

Bangladesh

KEY FACTS

Official name: Gana Prajatantri Bangladesh (People's Republic of Bangladesh)

Head of State: President Abdul Hamid (from 24 April 2013)

Head of government: Prime minister Sheikh Hasina Wazed (Awami League) (from 6 Jan 2009)

Ruling party: The Mohajot (Grand Coalition) led by the Awami League (AL) (People's League) with the Jatiya Party (National Party) (since 29 Dec 2008)

Area: 143,998 square km

Population: 150.04 million (2012)*

Capital: Dhaka

Official language: Bengali (Bangla)

Currency: Taka (Tk) = 100 poisha

Exchange rate: Tk77.76 per US\$ (Jul 2013)

GDP per capita: US\$818 (2012)*

GDP real growth: 6.05% (2012)*

GDP: US\$122.72 billion (2012)*

Labour force: 73.87 million (2009) (does not include extensive expatriate numbers)

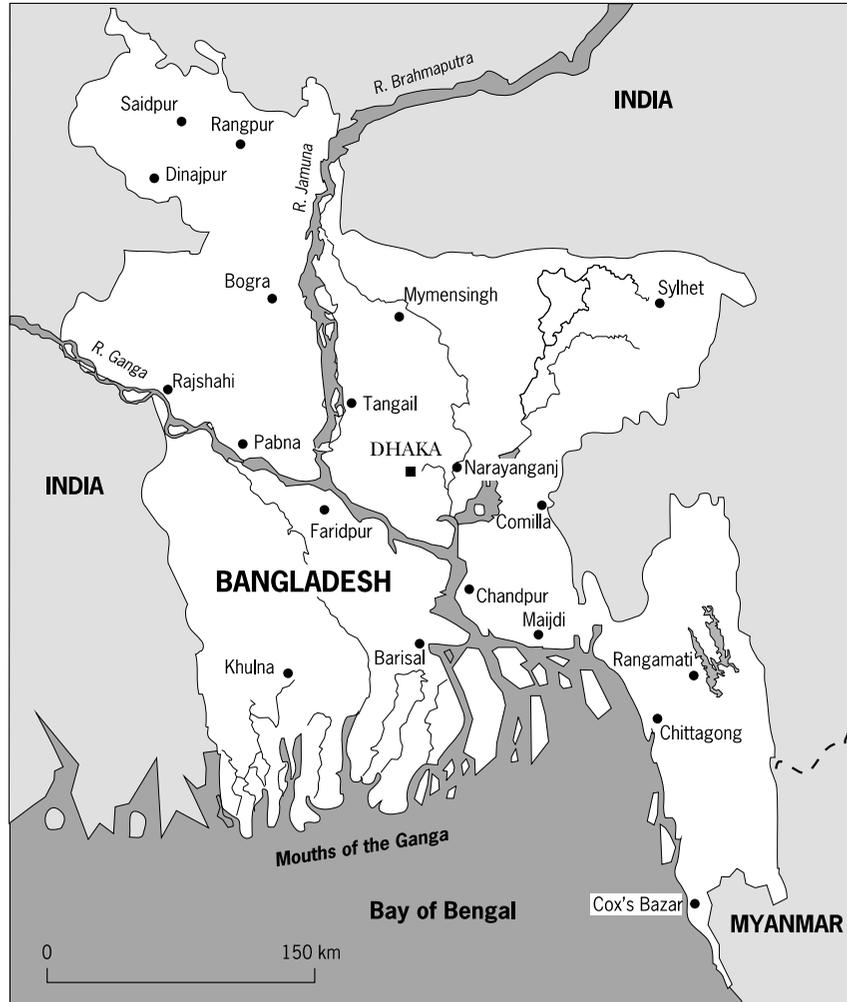
Unemployment: 4.80% (2010)* (does not include underemployment)

Inflation: 8.72% (2012)*

Natural gas production: 21.80 billion cum (2012)

Balance of trade: -US\$7.37 billion (2012)*

* estimated figure



Events in Bangladesh often seem to take on a surreal dimension. Whether it's floods, politics, protests or general social unrest, the scale and the significance is quite unique. February 2013 saw what were the largest political rallies in Bangladesh for at least two decades. Hundreds of thousands of protesters gathered peacefully each day in Dhaka demanding vengeance against a strangely bearded political figure, Abdul Quader Mollah. The crowds grew by the day, consisting for the most part of ordinary people angry that, despite his conviction for crimes during Bangladesh's war of independence in 1971, Mr Mollah faced no more than a life sentence.

In the meantime, President Mohammed Zillur Rahman was flown to Singapore on 10 March 2013 with respiratory problems. He died on 20 March. Speaker Abdul Hamid became president on 24 April. He was succeeded as Speaker by Shirin Sharmin Chowdhury, of the Awami League Parliamentary Party on 1 May. This was the first time Parliament had elected a woman as speaker.

Tahir to Shahbag

The protest rallies began in early February prompted by social media activists calling for protests at the Shahbag, a busy intersection in central Dhaka. They wanted Mr

Mollah and others on trial to face the death penalty. Mollah had been convicted and sentenced by a body called the International Crimes Tribunal, a local court set up by the government of Sheikh Hasina to prosecute men, largely from an Islamic opposition party, Jamaat, accused of murder, torture, rape and other wartime atrocities. When, for reasons unknown, Mr Mollah avoided the death sentence, according to a report in the London *Economist*, he was seen giving his supporters a V-for-victory sign. Both the ruling Awami League (AL) (People's League) and, belatedly, the chief opposition, the Bangladesh Jatiyatabadi Dal (Bangladesh Nationalist Party) (BNP), appeared to support the Shahbag demonstrators. Although senior politicians from the ruling party sought to identify themselves with the protests, their efforts to speak to the crowd were reportedly rejected. In parliament Sheikh Hasina advocated the death penalty, suggesting that even impartial judges must listen to public opinion. Meanwhile, the opposition BNP hesitated for over eight days before joining the protesters. The BNP was hindered by its electoral alliance with the biggest Islamist party, the Jamaat-e-Islami, the leaders of which were also those on trial. Large numbers of BNP supporters had joined the Shahbag giving their party limited options. The protests hinged on a desire for secular, rather than Islamic politics. Demands for Jamaat to be banned triggered a rampage by Jamaat's often violent youth supporters. It was uncertain whether the protests would become a plea for broad change. Few like a political system dominated by what the *Economist* described as 'a long, bitter fight between a pair of self-serving dynasties'. The *Economist* went as far as to suggest that if the duopoly were broken up, many at Shahbag would celebrate.

Not much luck

To be described in November 2012 by the *Economist* – a magazine not known for mincing its words – in glowing terms must have come as something of a surprise for Bangladesh and its long-suffering inhabitants. To be favourably compared with India was certainly beyond their wildest dreams. A fulsome leading article entitled 'Out of the basket' observed that: '... in the past 20 years Bangladesh has made extraordinary improvements in almost every indicator of human welfare. The average Bangladeshi can now expect to live four years longer than the average Indian, although Indians are twice as rich.'

If there are those Asian countries which like to describe themselves as a 'lucky' country, then Bangladesh probably deserves the epithet 'unlucky'. The strangely named annual *Global Liveability Report* compiled by the London-based *Economist Intelligence Unit* (EIU – and sister company of the magazine) ranked the country's capital Dhaka as the least desirable urban location in the world – hardly the stuff of inward investment promotion. Dhaka ranked bottom, the least desirable of the 139 cities surveyed, behind even Lagos and Papua New Guinea's Port Moresby. The city survey took into account factors such as healthcare, transport, culture and crime.

Flooding is a depressingly regular feature in the delta that is home to the majority of Bangladesh's population. This low-lying and densely populated area is prone to torrential downpours during the wet season. In mid-2012 more than 80 people died in flash floods and landslides in south-eastern Bangladesh as mud banks collapsed in a series of landslides caused by days of torrential rain. Large parts of the port city of Chittagong were flooded. The Chittagong weather office recorded 463mm (18.2 inches) of rain in a 24 hour period, the worst rainfall for several years. The periodical flooding of the delta area can at least be attributed to factors beyond this impoverished country's control. The same cannot be said of the chronic political problems that beset Bangladesh continued into 2013 as, in the run up to the general election due to be held in

December 2013, political chaos seemed to be the order of the day

Tragedy

In April 2013 Bangladesh's political tensions were swept aside by the collapse during the morning rush hour of the eight-story Rana Plaza building in suburban Dhaka. Henceforth the name Rana Plaza would symbolise not only the deaths of over 1,120 Bangladeshis, but also the appalling, nineteenth century work conditions suffered by a large proportion of the Bangladeshi work force. Most of the 1,120 who died in this Dickensian tragedy were low paid women and children. Some 2,500 were injured, many seriously in what turned out to be the worst garment factory disaster in history. The human tragedy looked likely to have political consequences. Only the day before the building's collapse, reports from independent engineers had certified that the building was an illegal construction. There were even unheeded warnings to stop using the building when cracks appeared the day before the accident. Garment workers were ordered by their employers to return to work.

