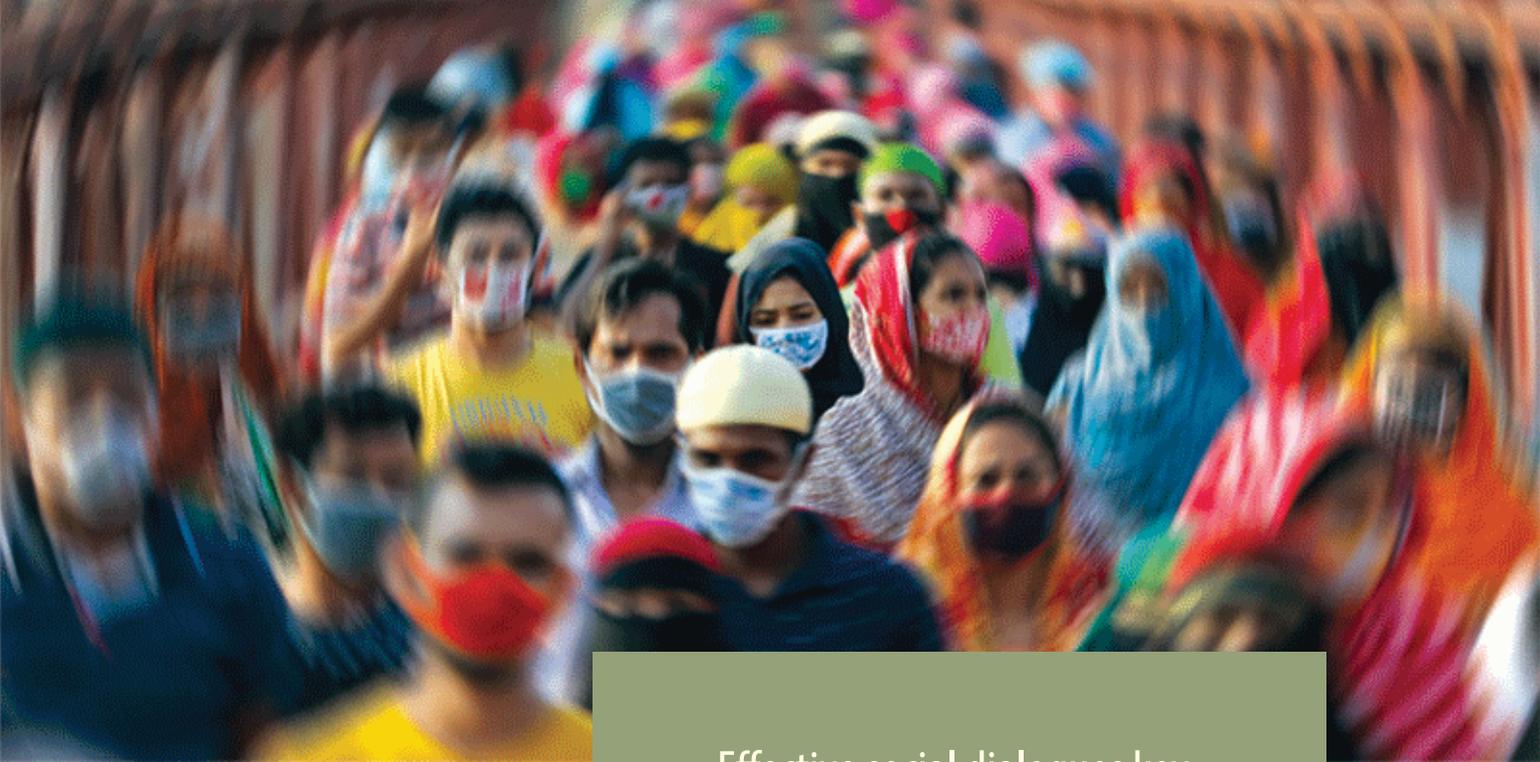


## Youth need appropriate skills to be employed in the labour market

CPD has surveyed 100 non-government employers engaged in various sectors of the economy, to understand what kind of skills they are looking for in job applicants. Based on the feedback received from the employers, CPD has developed a skills assessment test to evaluate the skills of 500 university students and recent graduates.

The findings of the survey of employers showed that most employers preferred soft skills over hard skills. He added that, within soft skills, most employers placed the highest importance on communication skills, followed by time management skills and problem-solving skills. Findings from the online skills assessment of university students and recent graduates showed that the lowest average scores were obtained in communication and English language skills and numeracy and mathematical skills. CPD recommended that it is a need of the hour to maximise benefits through engaging the youth in productive activities. Sustained increase in private investment is crucial in this regard.

CPD continued to work on skills gap that concerns youth employment in Bangladesh. This year's work included assessment of the impact of the COVID-19 pandemic on income and employment opportunities of the labour force. Studies in this sector also looked into recovery of the labour market from the pandemic and the role of the private sector and trade unions in the process.

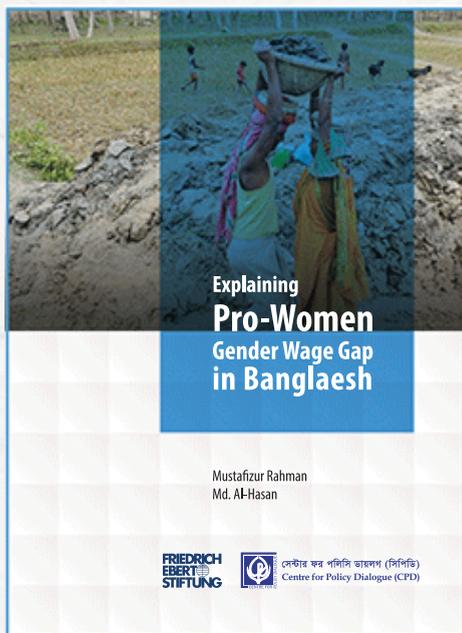


Re-employment  
not ensuring  
income recovery

Medium-term  
strategy for  
inclusive  
recovery  
urged

Effective social dialogues key  
to recovery of labour market  
during COVID-19

Trade union policy strategy  
should focus on the world of  
work, particularly highlighting  
the workers of those who are  
organised and unorganised