The Rana Plaza building housed five garment factories employing 3,000 workers making clothing for both American and European companies including J C Penney, Cato Fashions, Walmart, Gap, Benetton and Primark. Visiting the site not long after the accident, US Representative, George Miller, was reported by the US newsletter *AllVoices.com* as

KEY INDICATORS		Bangladesh				
	Unit	2008	2009	2010	2011	2012
Population	m	*161.75	*164.71	*146.60	142.32	*150.04
Gross domestic product (GDP)	US\$bn	84.50	94.50	105.60	113.00	*122.72
GDP per capita	US\$	523	574	642	678	*818
GDP real growth	%	6.0	5.9	6.1	6.1	*6.1
Inflation	%	7.7	6.1	8.1	10.7	*8.7
Industrial output	% change	6.8	6.5	6.5	–	–
Agricultural output	% change	3.2	4.1	5.2	–	–
Natural gas output	bn cum	17.3	19.7	20.0	19.9	21.8
Exports (fob) (goods)	US\$m	15,501.8	15,067.1	19,238.7	24,539.3	
Imports (fob) (goods)	US\$m	21,505.9	19,759.8	24,723.4	32,583.9	32,290.0
Balance of trade	US\$m	-6,004.1	-4,692.8	-5,484.6	-8,044.6	-7,374.0
Current account	US\$m	1,182.0	2,663.0	507.0	-1,398.0	*452.0
Total reserves minus gold	US\$m	5,689.3	10,218.9	10,564.3	9,298.4	12,031.0
Foreign exchange	US\$m	5,686.7	9,499.9	9,904.1	8,666.4	11,393.0
Exchange rate	per US\$	68.60	69.41	69.65	72.67	81.00
* estimated figure						

criticising Bangladeshi officials, claiming that the government had been reluctant to introduce more stringent safety regulations. The Bangladeshi government seemed to be the attraction of foreign investments rather than the safety of its workers. With poignant irony, following the Rana Plaza tragedy, it became known – according to the *Economist* – that the headquarters building of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) had itself been declared unsafe for occupation.

A brief glance at the Bangladesh economic fundamentals underlines the importance of the garment industry, which produces an annual US\$20 billion. Garment and fabric exports account for 80 per cent of Bangladeshi exports. A report in the *Economist* predicted that Bangladesh would soon replace China as ‘the world’s largest exporter of clothing.’ The sector employs around 4 million people, mostly women and children and has consistently been accused of neglecting safety standards and permitting poor working conditions. The ugly face of corruption showed itself in the equation as it emerged that as many as 25 members of parliament hold investments in the garment industry. Bangladesh ranks 144 out of the 177 countries surveyed in the Transparency International *Corruption Perceptions Index*, just behind Pakistan (139) and level ranking with the Central African Republic and Syria.

The United States is by far the biggest customer, taking 23 per cent of garment exports, more than any other country. The director general of the British Bangladesh Chamber of Commerce, in an interview with CNN, suggested that Western brands should share some of the blame. The UK’s Primark was relatively quick to acknowledge that one of its suppliers was based at Rana Plaza. Primark took steps to limit the fallout from the tragedy by responding promptly with

humanitarian aid; Primark reportedly donated food to 1,300 families, provided short-term financial compensation to more than 3,300 workers irrespective of their employer and pledged long-term support for those in the employ of Primark suppliers. A month after the accident, Primark claimed that it was the first brand to acknowledge that its suppliers were housed in the Rana Plaza complex. The company also appeared to be the first to commit to paying compensation to workers and their dependents as well as signing up to the proposed new regulations on building and fire safety.

The response of the Rana Plaza owner, Sohel Rana, was less than distinguished. He was detained when trying to flee to India. The Bangladeshi authorities were also less than efficient in dealing with the accident. According to a report in the *Economist* the area of the collapse was not even sealed off allowing neighbours and the simply curious to get in the way of rescue officials. Tensions between the police and the volunteers ended in tear gas and rioting.

The economy

In its *Bangladesh Economic Update* for October 2012 the World Bank projects that GDP will grow at around 6 per cent in 2013, despite an unfavourable global economy. This placed Bangladesh among the top 35 out of 150 countries in International Monetary Fund’s (IMF) October 2012 *World Economic Outlook*. Bangladesh has maintained 6 per cent plus growth over most of the last 10 years through strong export and remittance growth. The World Bank noted that ‘Favourable international price trends and monetary tightening’ had reduced inflation. Inflation reduced to 7.4 per cent in September, due to a deceleration in both food and non-food price rises. The World Bank also noted that the ‘slowdown in global demand pushed both fuel and

non-fuel commodity prices downward’. Bangladesh had once again demonstrated its ability to overcome macro-economic pressure through a timely and adequate policy response notwithstanding the difficult political economy challenges associated with the needed policy adjustments. None the less, in the view of the World Bank, Bangladesh will need to continue creating fiscal space and keep monetary policy tight for some time.

Food inflation in Bangladesh has been declining mainly because of falling rice prices. Adequate production in two consecutive years and higher government procurement have led to increased level of stock and supply of food grains. A number of safety net programmes are in place to safeguard the poor from the impact of a possible global food crisis. With favourable weather condition and satisfactory stock level, Bangladesh’s food outlook for 2013 appeared to be stable. Fiscal policy appeared to be back on track and fiscal performance in 2012 was favourable, notwithstanding increasing subsidies. The overall budget deficit in 2012 was estimated at 4.5 per cent of GDP. Domestic financing of the deficit declined to 3.2 per cent of GDP, from 3.5 per cent in 2011. The 2013 budget deficit target – 5 per cent of GDP – seemed modest and looked likely to be undershot primarily because of a shortfall in the implementation of the ambitious Tk550 billion (US\$7 billion) Annual Development Programme. Among other concerns are the growing share of subsidies in the revenue budget, which has reduced fiscal space and rising contingent liabilities. In the view of the Asian Development Bank (ADB), Bangladesh’s financial sector has been somewhat stressed. Bank stability has deteriorated and capital market volatility has continued. However, banks have been resilient to market shocks such as change in interest and exchange rates. The general tightening of liquidity has increased

Heavy sentences

The tribunal in Bangladesh that had been investigating war crimes committed during the 1971 war of independence began sentencing in October 2013. With one exception, all the accused were found guilty. Sentencing ranged from prison sentences as long as 90 years, to the death sentence. Some of

those sentenced were in the process of appealing to the Supreme Court. The charges included genocide, murder, abduction, torture, rape, arson, looting, crimes against humanity, war crimes and the ‘slaughter’ of at least 120 unarmed farmers in a remote northern village which subsequently became

known as the ‘village of widows’. Some were also charged with persecuting people on religious and political grounds and there were also charges of forcefully converting a number of Hindus to Islam. Two of those sentenced had held ministerial posts for the Bangladesh National Party (BNP).

deposit and lending rates at commercial banks. The overall balance of payments reversed from a moderate deficit in 2011 to a small surplus in 2012 due to much slower than projected import growth and strong growth in remittances. Taking advantage of this the Bangladesh Bank (BB) (the central bank) has built up its reserve buffer. Foreign direct investment (FDI) increased in 2012 as the World Investment Report 2012 ranked Bangladesh 16 among 74 FDI-recipient countries with a record US\$1.13 billion FDI inflow. This was only the second time Bangladesh's FDI had exceeded the billion dollar mark in a single year. However, in the view of the ADB, to attract more FDI Bangladesh needs to remove infrastructure bottlenecks, make land more readily available, upgrade skills of the labour force and address administrative impediments. Bangladesh's economic outlook is also subject to several short-term risks:

- Further intensification of the euro-zone crisis may deepen Bangladesh's export slump of the last six months.
- Escalation of global food prices may reverse the recent decline in food inflation.
- Increases in the global oil price will place the balance of payments under pressure again and shrink fiscal space.
- Banks' susceptibility to credit and market risk and global economic vulnerabilities.
- Increased political instability and labour unrest may depress investments further.

Close surveillance of macro-economic trends, stronger monitoring and supervision of banks and building policy space is all that the government can do to guard against these risks.

While Bangladesh's growth is likely to remain healthy, in the view of the ADB it remains below potential. Most critical to growth will be energy policies that will enable a better fuel mix, diversify the sources of power, provide a regulatory framework for private participation in power generation and distribution and further exploit untapped gas reserves while modernising and expanding the gas distribution channel. There is also an urgent need to improve maintenance and management of Bangladesh's transport system, including ports.

The ADB's forecasts for 2012 and 2013 had assumed that it would be hard to contain inflation in 2012, despite policy tightening. It was expected that credit

tightening measures would more effectively damp inflation in FY2013. It is also assumed that the government would further raise fuel and electricity prices and mobilise more foreign financing of the budget, as part of its efforts to eliminate external and domestic imbalances and put the economy on a sustainable higher growth path. Finally, political stability and normal weather are expected to prevail.

GDP growth in 2013 was expected to slip to 6.0 per cent as interest rates were raised to bring down inflation and as export growth slows further. Agricultural growth in 2012 had been expected to moderate to 4.4 per cent, dampened by rising irrigation costs (reflecting higher fuel and electricity prices) and because of the high base in the previous year. In 2013, sector growth is projected to rise slightly to 4.5 per cent in response to better procurement prices, as the government increased food procurement programmes and strengthened support for the sector.

Industrial growth had been expected to slow to 7.8 per cent in 2012, mainly reflecting falling export demand. Higher interest rates and labour costs as well as the expected increases in fuel and electricity prices looked likely to raise further the cost of production and squeeze profit margins. Higher interest rates would also weaken the construction industry and investment activity. Industrial growth is projected to ease to 7.5 per cent in 2013 reflecting policies to eliminate imbalances in the economy taking greater hold and weakening domestic and external demand conditions. Inflation is projected to slow to 8.5 per cent in 2013 as monetary tightening took a greater hold.