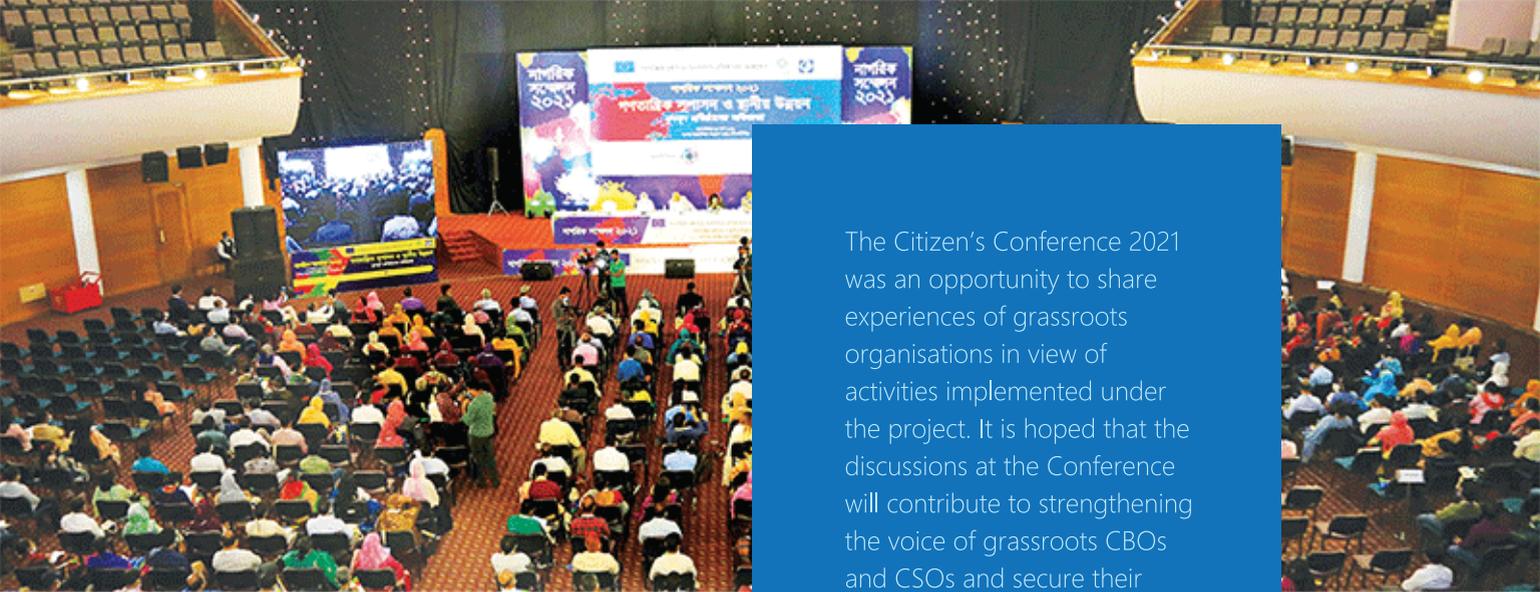


Gender wage gap in the labour market is a widely discussed issue in relevant discourse and literature. Societal attitude, occupational segregation, vertical segregation, barriers to entry and retention, and discriminatory practices at workplace are often cited as factors contributing to women getting lower wages compared to men. However, the ILO publication titled “Global Wage Report 2018/19: What lies behind gender pay gaps” singles out Bangladesh as an outlier where women’s average wages, both raw and factor-adjusted, were found to be higher than those of men. These counter-intuitive findings have raised a lot of interest and queries as regards the underlying causes leading to these results. The present study undertakes a thorough investigation of the methodology deployed by the ILO study and critically examines the factors contributing to the reverse gender gap as found in the case of Bangladesh. Using alternative methods and tools of analysis, the study finds, contrary to the ILO findings, that in terms of raw (non-adjusted) as also factor-adjusted wages, women in Bangladesh, on average, earn less than those of men.

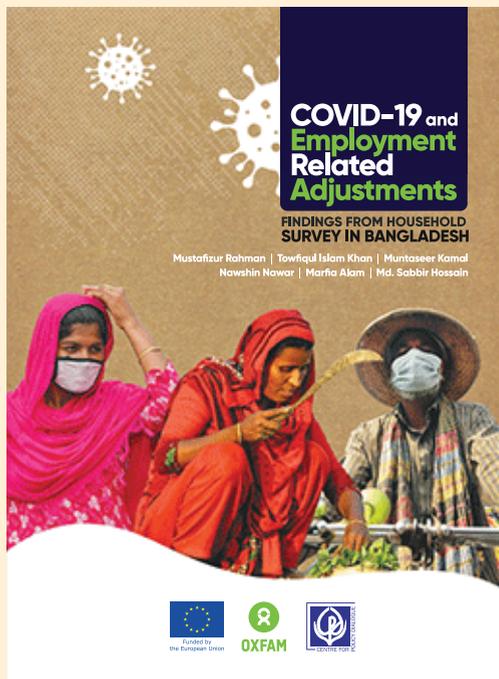
The study argues that, while for the same type and level of job gender-based wage discrimination is not found to be significant, there does exist a glass ceiling in the Bangladesh labour market resulting in lower share of women in higher paying jobs. The study offers suggestions to improve methods of gender wage gap estimation, and recommends policy initiatives towards greater participation of women in the Bangladesh labour force and for creating better opportunities for women in higher paying jobs in the Bangladesh labour market.

# Localising SDGs





The Citizen's Conference 2021 was an opportunity to share experiences of grassroots organisations in view of activities implemented under the project. It is hoped that the discussions at the Conference will contribute to strengthening the voice of grassroots CBOs and CSOs and secure their interest in the design and implementation of the 2030 Agenda at the local level.



## Participation of grassroots people critical to ensure democratic governance

CPD has long been highlighting on the importance of improved cooperation between the government and non-government initiatives for the implementation of the Sustainable Development Goals (SDGs). CPD continued its work on the SDGs and identifying the role of grassroots-level organisations in ensuring governance and development.

Due to COVID-19, Bangladesh has experienced frequent stoppages and slowdown of economic activities with consequent heightened risks for lives and livelihoods. The adverse impacts of the pandemic will no doubt make the work on attaining the sustainable development goals (SDGs) in Bangladesh, a challenge even under normal circumstances, more challenging.

CPD conducted study to assess pandemic-induced employment impacts at household level to have a deeper understanding of their implications in attaining SDG 8 in Bangladesh.

**Awareness building and free flow of information among CBOs are contributing to reduced child marriage and violence against women**

- ! CBO and youth monthly meetings are making guardians and parents more aware of education and child protection policies and contributing to increased school participation of their children. They are also contributing to a reduction in violence against women and children in Pirojpur.
- ! Discussion in the district network meetings on **child protection policy** is making members more aware about the bad impacts of child marriage. For example, they were able to stop one child marriage in Sirajganj.
- ! **Messenger group and hotline numbers** have been introduced to exchange information between district network members. This helped stop one child marriage in ward 7 of Barguna municipality.
- ! As a result of the District Network Committee stopping two child marriages in Sandwip upazila and **bringing the prospective bride and groom under the purview of the law**, child marriages are not taking place in Sandwip upazila as like previous times. People are now more aware about the bad impacts and legal provisions of child marriage.

**Awareness building on SDGs and associated policies contributing to greater access to public services among CBOs**

As a result of workshops with local administrations, public hearings and media briefings with concerned local administrations and local governments, and regular discussions on SDGs in CBOs -- all held in the working area during 2018-19, 25 CBOs participating in the programme could memorise and **speak about 6 out of 17 goals fluently**. Thanks to this, the CBO leaders are now more keen to contribute to SDG implementation in concrete ways. They are in regular contact with the concerned government offices, especially the agriculture office, livestock office, youth development office, women's affairs office, social service office and union parishad in general, and are **able to get more access to services earmarked for them** in Swandip, Chattogram.

For more information, please visit: [www.localizingsdg.cpd.org.bd](http://www.localizingsdg.cpd.org.bd)

Enhancing the Participation of Community-based Organizations (CBOs) and Civil Society Organisations (CSOs) in Democratic Governance in Bangladesh

OXFAM

Merris 2021

Securing social and economic rights of vulnerable and marginalised groups demands both targeted policy supports and concrete actions on the part of all involved actors.



Funded by  
the European Union



OXFAM



CENTRE FOR  
POLICY DIALOGUE

## GO-GO AND GO-NGO COORDINATION FOR BETTER DEVELOPMENT OUTCOMES

An assessment of the effectiveness is also important to draw insights and lessons to raise the quality-of-service delivery in the future.

Social protection and social safety net programmes (SSNPs) are critically important enablers to attain the SDGs at the country level.

*The CPD study aims to contribute to the design of the proposed scheme by the government by coming up with a framework for the proposed UPS, financing modalities and regulatory–institutional architecture to facilitate operationalisation of the proposed UPS.*



## Citizen's Platform for SDGs, Bangladesh

এসডিজি বাস্তবায়নে নাগরিক প্ল্যাটফর্ম, বাংলাদেশ

Centre for Policy Dialogue (CPD) is hosting the country's largest network of non-state actors, Citizen's Platform for SDGs, Bangladesh. Citizen's Platform was formed in June 2016 as an organised citizen's initiative by a group of eminent individuals of the country. The Platform has now emerged as the largest forum with unique blend of non-government organisations (NGOs), CSOs and private sector associations in Bangladesh, which is working on knowledge generation, monitoring and advocacy on development policies of the country, in view of delivering SDGs by 2030. The Platform currently has 122 Partner Organisations.

In 2021, the Platform invested significantly in exploring the implications of the COVID-19 pandemic for the disadvantaged citizens and communities of the country and articulating the policy challenges to uphold the interests of the left-behind citizens and communities. Thus, the year was marked by the Platform's wide-ranging activities insightfully discussing the implications of COVID-19 at the grassroots level, on the SDGs, and the pathways towards an inclusive recovery and resilience. Besides, during this year, the Platform concentrated more on the youth community with special emphasis on the various features of youth disengagement. The activities during this period may be considered under the following three streams: (1) Research and analysis [preparing evidence-based and policy-oriented knowledge products engaging a wide range of non-state actors]; (2) Communication and networking activities [national-level dialogues, FGDs and workshops, online meetings with relevant stakeholders and social media activities]; (3) Publications and documentation [briefing notes and working papers].



## Citizen's Platform at a Glance in 2021

**Dialogues:** Thirteen (13) dialogues were held with a focus on COVID impact on the areas of health and education, migrants, youth, transgender, senior citizens, informal sector workers, and small and medium entrepreneurs, SDG at local level etc.

**Media briefing:** To project the concerns of these disadvantaged people at the national level, the Platform organized three sessions with media dedicated to the design and delivery of the national budget.

**Protest meeting:** In response to the recent communal violence in October, the Platform promptly organised a 'নাগরিক প্রতিবাদ সভা', where eminent representatives from civil society, social and cultural activists and victims were present.

**Participation:** Around 800+ participants and around 200+ people from grassroots level were connected directly in these dialogues. All these dialogues were live-streamed on the Platform's Facebook page and viewed by 35,661.

The Platform included the transgender community, senior citizen's, children and urban floating population from and outside Dhaka covering 15 districts through four FGDs on the impact of COVID-19 and coping mechanisms.

## Surveys

The Platform conducted a survey of about 1,600 LNOB households across Bangladesh, covering ten marginalised groups, where information was collected through face-to-face interviews. It covered eight divisions that included 58.8 per cent rural area and 41.2 per cent urban periphery. The Platform also conducted a survey on "Dealing with the aftermath of COVID-19: Adjustments and Adaptation Efforts of the Apparel" that covered 500 RMG workers' households in four districts.

## Media Engagements

The Platform is also quite successful in pursuing the media to capture greater prominence on LNOB issues. There were around 450+ media coverages of these events.

## Publications

Four Working Papers on i) a set of analytical questions to construct the framework to assess the impact of the COVID-19 pandemic on vulnerable population groups in a developing country context; ii) identifying the challenges faced by the youth during the pandemic; iii) the impact and experiences of the LNOB and PNOB communities during the pandemic and iv) improving our understanding of the "disengaged" section of the youth of the country. Three more are in pipeline. The Platform has bought out 24 Briefing Notes to date, which are one of the major advocacy tools for the network. These briefing notes have been prepared based on the discussions and recommendations at the recent virtual dialogues organised by the Citizen's Platform. An edited volume in Bangla is being prepared based on these Briefing Notes.

## COVID Conference

At the end of the year, the Platform organised a national level research conference on "Bangladesh Emerging from the Pandemic: Coping Experiences and Policy Choices" on 12-13 December 2021 (in-person). At the conference, some of the scholarly works of the Platform were presented for dissemination and validation. These works are now to be published by an international publisher as an edited volume.

## Social Media

Total 200+ posts on Facebook and 21 short AVs posted throughout the year.