Outlook

According to the ADB, economic forecasts for 2013 and 2014 rest on four assumptions. First, the central bank's slight easing in monetary policy announced in January 2013 will not stoke inflation, given the declining trend in international commodity prices and a favourable domestic crop outlook. Second, the government of Bangladesh will contain subsidies by continuing to raise fuel and electricity prices and thus keep in check its need for bank borrowing. Third, though political activity is expected to be volatile, social stability will be maintained. And, finally, weather will be favourable. GDP growth is projected to edge lower in 2013 to 5.7 per cent. Export demand, a major contributor to GDP growth in Bangladesh, is expected to slacken slightly, reflecting the Asian Development Outlook's baseline

assumptions that the euro-zone economy stagnates and the recovery of the United States remains frail. Despite higher remittances, growth in demand for private consumption is expected to weaken as households adopt a cautious approach to spending because of political uncertainties ahead of parliamentary elections expected by early 2014, depressing production in industries oriented to domestic markets. Lower rice prices will further dampen consumer demand through reduced agricultural income. The continuing decline in imports of capital equipment and slow import growth for raw materials indicate lower utilisation of existing production capacity and a lull in investment. A drop in import letters of credit opened for machinery and industrial raw materials signals weak economic activity in the coming months. With some strengthening of economic activity expected in the euro-zone and the US in 2014, GDP growth is projected to recover moderately to 6.0 per cent in that year on the back of gradual rises in exports, consumer spending and investment.

Risk assessment

Politics	Poor
Economy	Good
Regional stability	Fair

COUNTRY PROFILE

Historical profile

1200 The start of five-and-a-half centuries of Muslim rule over the region began with the Sultanate era.

1757 The region gradually came under the influence of British rule after the battle of Plassey.

1947 Named East Pakistan, Bangladesh became a province of Pakistan following the partition of India.

1949 The Awami League (AL) was established to campaign for East Pakistan's autonomy from West Pakistan.

1970 The AL, under Sheikh Mujibur Rahman, won the elections in East Pakistan, but West Pakistan refused to accept the result, resulting in civil unrest.

1971 The People's Republic of Bangladesh was unilaterally declared; a *de facto* secession from Pakistan followed the nine-month Indo-Pakistan war. Around 10 million Bangladeshis fled to India during the conflict.

1972 Sheikh Mujibur became prime minister and, in an attempt to improve living standards, began a programme of industrial nationalisation.

1974 Severe flooding destroyed much of the grain harvest. A state of emergency was declared as political unrest grew. A

famine killed 100,000 people as wealthy farmers hoarded food that the poor could not afford to buy.

1975 Sheikh Mujibur became president, but was assassinated in a military coup.

Martial law was imposed following the coup; Abu Sadat Mohammed Sayem became president on 6 November.

1976 Elections were postponed indefinitely. General Zia ur Rahman took over the post of Chief Martial Law Administrator previously held by President Sayem.

1977 General Zia assumed the presidency and amended the constitution, making Islam, instead of secularism, its first basic principle.

1978 General Zia won the first direct presidential election.

1979 Parliamentary elections were won by Zia's Bangladesh Jatiyatabadi Dal (Bangladesh Nationalist Party) (BNP).

Martial law was repealed and the state of emergency revoked.

1981 General Zia was assassinated.

1982 General Ershad seized power in a bloodless coup. The country was placed under martial law as the constitution and political parties were suspended.

1983–86 Bangladesh remained unstable, with opposition groups demanding the resignation of Ershad and his government.

Ershad imposed Islam on the education system and forced teachers to teach in Arabic. This led to social unrest, particularly among the non-Muslim minority.

1986 Martial law ended and constitutional government was revived. Ershad was elected to a five-year term.

1987 A state of emergency was imposed during a wave of strikes and opposition demonstrations.

1988 Islam became the state religion.

Floods covered around 75 per cent of the land and millions of people were made homeless.

1990 Ershad resigned following mass protests that made the country ungovernable.

1991 Elections resulted in a victory for the BNP, led by Begum Khaleda Zia, the widow of General Zia; she became prime minister. Ershad was jailed for corruption and the illegal possession of weapons.

The position of president was made ceremonial and executive power was given to the office of prime minister.

1996 After two decades of military and authoritarian rule, the AL, led by Sheikh Hasina (Sheikh Mujibur's daughter), won the election.

1998 Floods covered two-thirds of the country, causing many deaths. Fifteen former army officers were sentenced to death for their involvement in the assassination of President Mujibur.

2000 Sheikh Hasina spoke out against military regimes and the government

expelled a Pakistani diplomat for denying that three million Bangladeshis had been murdered by Pakistani forces in 1971.

Diplomatic relations broke down between Bangladesh and Pakistan.

2001 There were violent clashes, strikes and a growth in Islamic fundamentalism in the build-up to parliamentary elections.

The alliance led by Zia's BNP won a landslide victory. A Q M Badruddoza Chowdhury was sworn in as president.

2002 Chowdhury resigned and Iajuddin Ahmed was elected as president by parliament.

2004 The AL called 21 general strikes in a campaign to force early elections, accusing the government of being corrupt.

The constitution was amended to reserve 45 parliamentary seats for women. Floods covered two-thirds of the country, killing over 800 people. Sheikh Hasina survived a grenade attack that killed 22 people at a party rally.

2005 A senior AL politician, Shah A M S Kibria, was killed in a grenade attack.

There were hundreds of small bombings around the country; Islamic militants claimed responsibility.

2006 Bangladesh became a member of the South Asia Free Trade Agreement (Safta). The AL ended a year-long boycott of parliament. General strikes, called by the AL, had disrupted the country for three months. Tension and violence continued in the lead-up to the end of the government's five-year term of office and the choice of a caretaker administration, until scheduled elections. President Ahmed assumed the role as chief adviser to break the impasse.

2007 President Ahmed resigned as chief adviser and Fazlul Haque became acting chief adviser after general elections were suspended; rioting broke out and a state of emergency was imposed. The suspended elections violated a constitutional requirement that elections be held within 90 days of the resignation of a government. The president announced that new voter lists were required to ensure elections were 'free, fair and credible'. Severe monsoon flooding caused death and destruction and left an estimated one million people in urgent need of international aid.

2008 The first passenger train since 1965 began operations between Dhaka and Kolkata (India). The Electoral Commission completed its registration of over 80 million voters; 13 million names were removed from the previous, discredited, list. In parliamentary elections the Mohajot (Grand Coalition) led by the AL won 262 seats (out of 299) and the BNP Alliance 32 (the alliance included the largest Islamist party, Jamaat e Islami, which

failed to win any seats; turnout was 80 per cent.

2009 Sheikh Hasina (AL) became prime minister. Parliament elected Hossain Zillur Rahman as president. A two-day mutiny, over pay and conditions, at the Dhaka headquarters of the Bangladesh Rifles, the country's border guards, resulted in the deaths of 74 people, including scores of officers found in two mass graves the day after the mutineers surrendered. Around 1,700 border guards had been arrested in connection with the mutiny. Annual daylight saving time (DST) was introduced on 19 June, but was cancelled after confusion over how long the change might last. The Islamic organisation Hizb ut Tahrir, was banned.

2010 In the worst outbreak on record, anthrax killed over 325 people in the north of the country. Former prime minister Khaleda Zia was evicted from the military owned house she had leased, since a year after the assassination of her husband in 1981. The eviction led to violent protests as the BNP accused the government of cancelling the lease for political reasons. The Supreme Court rejected an appeal against the eviction.

2011 Nobel laureate, Muhammad Yunus was sacked from the Grameen microfinance bank in March as he was over retirement age. The Board of the Grameen Bank, dominated by the poor women who are the bank's main borrowers and shareholders continued to support Yunus. He began legal proceedings to challenge his sacking but lost his appeal. In April the World Bank agreed a US\$1.2 billion credit to build a 6km bridge across the Padma River, linking to the Dhaka-Chittagong Highway. In May, Yunus finally stood down as leader of the Grameen Bank. The Supreme Court ruled that Islamic clerics could issue fatwas (Islamic religious edicts) but that they could not be officially enforced. This ruling endorsed the same ruling made in 2001, which had followed an outcry due to a series of brutal punishments meted out by fatwas. Clerics had appealed against the earlier ruling saying fatwas were an integral part of Islamic religious practice. Bangladesh and India held a joint census in July, in an attempt to determine just how many Indians there are in the 51 enclaves in Bangladesh and how many Bangladeshis in the 100 Indian enclaves. There are possibly as many as tens of thousands of people on the wrong side of each border in enclaves, which are historical anomalies of the partition of the sub-continent in 1947.

2012 On 14 May Ghulam Azam the Islamic leader and other key figures of Jamaat e Islami, were indicted on five charges of crimes against humanity by the

special tribunal (under the auspices of the International Crimes Tribunal (ICT)) established to investigate war crimes committed during the 1971 war of independence (from Pakistan). Mr Azam and three others denied all charges; the trial began on 5 June. On 30 June the World Bank withdrew its US\$1.2 billion funding for the six kilometre road-rail bridge over the Padma River. The decision was predicated on the government's failure to investigate claims of high-level fraud. On 1 October, 166 rioters were arrested by police for burning down 10 Buddhist temples; a number of homes and Buddhist-owned shops and properties were also looted. Hundreds of Buddhist villagers in the south were forced to flee as thousands of Muslim demonstrators against a Facebook photo of a burned Quran that had been 'tagged' to a local Buddhist man. The government promised that compensation would be provided to the victims, while the opposition BNP set up an investigation into the riot.

2013 President Mohammed Zillur Rahman was flown to Singapore on 10 March with respiratory problems. He died on 20 March. Speaker Abdul Hamid became president on 24 April. He was succeeded as Speaker by Shirin Sharmin Chowdhury, of the Awami League Parliamentary Party on 1 May. This was the first time Parliament had elected a woman as speaker. The collapse of an eight-storey building on the outskirts of Dhaka on 27 April was reported to have killed over 1,120 persons, mostly workers in the garment industry. On 17 September Abdul Kader Mullah of Jamaat-e-Islami was sentenced to death by the Supreme Court for crimes against humanity committed during the war for independence from Pakistan in 1971.

Political structure

Constitution

The constitution was enacted in 1972. It was suspended following the coup of 1982, restored in 1986, and has been amended several times.

In 1977, the constitution was amended making Islam, instead of secularism, its first basic principle.

The country has six political divisions: Dhaka, Chittagong, Rajshahi, Barisal, Sylhet and Khulna. These are further subdivided into districts, thanas (parish-level government) and villages.