# Climate Change



## Commercial viability and non-bureaucratic regulatory framework are imperative for the blended finance mechanism for green economic growth in Bangladesh

In recent periods, Bangladesh is experiencing alarmingly high internal migration from villages to urban slums in big cities. This is triggered by natural disasters and climate change—a major and multidimensional development challenge for Bangladesh. These climate migrants will have to be provided with income opportunities in various innovative ways so that they can find their livelihood opportunities in their own areas. Access to SME finance for green projects in disaster-prone areas could be a way to address this. However, to have a positive and multifaceted development impact, the scalability and commercial viability of such finance will be crucial. This will also help mobilise blended finance from various sources. Blended finance mechanism can attract investors and donors with an expected outcome of decreasing internal migration to big cities by generating employment and ensuring livelihood security in disaster-prone areas.

These issues emerged from a study undertaken by CPD on a blended finance framework for Bangladesh. A dialogue was held based on this study on 30 September 2021.



## Collective responsibility is crucial for the implementation of COP26 outcomes

CPD and International Centre for Climate Change and Development (ICCCAD) jointly organised a dialogue prior to the 26th Conference of Parties (COP26) of the United Nations Framework Convention on Climate Change (UNFCCC). The study pointed out that the least developed countries (LDCs) are the worst victims of climate change vulnerability. Moreover, the ongoing pandemic has put enormous pressure on climate vulnerable countries. In Bangladesh, annual average temperatures increased by 0.64 per cent in 2018, which was 10.20 times faster than the annual average temperature increase of 0.06 per cent in 1961. Due to floods, Bangladesh is expected to incur losses equivalent to 1.5 per cent of gross domestic product (GDP).

In view of the critical consequences, Bangladesh has active interest in the outcome of COP26. Five specific agendas are critically important for Bangladesh. These are—first, ensuring the commitments of major carbon emitting countries to limit carbon emission; second, scaling up climate fund urgently to support climate vulnerable countries; third, ensuring the bigger share of climate fund towards adaptation; fourth, finalising the Paris Rulebook to ensure the accountability; and fifth, establishing the mechanism for loss and damage. The upcoming climate summit is going to be a defining moment for the world leaders. How they are going to implement the commitments of the Paris climate agreement are to be seen following the COP26.



## Establishing a Blended Finance Mechanism Involving Climate Funds in Bangladesh: Opportunities and Challenges

This publication is based on a scoping study which was conducted by the Centre for Policy Dialogue (CPD) as part of the Climate-Induced Migration (CIM) Issue Based Project (IBP) of the Promoting Knowledge for Accountable Systems (PROKAS) Programme which is funded by the Foreign, Commonwealth and Development Office of the United Kingdom and implemented by the British Council in association with Palladium. The objectives of this study are to identify the opportunities and challenges of the blended finance mechanism involving climate funds and to recommend a generic blended finance framework with suggested key activities at different stages.

# Women Empowerment



# Policy Brief

September 2021




সেন্টার ফর পলিসি ডায়ালগ (সিপিডি)  
Centre for Policy Dialogue (CPD)

## Building Resilience of Women During COVID-19

**Highlights**

- ▶ COVID-19 liquidity support and fiscal stimulus packages were not designed keeping women in mind, and hence could not meet women's special needs during the pandemic
- ▶ Most women are unaware of the government's COVID-19 liquidity support and fiscal stimulus packages
- ▶ Many women felt that the application process was complex and were apprehensive that they would not be able to repay their loans
- ▶ Women need cash handouts more than loans and so fiscal measures would be more effective in easing the burden of the pandemic on women than monetary measures

**1. INTRODUCTION**

While all sectors of the economy and all human beings are being affected due to the unprecedented impact of COVID-19, women, especially the poor and low-income earners are the worst hit. Self-employed women, who are owners of cottage, micro, small and medium enterprises (MSMEs), have been affected due to shocks in domestic supply chains as well as in global value chains. The impact ranged from loss of employment and earnings and depletion of savings, to consequent reduction of household expenditures and scaled-down business operation. These enterprises do not have the capacity to cope with such risks.

COVID-19 has not only shattered the economy, but has started to reverse some of the social achievements including gender empowerment taken place during the last few decades. This may hamper the attainment of the Sustainable Development Goals (SDGs) to be achieved by 2030. Women and girls are being disproportionately affected by the COVID-19 pandemic due to a surge in domestic violence, additional care work owing to the closure of schools and day-care centres and exposure on the front lines in fighting the virus. Lockdowns imposed to curtail the spread of COVID-19 have compelled many women to remain in close proximity with their partners for prolonged periods, which has often made them victims of domestic violence. In South Asia, 37 per cent of women reported suffering from domestic violence, and in Bangladesh, 49 per cent of women and girls reported feeling safety and security risks since the imposition of lockdowns and general holidays (UNESCAP 2020). In a survey conducted in 17 countries, it was found that women continued to do the majority of unpaid household work during the pandemic, even though men spent more time at home due to lockdowns (UN, 2020). In Bangladesh, 55 per cent of women and 44 per cent men reported an increase in the time spent to do unpaid domestic work while 58 per cent of women and 56 per cent of men reported an increase in the time spent to do unpaid care work since the start of the pandemic (UN Women, 2020a). Worldwide, women consist of 70 per cent of the total number of healthcare workers which means that they are at a higher risk of getting exposed to COVID-19 (UN Women, 2020b).

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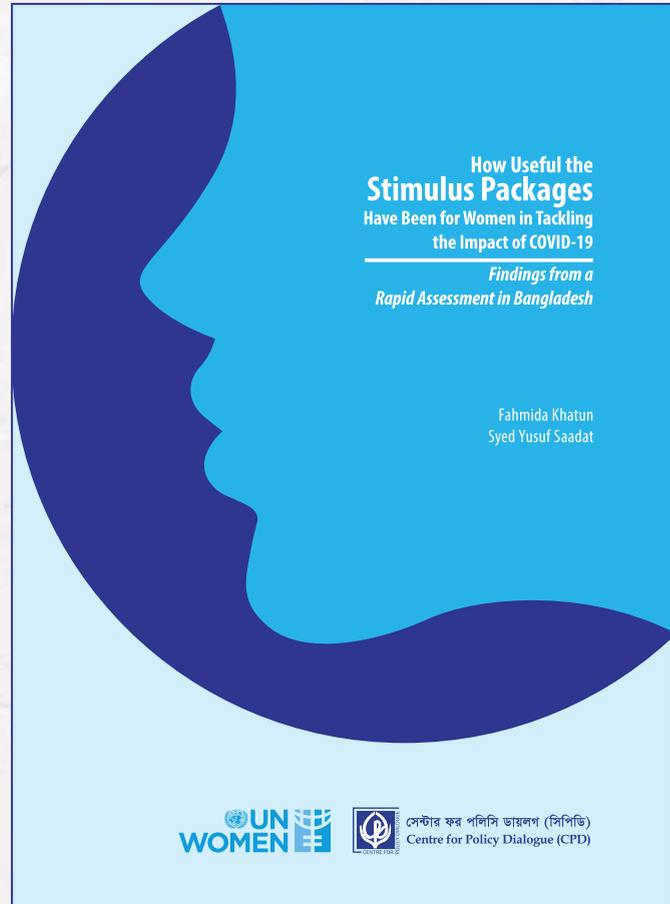
# Building Resilience of Women during COVID-19

CPD has also worked on how the government's socio-economic recovery measures from COVID-19 have benefitted women. In this respect, CPD highlighted the need for designing stimulus packages through a gender lens.

A research study by CPD has examined the adequacy of stimulus packages and challenges in accessing the stimulus packages by women.

## Special Report: How Useful the Stimulus Packages Have Been for Women in Tackling the Impact of COVID-19

This study assesses the impact of COVID-19 on women and girls in Bangladesh and evaluates whether the Bangladesh government's measures to respond to the crisis have been gender-sensitive. A number of underlying factors which hinder women from reaping the benefits of the government's COVID-19 support were uncovered, and a set of concrete policies have been recommended to ensure that the government's COVID-19 response is impactful, inclusive, transparent and accountable.



**50 Years of Bangladesh**



# YEARS OF BANGLADESH RETROSPECT & PROSPECT

A FOUR DAY VIRTUAL INTERNATIONAL CONFERENCE

To celebrate the golden jubilee of the independence of Bangladesh, the Centre for Policy Dialogue (CPD) organised a virtual international conference, in collaboration with the South Asia Program of Cornell University, which explored the country's developments in different sectors—politics, economy, society and culture.

However, the story of Bangladesh's progress is generally being told from a quantitative perspective, for example, the upward or downward trends in life expectancy, mortality, fertility, school enrolment, labour force participation, poverty reduction, export earnings, foreign exchange reserve, GDP, etc. The numbers do indicate significant gains in social and economic development, but they do not adequately capture the depth of the changes that have taken place in peoples' lives in the economy, politics, society and culture of Bangladesh.

The conference organised by CPD aimed to deepen the understanding of Bangladesh's multifaceted development over the last fifty years. The event drew upon specially commissioned papers, covering a broad spectrum of issues addressing the qualitative dimensions of development and change as well as exploring the processes which have produced these changes. The papers and discussions of the conference will be published by a reputed publisher.

A total of eight (8) sessions were held during 6-9 December 2021. The conference was attended virtually by over a thousand of participants. The sessions included: State, Society, Politics; Bangladesh's Economic Transformation; Towards a Just Society; Social Transitions; Culture; Costs and Challenges of Development; and Bangladesh in a Changing World Order. A total of 19 papers were presented at the conference.



# 50 YEARS OF BANGLADESH RETROSPECT & PROSPECT

A FOUR DAY VIRTUAL INTERNATIONAL CONFERENCE

## State, Society, Politics

- Paper 1 Evolution of State-Society Relations in Bangladesh: An Analytical Narrative
- Paper 2 Islamist Politics in Bangladesh: The Nature, Scope and the Pathway
- Paper 3 State-making, Violence, and Political Muscle: Bangladesh as Polycratic State

## Bangladesh's Economic Transformation

- Paper 1 Bangladesh Transitioning to a Sustainable Post-Graduation Future
- Paper 2 Synergies and Tipping Points: Policy Actions, Market Responses and Economic Growth in Bangladesh
- Paper 3 Institutional Challenges

## Towards a Just Society

- Paper 1 Poverty Trends and Dynamics
- Paper 2 Responding to the Challenges of Inequality
- Paper 3 Towards a Just Governance

## Social Transitions

- Paper 1 Human Development and Social Change
- Paper 2 Gender Equality and Women's Empowerment
- Paper 3 Civic Activism: CSO/CBO/NGO

## Culture

- Paper 1 Shahbagh, Shapla Chottor and Bangladesh's Meandering, Contending Mindscapes
- Paper 2 The Changing Faces of Culture: Notes from a Time of Crisis
- Paper 3 Changes in the Architectural, Urban and Settlement Landscapes of Bangladesh
- Paper 4 Contemporary Art Movements in Bangladesh: The Rise and Crossover

## Costs and Challenges of Development

- Paper 1 Bangladesh Environment since Independence: Internal Dynamics and External Changes
- Paper 2 Fifty Years of Development Experience of Bangladesh: An Employment and Labour Perspective
- Paper 3 Responding to Changing Geo-politics

# Outreach



**PROFESSOR REHMAN SOBHAN**

Chairman, CPD

Bangladesh has witnessed remarkable changes, but the negative aspects of the entrepreneurial revolution have also been manifested in growing economic inequality widening social disparities and political exclusion."



**PROFESSOR ROUNAQ JAHAN**

Distinguished Fellow, CPD

"We want to tell the story of Bangladesh not simply through presentations of quantitative data though data is important, but it should be supplemented with critical analysis of processes, actors and actions which have resulted in the changes in quantitative numbers."



**PROFESSOR IFTIKHAR DADI**

Director, South Asia Program, Cornell University

"It's a great pleasure to be associated with this conference, and I will look forward to learning more about the achievements of Bangladesh."

Total registration: 3193  
Total attendee: 1058  
News coverages: 70  
Facebook views: 8940  
Youtube views: 9445

Details at:

[www.bd50.cpd.org.bd](http://www.bd50.cpd.org.bd)

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**SOUTH ASIA  
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## Bangladesh-India Partnership Towards a Journey in the Next 50 Years

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সেন্টার ফর পলিসি ডায়ালগ (সিপিডি)  
Centre for Policy Dialogue (CPD)



IN COLLABORATION WITH

RIS  
Research and Information System  
for Developing Countries

Wednesday, December 2021, Westin Dhaka

## 50 Years of Bangladesh-India Partnership: Towards a Journey in the Next 50 Years

Since its liberation war, India has been acknowledged as Bangladesh's trusted friend, and Bangladesh turning 50 also marks the 50th year of Bangladesh-India friendship. This relationship, in retrospect, covers a wide range of aspects including trade, investment, geopolitics, education, culture, health, energy, and so forth. This partnership is particularly important for Bangladesh from two interconnected viewpoints—firstly, harnessing advantages of closer bilateral cooperation, and secondly, leveraging this cooperation to strengthen regional as well as global integration of the economy. However, as the future unfolds, it is important for us to understand the embedded challenges and to address various emerging issues through concrete actions by both countries considering the evolving scenario. Hence, with a view to strengthening the relationship and upholding the sentiment, Bangladesh needs to reimagine its policy options, and India can extend its utmost support in this regard.