Independence date

26 March 1971

Form of state

Parliamentary republic

The executive

The president, who is elected by the legislature for a five-year term, performs ceremonial functions. The president is also

commander-in-chief of the armed forces. The cabinet is led by the prime minister, who is usually the leader of the ruling party. The elections are preceded by a 'caretaker' government which is supposed to have no political affiliation, in order to allow elections to be fought on an equal and fair basis.

Bangladesh's judiciary is separate from the executive – judges and magistrates are appointed by the Supreme Court.

National legislature

The unicameral Jatiya Sangsad (parliament) has 300 members elected by popular vote in single territorial constituencies every five years. In addition, 50 seats are reserved for women on a proportional representation basis, until 2014 when women will compete for parliamentary seats against male candidates.

Legal system

The judiciary is a civil court system based on the British model. The highest court of appeal is the appellate division of the Supreme Court.

Last elections

29 December 2008 (parliamentary); 11 February 2009 (presidential)

Results: Parliamentary: the Mohajot (Grand Coalition) including the Awami League (AL) (People's League) won 230 seats, with the Jatiya Party (National Party) 27 and others 5; the Bangladesh Jatiyatabadi Dal (BJD) (Bangladesh Nationalist Party) (BNP) won 29, others 3; turnout was 80 per cent. Five seats must be re-poled.

Presidential: Hossain Zillur Rahman was elected by parliament.

Next elections

2014 (presidential); December 2013 (parliamentary).

Political parties

Ruling party

The Mohajot (Grand Coalition) led by the Awami League (AL) (People's League) with the Jatiya Party (National Party) (since 29 Dec 2008)

Main opposition party

Coalition of four parties led by Bangladesh Jatiyatabadi Dal (Bangladesh Nationalist Party) (BNP)

Population

150.04 million (2012)*

Approximately 42 per cent of the population are under 15 years.

Last census: 15 March 2011:

142,319,000

Population density: 1,014 inhabitants per square km (2010). Urban population 2.8per cent (2010 Unicef).

Annual growth rate: 1.7 per cent, 1990–2010 (Unicef).

Internally Displaced Persons (IDP)

150,000–520,000 (UNHCR 2004)

Ethnic make-up

Bengalis (98 per cent) and Biharis. There are about one million tribal people, the majority of whom live in the Chittagong Hill Tracts in the east of the country. The tribes have distinct cultures of their own.

Religions

Islam (88 per cent), Hinduism (10 per cent), Buddhism and Christianity. Although Islam is the state religion, freedom of worship is guaranteed under the constitution.

Education

The investment in education amounts to 2.2 per cent of GDP.

In November 2003, the Asian Development Bank (ADB) announced it was leading the jointly financed Second Primary Education Development Program (PEDP-II), designed to reorganise primary education in Bangladesh, with a US\$1.815 billion package, including US\$654 million external financing, provided by, among others, 11 international donors. The programme will run over the six-year period 2004–09. The package includes a 32-year, US\$100 million, loan. The objectives of PEDP-II are to raise standards in school governance, and teacher training, improve the quality of school buildings and enhance the accessibility of schooling for students, particularly those from poor families.

By 2004 nearly 18 million students were enrolled in over 78,000 primary level schools, in the world's largest primary education system. Bangladesh has gender parity and has strived to expand access to the very poor and disadvantaged, including those with special needs. Enrolment rates suggest that about four million primary school-aged children are absent from school and about one-third of children drop out before completing primary school; children in remote rural and tribal regions still have significantly less access to schooling. Despite Bangladesh's official policy of gender parity, gender differences in learning persist.

Micro level strategies for basic education in rural areas are being developed through concerted co-operation between local communities, NGOs, government, and international donors. The Bangladesh Rural Advancement Committee (Brac) has developed strategies for intense community participation, operating 35,000 schools, providing education to 1.2 million children with a strong emphasis on the recruitment of local female teachers. Schools operated by Brac have improved outcomes to state-run schools, with better life skills and higher transition to secondary schools. Satellite village schools linked with larger schools in the area bring education services to children living in remote

parts of the country. International support in basic education helps combat the problem of child labour by giving incentives to educate children employed in industries. Government programmes include free education for girls up to class 10 and stipends for female students; food-for-education; and the total literacy movement.

Madrasas (schools offering an Islamic education to Muslim boys and girls) have increased in number from 1,500 in 1970 to 8,000 in 2004. Hindus and Buddhists also receive religious education at institutes called *Tal* and *Chatuspathi*.

Literacy rate: 41 per cent adult rate; 50 per cent youth rate (15–24) (Unesco 2005).

Compulsory years: Six to 10

Enrolment rate: 89.6 per cent net primary enrolment; 93.3 per cent, male, 86.0 per cent, female (2009). Bangladesh aims to achieve universal primary school enrolment by 2015.

Pupils per teacher: 55 overall, and 67 in state schools (ADB 2003)

Health

In the past decade, the infant mortality rate has been reduced by half – a faster reduction than any other country. With the highest incidence of malnutrition in the world, Bangladesh has made great efforts to improve the nutritional status of women and children.

Primary health care facilities have been expanded throughout the country and are provided through government sponsored Union and Thana Health Complexes; secondary health care facilities are provided by District level hospitals, and tertiary health-care facilities through Medical College Hospitals, Post-graduate Institutes and specialised hospitals at divisional and national levels.

It is estimated that at least 1.2 million people are exposed to poisoning by naturally occurring arsenic in groundwater, and about 40 million of Bangladesh's 144 million people are considered at risk. Since 1993, experts have found that tube wells in more than half of Bangladesh's 64 districts (mainly in the south-western, middle and north-eastern parts of the country) are likely to be contaminated with arsenic. The effects may take as long as 14 years to become visible but treatment can be successful before levels of poison reaches a certain level.

A cheap filter, costing around US\$4, which can process 25–30 litres of drinking water a day, enough for a family of five is widely available.

HIV/Aids

The HIV prevalence rate among adults between is relatively low; the rates among high-risk groups are greater – sex workers

0.5 per cent and unregistered injecting drug users 1.7 per cent (World Bank). In 2009, there were an estimated 6,000 living with HIV.

HIV prevalence: 0.03 per cent ages of 15–49 (Unicef 2012)

Life expectancy: 69 years, 2010 (Unicef 2012)

Fertility rate/Maternal mortality rate: 2.2 births per woman, 2010 (Unicef 2012); maternal deaths 440 per 100,000 live births (World Bank).

Child (under 5 years) mortality rate (per 1,000): 41 per 1,000 live births (WHO 2012)

Welfare

Over 67 million people live below the poverty line, and Bangladesh still has the highest incidence of poverty in South Asia; only India and China have higher numbers of poor. Added to which, Bangladesh has one of the highest density populations (roughly 800 people per square kilometre), however it has achieved near self sufficiency in food production and made good progress in improving natural disaster management and social safety nets. In the 2002/03 budget, an allowance of Tk125 each was given to 900,000 people, (up from a previous 600,000), deemed disadvantaged: orphans, retarded, very-old, widows, and deserted women.

The World Bank suggests that while economic development and lasting poverty reduction is being hampered by the absence of reliable power (an estimated 10 million rural households lack access to electricity), even poor households are eager to join community-based saving projects such as Safe Save, and the Social Investment Program Project designed to give the poor in remote areas access to decision-making processes through small-scale infrastructure and social assistance projects. Communities will be expected to provide participation by contributing at least 15 per cent of the expenditure needed and donors the remaining 85 per cent.

Main cities

Dhaka (capital), (estimated population 11.7 million (m), in 2012) Chittagong (4.1m), Narayanganj (1.6m), Khulna (1.5m), Gazipur (1.3m), Rajshahi (842,701), Tungi (478,982), Mymensingh (407,798).

Languages spoken

Bengali (Bangla) is spoken by 95 per cent of the population. The remaining 5 per cent speak various tribal dialects. English is widely spoken and understood within the business community.

Official language/s
Bengali (Bangla)

Media

The constitution guarantees freedom of the press but pressure by politicians and the police is often exerted on journalists, who are also targeted but Islamist and Maoist groups. The government influences media outlets through awarding or withholding official advertising revenue.

Press

Dailies: Most newspapers are privately-owned, diverse and can be outspoken, with a strong tradition of owner-editorship. Newspapers that are published in English target the educated urban readership.

In Bengali *The Daily Ittefaq* (www.ittefaq.com), *Jugantor Daily News* (<http://jugantor.com>), *Prothom Alo* (www.prothom-alo.com), *Bhorer Kagoj* (<http://bhorerkagoj.net>) and *The Daily Inqilab* (www.dailyinqilab.com). In English, *The Bangladesh Today* (www.thebangladeshtoday.com), *The Daily Star* (www.thedailystar.net), *The Independent* (theindependent-bd.com), *Dhaka* (www.dhaka.com), *New Age* (www.newagebd.com), *New Nation* (www.nation-online.com), *The News Today* (www.newstoday-bd.com).

Weeklies: In Bengali, *Shaptahik2000* (www.shaptahik2000.com), *Anannya* (www.my-anannya.com), is a women's weekly, *Jai Jai Din* (www.jaijaidin.com), *Unmad* (www.homeviewbangladesh.com/unmad) is a satirical magazine and *Weekly Amod* (www.weeklyamod.com) comes from Chittagong. In English *Dhaka Courier* (www.dhakacourier.net) and *Holiday* (www.weeklyholiday.net) are news publications and *Blitz* (www.weeklyblitz.net) is a tabloid, *Weekly Evidence* (www.evidence-int.com) covers international news and comment.

Business: In English, *The Financial Express* (www.thefinancialexpress-bd.com), the *Independent Bangladesh* (www.independent-bangladesh.com) is in collaboration with *The Daily Commercial Times* from Chittagong.