To celebrate the ethos of Bangladesh-India partnership, a dialogue was organised on 1 December 2021, by the Centre for Policy Dialogue (CPD), in collaboration with the Research and Information System for Developing Countries (RIS), India. The dialogue underscored a number of issues important for strengthening the partnership between the two countries, e.g., trade cooperation, connectivity, development aid, water cooperation, connectivity, among others.



# 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 2021, 17 junior CPD officials took part in 34 engagements that were deliberated to enhance their competencies in their respective professional sectors and diversify their skills. Among these, twenty 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 professionals to hone their analytical skills and improve their articulation and presentation. YSSS holds in-house discussions with presentations of CPD's young researchers on topics from their ongoing research. The discussions provide suggestions from colleagues to address scopes of improvements in their study. Two sessions were observed under the YSSS programme in 2021.

On Tuesday, 29 June 2021, a session of the YSSS was organised where *Ms Fabiha Bushra Khan*, Research Associate (Project) and *Ms Najeeba Mohammed Altaf*, Programme Associate made a presentation on "State of SDGs: Perspectives from recent global reports".

Another session of the YSSS was organised virtually on Sunday, 18 July 2021. *Mr Tamim Ahmed*, Research Associate, presented on "State of Bangladesh's Graduation status from the LDC category during the COVID pandemic". *Mr Md. Irtaza Mahub Akhond*, Dialogue Associate (Communication) presented on "Youth employment opportunities in a post-COVID World: Can Bangladesh reap benefits of its demographic dividend?"

# Special Events

In 2021, CPD organised various in-house events to observe several important days of the calendar. Organising such events regularly strengthen the bonding between the CPD family members and ensure a homely environment for them.



CPD's Founding Chairman inaugurates the new building of CPD



Professor Rehman Sobhan's birthday celebration



In-house dialogue on historic 7 March



On the occasion of welcoming the new year 2022



CPD celebrating the success of the conference on 50 Years of Bangladesh



International women's day celebration by CPD



# 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 through 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, supports them proactively, and publishes 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.

Currently, 24 researchers are working at the Research Division.

## Dialogue, Communication and Outreach Division

Dialogue Division is a key component of CPD which is the substantial role-player in implementing policy advocacy. In order to translate the research findings of CPD into a language that could reach all levels of its stakeholders and beneficiaries, advocacy is imperative. To this end, Dialogue Division is continuously thriving to realise the goal of ensuring effective dissemination of the research results through dialogues, publications and outreach. At CPD, nine (9) people are working in this Division.

## 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. Currently, 30 people are working at the Finance and Administration Division.

# Governance and Internal Management

## Board of Trustees (BoT)

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

**Ms Khushi Kabir**

Coordinator, Nijera Kori

**Nobel Laureate Muhammad Yunus**

Chairman, Yunus Centre

**Mr M Syeduzzaman**

Former Finance Minister

**Mr Syed Manzur Elahi**

Chairman, Apex Group and  
Treasurer, CPD-BoT

**Advocate Sultana Kamal**

Former Advisor to the Caretaker  
Government of Bangladesh

**Dr Debapriya Bhattacharya**

Distinguished Fellow, CPD

**Ms Rasheda K Choudhury**

Former Advisor to the Caretaker  
Government of Bangladesh and  
Executive Director, CAMPE

**Dr Shahdeen Malik**

Advocate, Supreme Court of  
Bangladesh

**Dr Syed Manzoorul Islam**

Former Professor, Department of  
English, University of Dhaka

**Ms Parveen Mahmud FCA**

Former Managing Director,  
Grameen Telecom Trust and  
Former President, ICAB and  
Director, DSE

**Professor Mustafizur Rahman**

Distinguished Fellow, CPD

**Professor Rounaq Jahan**

Distinguished Fellow, CPD

**Dr Fahmida Khatun**

Executive Director, CPD and  
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 38 MIC meetings were held in 2021. The MIC members' list in 2021 included:



**Dr Fahmida Khatun**  
Executive Director



**Dr Khondaker Golam Moazzem**  
Research Director



**M Shafiqul Islam**  
Director  
Administration & Finance



**Towfiqul Islam Khan**  
Senior Research Fellow

## Research Management Committee (RMC)

RMC is 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 Research Director of CPD, and participated by all mid to senior-level researchers. Two meetings of the RMC were held in 2021. RMC sits at least once every three months in the usual case.

## Review, Coordination and Planning (ReCAP)

ReCAP is the discussion platform of all CPD staff on issues pertaining to any institutional activity and/or matter. In 2021, six (06) ReCAP meetings were held.

# CPD'S POLICY ACTIVISM IN 2021



**CPD'S  
OUTREACH  
IN 2021**



**3051**  
Press coverage



**22**  
Newspaper  
interviews



**8345**  
E-alert subscribers



**91593**  
YouTube views



**3595**  
Twitter followers



**51829**  
Facebook followers



**192**  
Op-eds



**385797**  
Website visits



**1069**  
Electronic media  
appearances

# Financial Affairs

**Independent Auditor's Report  
To the Management of Centre for Policy Dialogue**

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**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of Centre for Policy Dialogue (CPD), which comprise the statement of financial position (balance sheet) as at 30 June 2021, and the income and expenditure statement, cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the CPD as at 30 June 2021, and of its financial performance and its receipts and payments for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's 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 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 those charged with governance for the financial statements**

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs and other applicable laws and regulations 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 the 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.

Those charged with governance 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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Auditor's Signature :   
Name of Engagement Partner : Md. Moktar Hossain, FCA, Senior Partner  
Enrollment No. : 728  
Firm's Name : S. F. Ahmed & Co., Chartered Accountants  
Firm's Reg No. : 10898 E.P. under Partnership Act 1932



**Document Verification Code (DVC) : 2202140728AS259179**

Dated, 14 February 2022

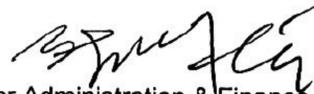
Centre for Policy Dialogue

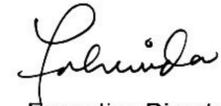
Statement of Financial Position (Balance Sheet)  
As at 30 June 2021

	Notes	2021 BDT	2020 BDT
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	193,294,003	173,708,122
Security deposits	5	466,043	466,043
<b>Total non-current assets</b>		<b>193,760,046</b>	<b>174,174,165</b>
<b>Current assets</b>			
Advances	6	8,956,340	25,096,553
Receivables	7	16,334,480	17,143,321
Cash and cash equivalents	8	68,938,539	124,229,889
<b>Total current assets</b>		<b>94,229,359</b>	<b>166,469,763</b>
<b>Total assets</b>		<b>287,989,405</b>	<b>340,643,928</b>
<b>Funds and liabilities</b>			
<b>Funds</b>			
Staff welfare fund		5,548,401	5,798,401
Accumulated fund	9	219,004,698	208,508,797
Unspent donor's fund	10	9,567,132	10,450,671
<b>Fund balance</b>		<b>234,120,231</b>	<b>224,757,869</b>
<b>Non-current liabilities</b>			
Staff gratuity fund		-	65,910,569
Term loan - non current portion	11	29,603,204	27,872,918
		<b>29,603,204</b>	<b>93,783,487</b>
<b>Current liabilities</b>			
Liability for expenses	12	7,046,838	7,542,761
Withholding tax and VAT payable	13	103,686	904,277
Accounts payable	14	14,417,320	11,929,367
Term loan - current portion	11	2,698,126	1,726,168
<b>Total current liabilities</b>		<b>24,265,970</b>	<b>22,102,573</b>
<b>Total liabilities</b>		<b>287,989,405</b>	<b>340,643,928</b>

These financial statements should be read in conjunction with annexed notes

For and on behalf of Board of Trustees of Centre for Policy Dialogue

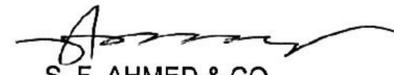
  
Director Administration & Finance

  
Executive Director

See annexed report of the date



Dhaka, Bangladesh  
Dated, 14 February 2022

  
S. F. AHMED & CO.  
Chartered Accountants  
DVC: 2202140728AS259179

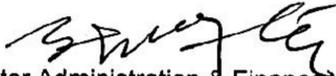
**Centre for Policy Dialogue**

**Income and Expenditure Statement**  
**For the year ended 30 June 2021**

	Notes	2021 BDT	2020 BDT
<b>Income</b>			
Grants from domestic and external sources	15	126,363,249	128,170,863
Other income	16	5,947,463	8,664,090
<b>Total Income (a)</b>		<b>132,310,712</b>	<b>136,834,953</b>
<b>Expenditure</b>			
Salary and allowances	17	52,223,145	51,680,715
Projects expenditure	18	63,183,751	62,574,938
Depreciation		5,577,815	2,615,798
Finance cost		3,577,988	1,259,936
Income tax expense		1,811,720	2,159,227
Vehicle fuel and maintenance		726,118	1,222,108
Professional and audit fees	19	860,306	145,000
Security charges		855,855	967,378
Repairs and maintenance		446,743	1,248,857
Utilities		777,443	1,549,610
Entertainment		769,420	2,564,888
Postage, telephone and fax		639,452	504,389
Seminars, workshop and dialogue		300,266	325,505
Bank charges		250,684	185,247
Travelling and conveyance		146,722	476,045
Printing and stationery		109,143	229,899
Newspapers and periodicals		36,491	251,163
Training, recruitment and development		12,650	98,325
Publication and dissemination		5,000	33,000
Office rent		-	6,742,926
<b>Total Expenditure (b)</b>		<b>132,310,712</b>	<b>136,834,953</b>
<b>Excess of expenditure over income/(Deficit) (a-b)</b>		<b>-</b>	<b>-</b>

These financial statements should be read in conjunction with annexed notes

For and on behalf of Board of Trustees of Centre for Policy Dialogue

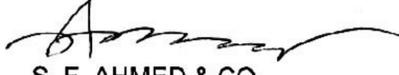
  
Director Administration & Finance

  
Executive Director

See annexed report of the date



Dhaka, Bangladesh  
Dated, 14 February 2022

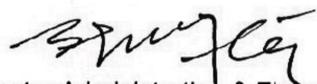
  
S. F. AHMED & CO.  
Chartered Accountants  
DVC: 2202140728AS259179

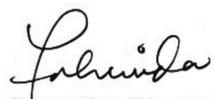
Centre for Policy Dialogue

Statement of Cash Flows  
For the year ended 30 June 2021

	2021 BDT	2020 BDT
<b>A. Cash flows from operating activities</b>		
Surplus for the year	-	-
Adjustment of non-cash items :		
Depreciation	5,577,815	2,615,798
	<u>5,577,815</u>	<u>2,615,798</u>
Increase/(decrease) in current assets -		
Advances	16,140,213	(11,362,076)
Receivables	808,841	(4,728,346)
Accrued interest	-	896,059
Increase/(decrease) in current liabilities -		
Liability for expenses	(495,923)	3,030,917
Withholding income tax and VAT	(800,591)	904,277
Accounts payable	2,487,953	6,622,260
Staff gratuity fund	(65,910,569)	4,237,655
Staff welfare fund	(250,000)	(2,078)
Staff provident fund	-	(1,136,770)
<b>Net cash from/ (used in) operating activities</b>	<b><u>(42,442,261)</u></b>	<b><u>1,077,696</u></b>
<b>B. Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(25,358,294)	(23,139,797)
Disposal of property, plant and equipment	194,598	1,079,925
<b>Net cash from/ (used in) investing activities</b>	<b><u>(25,163,697)</u></b>	<b><u>(22,059,872)</u></b>
<b>C. Cash flows from financing activities</b>		
Term loan	2,702,244	29,599,086
Accumulated fund	10,495,902	(1,151,745)
Unspent donor fund	(883,539)	(23,347,782)
<b>Net cash from/ (used in) financing activities</b>	<b><u>12,314,607</u></b>	<b><u>5,099,559</u></b>
<b>Net changes in cash and cash equivalents (A+B+C)</b>	<b><u>(55,291,351)</u></b>	<b><u>(15,882,617)</u></b>
Opening cash and cash equivalents	<u>124,229,889</u>	<u>140,112,507</u>
Closing cash and cash equivalents	<u>68,938,539</u>	<u>124,229,889</u>

For and on behalf of Board of Trustees of Centre for Policy Dialogue

  
Director Administration & Finance

  
Executive Director

  
Dhaka, Bangladesh  
Dated, 14 February 2022

Centre for Policy Dialogue

Notes to the financial statements  
For the year ended 30 June 2021

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**1. Background**

Centre for Policy Dialogue (CPD) was established under a deed of trust dated 16 November 1993 (herein-after referred to as the Trust). The Trust was registered as a non-government organization with the NGO Affairs Bureau, Government of Bangladesh on 08 March 1995, vide registration number 918. Subsequently the organisation has renewed the permission and latest renewal was taken on 29 December 2019 with effect from 08 March 2020 to 07 March 2030. The registered office of CPD is located at House # 40C, Road No 32, Dhanmondi, Dhaka 1209. The primary objective of CPD is to create an environment for public discussion of important national policy issues with a view to build a broad support for such policies. The other objectives of the organization are to work on:

- making people of Bangladesh aware of issues affecting their lives and future;
- discussion of important national policy issues with a view to build broad based support for such policies;
- organising periodical policy dialogues through the workshops, seminars and conferences at the national and international levels and to disseminate the outcomes of such dialogues to audience through the media and dialogues at the local and grass root levels, etc.