Periodicals: In Bengali *At Tahreek* is an Islamic monthly publication. In English, *Business info Bangladesh* (www.bizbangladesh.com) is an annual trade and business directory.

Broadcasting

Radio: The state-owned broadcaster is Bangladesh Betar (www.betar.org.bd) with three national networks, A, B and C, as well as local stations, providing news, information, educational and cultural programmes as well as an external service in English, Hindi, Arabic, Urdu and Nepalese.

Private, commercial stations includes Radio Metrowave (www.metrowave-bd.com) Radio Foorti

(www.proshikanet.com/radiofoorti), Radio Today (www.radiotodaybd.fm) and Capital FM (www.drivetimedhaka.com).

Television: The only terrestrial broadcaster is the national state-owned Bangladesh Television (BTV) (www.btv.com.bd). Other cable and satellite TV networks include Channel i (www.channel-i-tv.com), NTV (www.ntvbd.com), ATN Bangla (www.atnbangla.tv), RTV and Ekushey TV. ENB News (www.enbnewsbd.com) is a 24-hour news network.

National news agency: Bangladesh Sangbad Sangstha (BSS)

Other news agencies: BDNEWS24: www.bdnews24.com

Economy

The economy is largely based on agriculture, with the majority of the work force employed in the sector. Located at the Ganges-Brahmaputra River Delta, Bangladesh has fertile land and plentiful water with an expanded irrigation network that provides three crops of rice per year in many regions. Other primary crops include jute, tea and maize. The service sector is the largest component in the economy, with large employment groups in trade, hospitality, education, personal services and transport. Industries include mining, steel, chemicals paper and wood pulp.

Textile manufacturing was developed in the 1990s and exports of fabrics and clothes became the principal export in 2009. The industry employs mostly women for its assembly line production and has the world's lowest textile workers' payment. The Bangladesh textile industry is the world's third largest (after Turkey and China). Exports gained a fillip in 2008 when China's textile exports to both the US and EU were capped allowing Bangladesh to meet the shortfall. GDP growth was 6.0 per cent in 2008, a figure that has remained relatively constant since 2005, but which fell to 5.9 per cent in 2009. The economy was not unduly damaged by the global economic crisis, as its banking sector was not exposed to the losses experienced by high-income countries. Nevertheless, Bangladesh was hurt by falling world trade and the rising price of imports, particularly oil and food.

Exports in 2010 were valued at US\$19.2 billion; rising from US\$15.1 billion 2009; imports were 24.7 billion in 2010, which resulted in a trade deficit of US\$-5.5 billion.

In 2011, the UN Human Development Index (HDI) ranked Bangladesh 146 (out of 187) for national development in health, education and income. Since 2000, Bangladesh's progress has grown but has not matched the improvement of other

countries in South Asia. In 2010, 50.4 per cent of the population experienced at least one indicator of poverty, while 49.6 per cent live on the equivalent of US\$1.25 per day. Migrant workers provided US\$10.5 billion in remittances in 2009, which rose to US\$10.8 billion (9.6 per cent of GDP) and was estimated to have reached US\$11.9 billion in 2011. Bangladesh is a low income economy, as defined by the International Monetary Fund (IMF), with a population of over 142.3 million in 2011. The high population density is a brake on development. Poverty rates, however, are in decline, with improvements in healthcare and education triggering social improvement. The infrastructure is vulnerable to typhoons and productive land is subject to recurring annual monsoon flooding. In 2010 the IMF concluded that Bangladesh could improve its growth rate if it implemented decisive tax reforms.

External trade

Bangladesh is a member of South Asia Association for Regional Co-operation, which operates a preferential trading arrangement that covers 6,000 products. In 2004 the South Asia Free Trade Area (Safra) was ratified, to be implemented between the seven member states (Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka) by 2012.

In 2011, exports of the vegetable fibre jute were valued at over US\$1 billion, a 30-year record since it fell out of favour in competition with man-made fibres. Its demand as a natural fibre with inherent bio-degradability has been growing steadily. Modern technology has also allowed it to be used in a greater variety of products, such as carpets, insulation material and bags. Bangladesh produces around 50 per cent of the world's supply of jute.

Imports

Main imports are manufactured goods, machinery and transport equipment, petroleum and petroleum products, chemicals and pharmaceuticals, cement, raw cotton, food, vegetable oil, fats and cereal crops.

Main sources: China (18.2 per cent of total in 2011), India (13.5 per cent), Malaysia (4.9 per cent).

Exports

Main exports typically include jute manufactures and raw jute (over 20 per cent of total), cotton textiles, garments, frozen fish and seafood, leather, ceramics and tea. There is a ban on the export of natural gas.

Main destinations: US (19.7 per cent of total in 2011), Germany (16.1 per cent), UK (9.5 per cent).

Agriculture

Agriculture dominates the economy and contributes around 20 per cent to GDP. It employs 66 per cent of the labour force and determines incomes and consumption for the vast majority of Bangladeshis. Bangladesh is largely self-sufficient in food grains, although a food deficit may occur when weather conditions are adverse.

Rice is the principal crop, accounting for about 70 per cent of cropped land. Improvements in rice production have been achieved through research, which has produced high-yielding rice varieties, improved farming methods, greater use of fertiliser and more widespread irrigation. Agricultural employment increased with the use of high-yield rice, which is between 20 and 50 per cent more labour-intensive than traditional varieties. In the 2009–10 sowing season, three new rice varieties were given their final testing. These strains of rice are designed to survive the annual monsoon flooding and are expected to improve the annual harvest. Over two million hectares are inundated by monsoon flash floods destroying millions of tonnes of rice each year. Another, high-yield rice strain, *Nerica*, was trial-grown in the Ganges delta in 2010–11. It was originally developed in Côte d'Ivoire, where it had been cultivated for Africa's dry lands, although seeds for this trial were imported from Uganda. It is fast-growing and drought-resistant and registered better than expected field results in 2010 so that 1,500 farmers nationwide grew it in 2011. Its short growing (90–100 days for *Nerica* verses 140–160 days for current rice strains) could overcome crop losses due to major natural disasters.

Other crops are pulses, wheat, jute, oil seeds, sugar cane, tea, spices, vegetables and fruit. The livestock sector contributes about 3 per cent to GDP.

The amount of cultivable land under irrigation has increased to about 35 per cent. Much of the land is broken into tiny plots. Farms of less than one acre account for about 40 per cent, while about 5 per cent of farm households own and operate more than 25 per cent of agricultural land. The government leases farm machinery to groups of farmers forming co-operatives and increasing farm sizes. Bangladesh is the world's largest exporter of raw jute and jute goods, amounting to around half of the world shipments. The jute industry has been restructured and modernised with aid from the World Bank. In 2011, demand for the vegetable fibre jute reached a 30-year high since it fell out of favour in competition with synthetic fibres. Around five million farmers cultivate jute and its role in the rural

economy is growing. Not only does the natural fibre have inherent bio-degradability but is also strong, versatile and long-lasting. Modern technology has also allowed it to be used in a greater variety of products, such as carpets, insulation material and bags. The government has given its backing by requiring all domestic food grains to be packaged by jute.

About 2 per cent of the world's tea is grown in Bangladesh on some 150 plantations in the north-east region of Sylhet. After meeting domestic demand, a significant amount is exported to other Asian countries and Europe.

Fishing has been identified by the government as a rapidly growing sector with increased production, which could generate revenue and foreign earnings while improving local nutrition. The sector has grown by 8 per cent per year since 1996 and contributes 3.3 per cent to GDP and directly employs around 1.3 million people. The typical annual catch is over 1.7 million tonnes.

Development by government, NGOs and private initiatives include: new hatcheries, extensive marine fisheries in the Bay of Bengal, south of the country, supporting infrastructure and training programmes. Bangladesh's total forest cover is estimated at 1.3 million hectares. The forestry sector typically contributes about 2.5 per cent to GDP, providing raw materials for the construction industry.

Bangladesh is one of the world's most densely populated countries and, as a consequence, its forests are subject to heavy demand pressures, both in wood production and competing land uses. An estimated 80 per cent of wood production is used for fuel; most of the remainder is converted to sawnwood. Coastal forests comprise mangroves, which account for nearly half of total forest cover, and bamboo. Inland valley forests comprise *sal*, *gamari*, *chaplish*, *telsu*, *jarui*, *teak*, *garjan*, *chandon* and *sundari*.

Industry and manufacturing

The industrial sector accounts for around 26 per cent of GDP and employs 10 per cent of the workforce. Some 40 per cent of industrial capacity is publicly-owned, mostly in jute and textile milling, steel and chemical production. Around one-third of fixed assets in manufacturing enterprises are held by the public sector, but account for less than 10 per cent of output. The main activities are jute processing, contributing around 15 per cent to gross manufacturing output, and cotton spinning and weaving.

The garment industry, which is the principal exporter, grew rapidly during the 1990s, helped by economic liberalisation,

fiscal incentives and a relatively disciplined workforce. It is the largest industrial employer, with about 1.5 million workers. Other industries include leather goods, newsprint, cement, refined sugar, beverages, pharmaceuticals, electronic components and fertilisers. The US\$510 million fertiliser plant in Chittagong exports 500 tonnes of ammonia and 1,725 tonnes of urea a day, mainly to India and China; earnings are estimated at US\$100 million a year.

Bangladesh has established export processing zones in Chittagong, Dhaka, and Gazipur. Improving the efficiency and flexibility of labour and the financial markets and public enterprise reform will be critical for the performance of the industrial sector.

Long-term financing is virtually impossible to obtain and few companies have access to overseas financing, resulting in only modest growth in the industrial sector, the garments industry aside. Low wage rates, labour and an entrepreneurial society make the country an ideal manufacturing base, although poor infrastructure, high tariffs, corruption and bad governance still need to be addressed. Power constraints are also cited as a reason for low investment, although the government has opened the energy sector to private and foreign investment.

Tourism

Bangladesh is a poor country, which has only recently become a destination for international travellers with its wealth of history, culture and natural environment. However, facilities and infrastructure are still underdeveloped. In 2011, three monuments were designated by Unesco as world heritage sites, including a Buddhist ruins, an historic mosque and the *Sundarbans* (Bengali for 'beautiful jungle'), the world's largest mangrove forest. Traditional handicrafts are inexpensive and include native gold and silver items, pearls, pottery and textiles (silk and cotton) and wooden carvings.

The sector has an advantage in that English is a second language for many Bangladeshis. The majority of tourists come from India, with many others coming from the rest of Asia. Expatriates are also a large minority of visitors. Inbound tourists in 2005 amounted to around 200,000 and the tourist industry constituted 5 per cent of total GDP with visitor expenditure accounting for 0.8 per cent of total foreign earnings. Since then the tourist industry has stagnated with its contribution to GDP falling to 4.8 per cent in 2011 and its share of foreign earnings just 0.4 per cent. The government, in an attempt to revitalise an industry with potential, has encouraged capital

investment which rose from US\$162 million in 2005 to US\$471 million in 2011.

Environment

A ban exists on the production and use of polythene bags which have caused serious problems blocking the drainage system.

Mining

The 550km of coastline hold large resources of beachsands with rare mineral deposits spread over 17 areas containing monazite, ilmenite, zircon, rutile and magnetite. There are large limestone deposits, which are used to produce cement. The Jaipurhat Limestone Mining and Cement Works extracts one million tonnes per year of limestone to operate the plant. Other mineral resources include peat, white clay and mineral-bearing sands. The general trend of government incentives to foreign investors, including share holding and private investment in exploration activities, is likely to develop the mining sector.

Hydrocarbons

Proven oil reserves were negligible by 2010; the country is a net importer of oil of 101,000 barrels per day (bpd). Eastern Refinery, Bangladesh's only oil refinery, has benefited from a US\$1 billion refurbishment, undertaken by a joint partnership by Saudi Arabia's Marasel Company and Beximco of Bangladesh, in 2010. The project will triple the output to almost 100,000 barrels per day (bpd) and increase the 40 per cent of demand it currently fulfils.

Petrobangla is the state-owned energy company which produces and markets oil and gas.

Bangladesh had proven natural gas reserves of 400 billion cubic metres (cum) at the end of 2011 and produced 19.9 billion cum, an decrease of -0.3 per cent on the 2010 figure but still double the amount produced in 2000. A new gas field with an estimated 900 million cum in the Sunamganj-Netrakona districts of north-eastern Bangladesh was announced in 2010.

The large gas reserves and the country's proximity to the potentially huge energy market in India could help Bangladesh to develop as a major natural gas transit corridor, linking India's easternmost states with West Bengal. However, there is strong opposition to natural gas reserves being used for earning foreign revenue through exports, with the view that domestic markets should be supplied first. Around 80 per cent of gas consumption is used in power and fertiliser production and the remainder on industrial and household needs.

Bangladesh's coal reserves remained unexploited until recently. The Barapukuria coal mine in north-west Bangladesh, the first major coal mine was opened in 2003. The mine has a production capacity of one million tonnes per annum, which will be mainly used for electricity generation. Imports are typically around 500,000 tonnes.

Energy

Bangladesh has an electricity generation capacity of around 4,700MW, 95 per cent of which is generated by conventional thermal power, overwhelmingly natural gas, with 5 per cent hydropower. Production was 22.78 billion kilowatt hours (kWh) in 2007, while consumption was over 21.4 kWh.

The government has opened up the market to foreign involvement with joint projects to build new or refurbish existing power stations, plus support for small, local, generators up to 10MW in under-served areas, and rural electrification. Biomass plays a significant role in rural household energy supplies and is estimated to account for 50 per cent of all energy consumption. Nevertheless it remains a non-commercial element in Bangladesh's energy mix.

Financial markets

Stock exchange

Dhaka Stock Exchange (DSE)

Commodity exchange

Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE)

Banking and insurance

The banking system dominates the financial sector, accounting for about 97 per cent of the market in terms of assets.

There are four nationalised commercial banks, six development banks, 27 private banks and 19 non-bank financial institutions. The four nationalised commercial banks have consistently accounted for over 60 per cent of assets since the mid-1990s, while private domestic banks account for about 32 per cent, and foreign banks for the remaining 6–7 per cent.

Successive Bangladeshi governments have failed to address the inefficiencies and mis-allocation of funds by the state-owned banks. The government's emphasis on private sector led growth, if implemented, requires the development of a more efficient, transparent financial sector. Development of a properly regulated banking system is one priority in this regard, the equity market is another.

Nobel laureate, Muhammad Yunus was sacked on 2 March 2011 from the Grameen microfinance bank, which he had founded. The BCB, when dismissing him, said that he was passed retirement

age. Yunus began legal proceedings to challenge his sacking but lost his appeal on 8 March.

Central bank

Bangladesh Central Bank (BCB)

Main financial centre

Dhaka

Time

GMT plus six hours

Daylight saving time (DST), was introduced in 2009, beginning between 19/20 June and ending 31 December, allowing businesses to open an hour earlier during summer months. However, it was later cancelled and Bangladesh remains on GMT +6 hours.

Geography

Bangladesh is bordered mostly by India except for a short border with Myanmar to the south-east. The Bay of Bengal washes the southern edge of the country. The Ganges (Padma) and Brahmaputra (Jamuna) rivers flow from the Himalayas into the Bay of Bengal and each river has a massive and ever-changing delta system where they meet the sea. The silt deposits from these rivers have created a vast alluvial plain where the soils are among the most agriculturally rich in the world. Apart from some hills around Aylhet in the north-east and the Chittagong Hills in the south-east, the country is flat and low-lying, and is criss-crossed by numerous waterways.

Hemisphere

Northern

Climate

Bangladesh has a sub-tropical monsoon climate and is dominated by the seasonally-reversing monsoons. There are three main seasons: winter (November–February) with an average temperature of 19 degrees Celsius (C); summer (March–May) when the average temperature is 29 degrees C and the climate is remarkably equable; and monsoon (June–October) which is humid and warm and accounts for 80 per cent of the country's annual rainfall of 1,200–3,500mm. It is normal for monsoon floods to cover around one-third of the country each year.

Dress codes

Lightweight cottons and linens are suitable during all seasons except winter when warm clothing is required.

Most Bangladeshis wear traditional dress: *lungi* (sarong) and *kurta* (loose shirt) for men and *sari* for women. However, urban and professional men prefer Western clothes: trousers, suits and ties; very few women wear skirts. There is no recognised national dress, but at official functions, Bengali men are expected to wear a

closed collar jacket and trousers; for less formal occasions, safari suits are popular. Visiting businessmen should wear a lightweight or tropical suit and tie, and women should dress modestly.

Entry requirements

Passports

Required for nationals of all countries. Passports must be valid three months beyond the intended length of stay. A return ticket is required.

Visa

Required by nationals of most countries, with the exception of a number of Commonwealth countries and several others (for a list of exemptions, see www.bangladeshhighcommission.org.uk). Applications for business and tourist visas must be accompanied by a letter of invitation or other specified documentation (see www.bangladeshhighcommission.org.uk).

Prohibited entry

Nationals of Israel

Currency advice/regulations

The import and export of local currency is limited to Tk500. The import of foreign currency is allowed but amounts greater than US\$3,000 must be declared on arrival. The export of foreign currency is limited to US\$3,000 or the amount declared on arrival.

All foreign currency exchanged must be entered on a currency declaration form. Travellers cheques can be exchanged on arrival at Dhaka Airport. To avoid additional exchange rate charges, it is advisable to take travellers cheques in US dollars or UK pounds sterling.

Customs

Personal effects duty-free provided they are declared on entry.

Prohibited imports

Firearms and some animals.

Health (for visitors)

Health regulations may change and it is advisable to make detailed enquiries before travelling.

Mandatory precautions

A vaccination certificate is required for yellow fever if travelling from an infected area.

Advisable precautions

Immunisations are recommended for tetanus, typhoid, polio and hepatitis A. In some circumstances, immunisations for hepatitis B and Japanese B encephalitis are advisable – seek medical advice. Malaria prophylaxis is recommended for areas outside Dhaka. There is a rabies risk. Water and food precautions should be observed.

Hotels

Hotel bills must be paid in a major convertible currency or with travellers cheques.

Provincial towns have government rest-houses with fairly Spartan accommodation, for which booking well in advance is advisable.

Credit cards

Credit cards are accepted. There is limited acceptance of Mastercard, Diners Club and American Express outside Dhaka.

Public holidays (national)

Fixed dates

1 Jan (New Year's Day), 21 Feb (Shaheed Day), 26 Mar (National Day), 14 Apr (Bengali New Year), 1 May (Labour Day), 7 Nov (National Revolution Day), 16 Dec (Victory Day), 25 Dec (Christmas Day), 26 Dec (Boxing Day), 31 Dec (New Year's Eve).

Variable dates

Eid al Adha, Islamic New Year, Birth of the Prophet, July Bank Holiday (first Mon in Jul), Ascent of the Prophet, Shab e-Qadr, Eid al Fitr.

Islamic year 1435 (5 Nov 2013–24

Oct 2014):: The Islamic year contains 354 or 355 days, with the result that Muslim feasts advance by 10–12 days against the Gregorian calendar. Dates of feasts vary according to the sighting of the new moon, so cannot be forecast exactly.

Working hours

Banking

Sun–Wed: 0900–1500; Thur: 0900–1300.

Business

Sunday–Thursday: 0900–1700.

Government

Sunday–Thursday: 0900–1700.