**2. Basis of preparation**

**2.1 Basis of accounting**

These financial statements are prepared under historical cost convention in accordance with the recognition and measurement principles outlined in International Financial Reporting Standards (IFRSs) applicable for a non-Governmental and not-for-profit organization like CPD. Wherever appropriate, such principles are explained in the succeeding notes. The enclosed financial statements are the consolidation of CPD and its projects. The accounts of the projects are separately audited wherever necessary as per requirement of Donors and/or NGO Affairs Bureau in relevant cases. These financial statements are prepared only for the use of the Board of Trustees of CPD.

**2.2 Functional and presentational currency and level of precision**

These financial statements have been presented in Bangladeshi Taka (Taka/Tk/BDT), which is both the functional and presentation currency of the company. All financial information presented in Taka have been rounded off to the nearest integer, unless otherwise indicated.

**2.3 Reporting period**

These financial statements cover a period of one year from 01 July 2020 to 30 June 2021.

**2.4 Components of these financial statements**

Following are the components of these financial statements:

- (i) Statement of financial position (balance sheet) as at 30 June 2021;
- (ii) Statement of income and expenditure for the year ended 30 June 2021;
- (iii) Statement of cash flow for the year ended 30 June 2021 and;
- (iv) Explanatory notes to the above financial statements.

**2.5 Use of estimates and judgements**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are given prospective effect in the financial statements as required by IAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors".



Centre for Policy Dialogue

Notes to the financial statements  
For the year ended 30 June 2021

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**2.6 Events after reporting period**

Events after reporting period that provide additional information about the company's position at the balance sheet date are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

**3. Significant accounting policies**

- A. Statement of cash flows
- B. Property, plant and equipment
- C. Financial instruments
- D. Revenue recognition policy
- E. Gratuity fund
- F. Provident fund
- G. Receivables

**A. Statement of cash flows**

The Statement of Cash Flows has been prepared in accordance with the requirements of IAS 7: "Statement of Cash Flows". Cash and cash equivalents comprise cash in hand and demand deposits, together with short-term, highly liquid investments that are readily convertible to a known amount of cash, and that are subject to an insignificant risk of changes in value. An investment normally meets the definition of a cash equivalent when it has a maturity of three months or less from the date of acquisition.

**B. Property, plant and equipment**

**i) Initial measurement and recognition**

Property, plant and equipment (PPE) is recognized as an asset if it is probable that future economic benefits associated with the asset will flow to the entity and the cost of the item can be measured reliably. These are shown at cost less accumulated depreciation.

**ii) Depreciation policy**

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if requires. There has been no change in estimate from last year. Land is not depreciated. No depreciation was charge for the year as the building is part into use at the end of the year. Depreciation is charged from the month of acquisition of property, plant and equipment on straight-line method and not charged in the month of disposal. The rates of depreciation on various categories of assets are as under:

Category of asset	Rate of depreciation (%)
Furniture and fixtures	10
Office equipment	25
Other equipment	25
Motor vehicles	20
Office renovation	20

**iii) Retirement and disposals**

An asset is derecognised on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised as gain or loss from disposal of asset in profit or loss.



Centre for Policy Dialogue

Notes to the financial statements  
For the year ended 30 June 2021

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**iv) Subsequent expenditure**

Subsequent expenditure is capitalized only if it is probable that future economic benefits associated with expenditure will flow to the organization and its costs can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

**v) Capital works-in-progress**

Capital works-in-progress represents the cost incurred for acquisition and /or construction of items of property, plant and equipment that are not ready for use which measured at cost. These are transferred to the property plant and equipment on the completion of the projects.

**C. Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**D. Revenue recognition policy**

**i) Grants and other income**

The project follows the guideline as stated in IAS 20: Accounting for Government Grants and Disclosure of Government Assistance, in respect to grant income recognition i.e. grants shall be recognised in the income and expenditure statement on a systematic basis over the periods throughout which the associated costs of the grant can be matched, as these costs are being compensated by the grant.

Other income including interest on fixed deposits are recognised on cash basis.

**ii) Unspent donor's fund**

CPD allocates some of its expenses on a functional basis among its various programs and support services. Expenses that are identifiable for a specific program and support service are directly charged according to their nature of expenditure at actual basis. Other program expenses and administrative expenses those are common to various functions are allocated on pro-rata basis as per approved budget based on the values of their functions before allocation.

**E. Gratuity fund**

CPD service rules provide payment of gratuity to each employee at the end of his/her service period calculated at the rate of one and half month's last drawn basic pay times number of completed years of service. The employees who have completed three years of service with CPD is entitled to get this benefit. The Fund is a recognised gratuity fund under the provision of Part C of the First Schedule of the Income Tax Ordinance 1984 vide reference no. 08.01.0000.035.02.399.20/108 dated 21 March 2021.

**F. Provident fund (PF)**

As per decision of management and implementation committee of CPD dated 26 August 2007, a contributory provident fund was introduced for its employees where both the employer and employees will contribute to the fund @ 10% of basic salary. This will be effective from the date of joining of respective employee. The Fund is a recognised provident fund under the provision of Part B of the First Schedule of the Income Tax Ordinance 1984 vide reference no. P-18/Ain/Ka-5/2009-2010/987 dated 17 August 2009.

**G. Receivables**

Receivables are recognized when there is an executed contract with the donor(s) and the amount is not received. CPD changed its accounting policy of recognizing "Fund Receivables" which were previously recognized on cash basis.





সেন্টার ফর পলিসি ডায়ালগ (সিপিডি)  
**Centre for Policy Dialogue (CPD)**

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Website: [www.cpd.org.bd](http://www.cpd.org.bd)