Shops

Saturday–Thursday: 0900–2000; Friday 0900–1230; 1400–2000.

Telecommunications

Mobile/cell phones

The use of mobile phones is extremely limited.

Electricity supply

220V AC, 50 Hz with British-type 2 or 3 round pin plug fittings.

Weights and measures

Metric system

Social customs/useful tips

Normal Muslim customs predominate. Food and drink should be proffered with the right hand only. It is offensive to drink, eat or smoke in public or in the presence of Muslims during the month of Ramadan. Pork is considered unclean. However, alcohol is not prohibited and is available. Muslim women should not be photographed unless it is certain that no objection will be made. Females are expected to dress soberly and act discreetly. If

travelling without a man, women sit together at the front of the bus.

People are usually warm and informal and do not hesitate to invite foreigners to their homes.

Gratuities in restaurants are around 10 per cent and 5 per cent for taxis.

Security

Thieving, armed robbery and kidnapping are a threat. Caution should be exercised when moving around, including in choice of transport. Ostentatious displays of wealth such as money, watches and cameras should be avoided.

Getting there

Air

National airline: Biman Bangladesh Airlines

International airport/s: Zia International (DAC), 20km north of Dhaka, with VIP lounge, duty-free shop, bank, post office, restaurant and car hire; Patenga (CGP), 22km from Chittagong.

Other airport/s: Sylhet (ZYL), in the north-east of the country catering for visitors to the highlands of Sylhet.

Airport tax: Tk300 for all passengers, excluding those under two-years-old and immediate transit passengers.

Surface

Road: It is possible to travel by road from a number of points in India, including West Bengal, Assam and Tripura. Travel may be difficult during monsoon seasons.

Rail: In 2011 Bangladesh Railway had a total track network of 2,835km, divided into the west zone with 1,569km (660km of broad (1.676 metre) gauge, 534km metre gauge and 375km dual gauge), and the east zone with 1,266km of metre gauge track. The zones are separated by the Jamuna River with one east-west link – the Jamuna bridge.

Main port/s: Chittagong, Chalna.

Getting about

National transport

Transport links in Bangladesh are often slow and prone to disruption by bad weather. Allow time for delays. In April 2011 the World Bank agreed a US\$1.2 billion credit to build a 6k bridge across the Padma river, linking to the Dhaka-Chittagong Highway. The Bank estimates the road and rail connection will directly benefit some 30 million people in the region. At present all traffic across the Padma has to rely on ferries, which are infrequent and often unsafe.

Air: There are regular daily flights between main centres operated by Air Parabat. Biman Bangladesh also serves main centres.

There are regional airports at Barisal, Jessore, Saidpur, Sylhet, Cox's Bazar,

Thakurgaon and Rajshahi. Local storms can disrupt schedules.

Road: Bangladesh has an extensive road system, but does not have the capacity to deal with the amount of traffic. An estimated 7 per cent of roads are paved, and around half are metalled. Travel on roads during the monsoon season is difficult. The 4.8km long road/rail bridge across the Jamuna River links the eastern and western parts of the country. Numerous ferry crossings sometimes make journey times unpredictable.

Buses: There are express buses and local ones which stop en route. The latter charge around 25 per cent less, but are slow. In remote areas local buses are often the only means of transport.

Rail: About one-third of Bangladesh is serviced by railways. Inter City (IC) trains are frequent, clean and reasonably punctual, especially in the eastern zone, although they may be relatively slow. Six classes of rail travel are available: 'first' and 'express' are recommended for air-conditioned coaches that also provide more room.

Water: The river is the traditional means of transport. There are 8,000km of navigable waterways, although flooding in the monsoon season, silting in the dry season, and fogs may make routes inaccessible. The main routes are covered by the Bangladesh Inland Waterway Transport Corporation (BIWTC), but there are many private companies operating on shorter routes. Passage should be booked well in advance.

City transport

Taxis: Taxis, generally identifiable by their black body and yellow top, are few and far between in Dhaka; they are available at main hotels and airports. Negotiate fares before travelling. A 10 per cent service charge is usual.

It is probably best to organise a car from the hotel for the 20km trip from Dhaka Zia International Airport; journey time is 30 minutes.

Rickshaws and autorickshaws are available, but are not recommended for use at night. Autorickshaws should be metered, but often are not. Negotiate fares in advance.

Buses, trams & metro: Buses are generally overcrowded and unreliable.

Car hire

There are a number of private car hire companies in Dhaka and other cities. The Bangladesh Parjatan Corporation (BPC), the government tourism organisation, has a fleet of air-conditioned and non air-conditioned cars, minibuses and jeeps for hire. The BPC also offers a transfer service for tourists between Dhaka airport and the city centre and main hotels.

Driving is on the left. A national licence or international driving permit is required.

BUSINESS DIRECTORY

The addresses listed below are a selection only. While World of Information makes every endeavour to check these addresses, we cannot guarantee that changes have not been made, especially to telephone numbers and area codes. We would welcome any corrections.

Telephone area codes

The international direct dialling code (IDD) for Bangladesh is + 880, followed by area code and subscriber's number:

Bagerhat	401	Khulna	41
Barisal	431	Kushtia	71
Bogra	51	Moulvi Bazar	861
Chittagong	31	Mymensingh	91
Comilla	81	Narayanganj	671
Dhaka	2	Patvakhali	441
Dinajpur	531	Rajshashi	721
Jamalpur	981	Sylhet	821

Useful telephone numbers

Police: 866-551/3

Fire: 9-555-5555

Ambulance: 112

Chambers of Commerce

American Chamber of Commerce in Bangladesh, Dhaka Sheraton Hotel, 1 Minto Road, Dhaka 1000 (tel: 861-3391; fax: 831-2915; e-mail: amcham@bangla.net).

Chittagong Chamber of Commerce and Industry, Agrabad Commercial Area, Chittagong (tel: 711-355; fax: 710-183; e-mail: ccci@globalctg.net).

Dhaka Chamber of Commerce and Industry, 65 Motijheel Commercial Area, Dhaka 1000 (tel: 955-2562; fax: 956-0830; e-mail: dccci@bangla.net).

Federation of Bangladesh Chambers of Commerce and Industry, 60 Motijheel Commercial Area, Dhaka 1000 (tel: 956-0102; fax: 861-3213; e-mail: fbcci@bol-online.com).

Foreign Investors Chamber of Commerce and Industry, 35-1 Purana Paltan Line, Inner Circular Road, Dhaka 1000 (tel: 831-9448; fax: 831-9449; e-mail: ficci@bangla.net).

Khulna Chamber of Commerce and Industry, 5 KDA Commercial Area, Khan-A-Sabur Road, Khulna (tel: 721-695; fax: 731-213).

Metropolitan Chamber of Commerce and Industry, 122 Motijheel Commercial Area, Dhaka 1000 (tel: 956-5208; fax: 956-5212; e-mail: sg@citechco.net).

Banking

Agrani Bank, Agrani Bank Building, 9D Motijheel Commercial Area, Dhaka 1000 (tel: 956-6160; fax: 956-2346).

Arab Bangladesh Bank, BCIC Bhaban, 30-31 Dilkusha Commercial Area, Dhaka 1000 (tel: 956-0312; fax 956-4122).

Bangladesh Krishi Bank (Agricultural Bank), 83-85 Motijheel Commercial Area, Dhaka 100 (tel: 956-0021; fax: 867-102).

Bangladesh Shilpa Bank (Industrial Bank), PO Box 975, 8 Rajuk Avenue, Dhaka (tel: 955-8326; fax: 956-2061).

Banque Indosuez, 47 Motijheel Commercial Area, Dhaka 1000 (tel: 956-6566; fax: 956-5707).

Citibank N A, Chamber Building, 122-124 Motijheel Commercial Area, Dhaka 1000 (tel: 955-0061; fax: 956-2236).

Dutch-Bangla Bank Limited, Sena Kalyan Bhaban, 195 Motijheel Commercial Area, Dhaka 1000 (tel: 956-8537, 956-8542-44; fax: 956-1889; e-mail: dbbl@bdmail.net).

Grameen Bank, Grameen Bank Bhaban, Mirpur, Section-2, Dhaka-1216, Bangladesh (tel: 900-5256; e-mail: grameen.bank@grameen.net).

Hongkong & Shanghai Banking Corporation, Anchor Tower, 1.1-B Sonargaon Road, Dhaka 1205 (tel: 966-0536; fax: 966-0554).

International Finance Investment and Commercial Bank, BSB Building, 8 Rajuk Avenue, Dhaka 1000.

Investment Corporation of Bangladesh, Dhaka.

Islam Bank Bangladesh, PO Box 233, Islami Bank Tower, 40 Dilkusha Commercial Area, Dhaka 1000 (tel: 956-3182; fax: 956-4532).

Janata Bank, Janata Bhaban, 110 Motijheel Commercial Area, PO Box 468, Dhaka 1000 (tel: 956-000; fax: 956-4644).

National Bank Limited, 18 Dilkusha Commercial Area, Dhaka 1000 (tel: 956-3081/5; fax: 956-3953; e-mail: nblho@citechco.net).

Pubali Bank Ltd, 26 Dikusha Commercial Area, Dhaka 1000 (tel: 956-9050; fax: 956-4009).

Rupali Bank Ltd, 34 Dilkusha Commercial Area, Dhaka 1000 (tel: 955-1624; fax: 956-4148).

Sonali Bank, Motijheel Commercial Area, PO Box 147, Dhaka 1000 (tel: 955-0426; fax: 956-1410).

Standard Chartered Bank, 18-20 Motijheel Commercial Area, Dhaka 1000 (tel: 956-1465; fax: 956-1758).

United Commercial Bank, 60 Motijheel Commercial Area, Dhaka 1000.

Uttara Bank, 90 Motijheel Commercial Area, Dhakar 1000 (tel: 955-1162; fax: 863-539).

Central bank

Bangladesh Central Bank, Motijheel Commercial Area, PO Box 325, Dhaka 1000 (tel: 956-6203; fax: 956-6212; e-mail: banglabank@bangla.net).

Stock exchange

Dhaka Stock Exchange (DSE), www.dsebd.org

Chittagong Stock Exchange (CSE), www.csebd.com

Commodity exchange

Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE)

Chittagong Stock Exchange (CSE)

Travel information

Automobile Association of Bangladesh, 3/B Outer Circular Road, Dhaka 17 (tel: 402-241).

Biman Bangladesh Airlines, Biman Bhaban, 100 Motijheel Commercial Area, Dhaka 1000 (tel: 240-151/90; fax: 863-005; airport (tel: 894-771/79); flight enquiries (tel: 894-350, 894-870).

Railway enquiries (tel: 409-686).

National tourist organisation offices

Bangladesh Parjatan Corporation, 233 Airport Road, Tejgaon, Dhaka 1215 (tel: 811-7855; fax: 812-6501; e-mail: bpcho@bangla.net).

Ministries

Ministry of Agriculture, Bangladesh Secretariat, Dhaka 1000 (tel: 869-277; fax: 867-040).

Ministry of Civil Aviation and Tourism, Bangladesh Secretariat, Dhaka 1000 (tel: 867-244; fax: 869-206).

Ministry of Commerce, Bangladesh Secretariat, Dhaka 1000 (tel: 869-679; fax: 865-741).

Ministry of Communications, Bangladesh Secretariat, Dhaka 1000 (tel: 864-977; fax: 866-636).

Ministry of Cultural Affairs, Bangladesh Secretariat, Dhaka 1000 (tel: 868-977; fax: 860-290).

Ministry of Defence, Ganabhaban Complex, Sher-e-Bangla Nagar, Dhaka 1207 (tel: 816-955; fax: 817-945).

Ministry of Disaster Management & Relief, Bangladesh Secretariat, Dhaka 1000 (tel: 868-744; fax: 869-623).

Ministry of Education, Bangladesh Secretariat, Dhaka 1000 (tel: 868-711; fax: 867-577).

Ministry of Energy and Mineral Resources, Bangladesh Secretariat, Dhaka 1000 (tel: 866-188; fax: 861-110).

Nations of the World: A Political, Economic and Business Handbook

Ministry of Environment & Forest, Bangladesh Secretariat, Dhaka 1000 (tel: 860-587; fax: 869-210).

Ministry of Finance, Finance Division, Bangladesh Secretariat, Dhaka 1000 (tel: 860-406; fax: 865-581).

Ministry of Fisheries and Livestock, Bangladesh Secretariat, Dhaka 1000 (tel: 864-700).

Ministry of Food, Bangladesh Secretariat, Dhaka 1000 (tel: 862-240; fax: 860-762).

Ministry of Foreign Affairs, Foreign Affairs Building, Segunbagicha, Dhaka 1000 (tel: 955-6020; fax: 956-2557).

Ministry of Health & Family Welfare, Bangladesh Secretariat, Dhaka 1000 (tel: 866-975; fax: 869-077).

Ministry of Home Affairs, Bangladesh Secretariat, Dhaka 1000 (tel: 864-611; fax: 869-667).

Ministry of Industries, Shilpa Bhaban, 91 Motijheel Commercial Area, Dhaka 1000 (tel: 956-3549; fax: 956-3553).

Ministry of Information, Bangladesh Secretariate, Dhaka 1000 (tel: 868-555; fax: 862-211).

Ministry of Jute, Bangladesh Secretariat, Dhaka 1000 (tel: 862-250; fax: 868-766).

Ministry of Labour and Manpower, Bangladesh Secretariat, Dhaka 1000 (tel: 862-141; fax: 868-660).

Ministry of Land, Bangladesh Secretariat, Dhaka 1000 (tel: 869-644; fax: 862-989).

Ministry of Law, Justice and Parliamentary Affairs, Bangladesh Secretariat, Dhaka 1000 (tel: 860-560; fax: 868-557).

Ministry of Local Government and Rural Development, Bangladesh Secretariat, Dhaka 1000 (tel: 869-176; fax: 864-374).

Ministry of Planning, Sher-e-Bangla Nagar, Dhaka 1207 (tel: 815-175; fax: 814-638).

Ministry of Post and Telecommunications, Bangladesh Secretariat, Dhaka 1000 (tel: 864-800; fax: 865-775).

Ministry of Primary and Mass Education, Bangladesh Secretariat, Dhaka 1000 (tel: 862-484; fax: 868-871).

Ministry of Religious Affairs, Bangladesh Secretariat, Dhaka 1000 (tel: 860-682; fax: 865-040).

Ministry of Science & Technology, Bangladesh Secretariat, Dhaka 1000 (tel: 866-144; fax: 869-606).

Ministry of Shipping, Bangladesh Secretariat, Dhaka 1000 (tel: 868-155; fax: 862-219).

Ministry of Social Welfare, Bangladesh Secretariat, Dhaka 1000 (tel: 860-452; fax: 868-969).

Ministry of Textiles, Bangladesh Secretariat, Dhaka 1000 (tel: 864-388; fax: 860-600).

Ministry of Water Resources, Bangladesh Secretariat, Dhaka 1000 (tel: 868-688; fax: 862-400).

Ministry of Women and Children Affairs, Bangladesh Secretariat, Dhaka 1000 (tel: 861-012; fax: 867-550).

Ministry of Youth and Sports, Bangladesh Secretariat, Dhaka 1000 (tel: 867-053; fax: 862-344).

President's Office, Bangabhaban, Dhaka 1000 (tel: 966-8041; fax: 946-6242).

Prime Minister's Office, Old Sangsad Bhaban, Tejgaon, Dhaka (tel: 888-160; fax: 813-244).

Other useful addresses

Bangladesh Agricultural University, Mymensingh (tel: 4333, 4191/93).

Bangladesh Export Processing Zones Authority, 222 New Eskaton Road, Dhaka (tel: 832-553; fax: 834-963).

Bangladesh Jute Mills Corporation, Adanjee Court, Motijheel Commercial Area, Dhaka (tel: 238-182/6, 238-192/6; fax: 883-329, 883-985).

Bangladesh Small and Cottage Industries Corporation, 137-138 Motijheel Commercial Area, Dhaka (tel: 865-161).

Bangladesh Telegraph and Telephone Board, 36/1 Mymensingh Road, Dhaka (tel: 831-500; fax: 832-477).

Board of Investment, Shilpa Bhaban, 91 Motijheel Commercial Area, Dhaka (tel: 955-9378; fax: 956-2312).

Bangladesh University of Engineering & Technology, Ramna, Dhaka 2 (tel: 505-171-5).

British High Commission, United Nations Road, PO Box 6079, Baridhara, Dhaka 12 (tel: 882-705/9; fax: 883-437).

Chittagong Port Authority, Port Road, Chittagong (tel: 712-504; fax: 710-593).

Chittagong Stock Exchange, 1/F Kashfia Plaza, 923/A Sheikh Mujib Road, Chittagong (tel: 714-100; fax: 714-101).

Department of Environment, Poribesh Bhaban, Plot £16 Agargaon, Sher-e-Bangla Nagar, Dhaka (tel: 812-416).

Department of Fisheries, Matsa Bhaban Segunbagicha, Dhaka (tel: 956-9320).

Department of Immigration and Passports, 17 Segunbagicha, Dhaka (tel: 834-320; fax: 956-2787).

Department of Shipping, 8/F, 141-143, Motijheel Commercial Area, Dhaka (tel: 955-5128).

Department of Textiles, Bastra Bhaban, Kazi Nazrul Islam Avenue, Dhaka (911-6385).

Dhaka Electric Supply Authority, 1 Abdul Gani Road, Dhaka (tel: 956-3520).

Dhaka Stock Exchange, 9F Motijheel Commercial Area, Dhaka 1000 (tel: 955-1935; fax: 867-552).

Export Promotion Bureau, Chamber Building, 122-124 Motijheel Commercial Area, Dhaka 1000 (tel: 955-2245/9; fax: 956-8000; e-mail: epb.tic@pradeshta.net).

Infrastructure Development Co Ltd, c/o Economic Relations Division, Block 16, Room 3, Sher-e-Bangla Nagar, Dhaka (tel: 811-971; fax: 811-660).

Mongla Port Authority, Mongla, Bagerhat (tel: 416-2331; fax: 403-1224).

National Board of Revenue, Segunbagicha, Dhaka (tel: 838-120; fax: 836-143).

Planning Commission, G.O. Hostel, Sher-e-Bangla Nagar, Dhaka.

Power Development Board, WAPDA Building, Motijheel Commercial Area, Dhaka (tel: 956-2154; fax: 956-4765).

Privatisation Board, 14/F Joban Bima Tower, 10 Dilkusha Commercial Area, Dhaka (tel: 956-3763; fax: 956-3723).

Registrar of Joint Stock Companies and Firms, 24-25 Dilkusha Commercial Area, Dhaka (tel: 956-4005).

Securities and Exchange Commission, Jiban bima Tower, 10 Dilkusha Commercial Area, Dhaka (tel: 956-8101; fax: 956-3721).

US Embassy, Madani Avenue, Baridhara, Dhaka 1212 (tel: 882-4700; fax: 882-3744; e-mail: dhaka@pd.state.gov).

Water Sewerage Authority, 98 Kazi Nazrul Islam Avenue, Dhaka (tel: 816-792; fax: 812-109).

National news agency: Bangladesh Sangbad Sangstha (BSS), 68/2, Purana Paltan, Dhaka 1000 (tel: 955-5036; fax: 9557929; email: bssnews@bssnews.org; internet: www.bssnews.net).