

REGIONAL AGRICULTURE PROFILE (RAP) BANGLADESH HUB





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AGRICULTURE INFRASTRUCTURE DIVISION

2020 ECONOMIC & SOCIAL INFRASTRUCTURE DEPARTMENT IN COLLABORATION WITH
ECONOMIC AND RESEARCH INSTITUTIONAL LEARNING DEPARTMENT

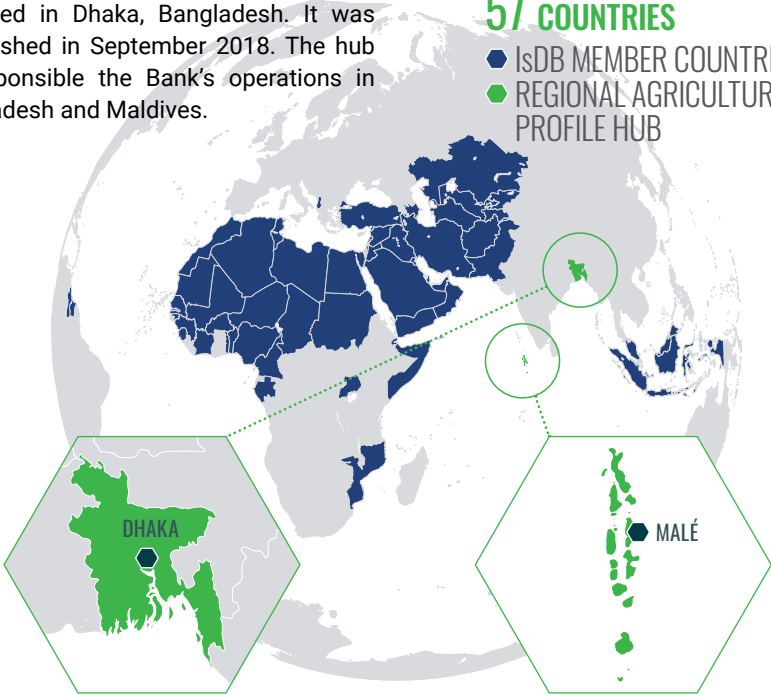
INTRODUCTION

The Islamic Development Bank (IsDB) Regional Hub in Bangladesh (RH-B), is based in Dhaka, Bangladesh. It was established in September 2018. The hub is responsible the Bank's operations in Bangladesh and Maldives.

THE PRESENT MEMBERSHIP OF THE IsDB CONSISTS OF

57 COUNTRIES

- IsDB MEMBER COUNTRIES
- REGIONAL AGRICULTURE PROFILE HUB



BANGLADESH

JOINING DATE:
SUBSCRIBED CAPITAL (SC):
% OF TOTAL IsDB SC:

1974
ID 510 MILLION
1.01

MALDIVES

JOINING DATE:
SUBSCRIBED CAPITAL (SC):
% OF TOTAL IsDB SC:

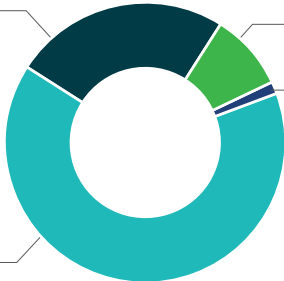
1980
ID 25.84 MILLION
0.05

IsDB GROUP TOTAL
NET APPROVALS
1974-2019
(MILLION US\$)

TOTAL
US\$ 22,584.6

OTHER FUNDS
5,598.2
24.8%

itfc 14,613.0
64.7%



2,033.8
9.0%
IsDB

339.5
1.5%
ICD

BANGLADESH

COUNTRY AREA ('000 HA)

14,798
2018



POPULATION
('000)

147,575



2010

161,356



2018

GDP PER CAPITA
(CURRENT PRICES, US\$)

781



2010

1,698



2018

MALDIVES

COUNTRY AREA ('000 HA)

30
2018



POPULATION
('000)

366



2010

516



2018

GDP PER CAPITA
(CURRENT PRICES, US\$)

7,077



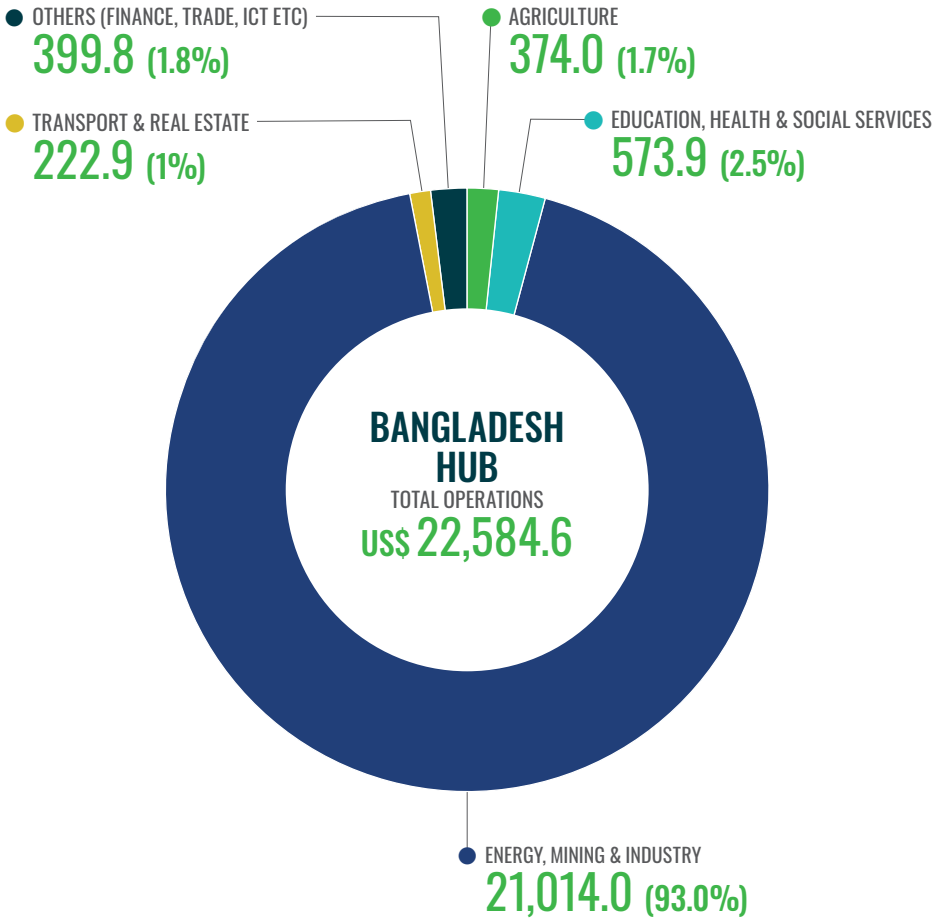
2010

10,331



2018

IsDB GROUP OPERATIONS BY SECTOR 1974 - 2019 (MILLION US\$)





IN BANGLADESH,
AGRICULTURE ACCOUNTS
FOR AROUND

44%

OF EMPLOYMENT DURING
THE PERIOD 2010-2018

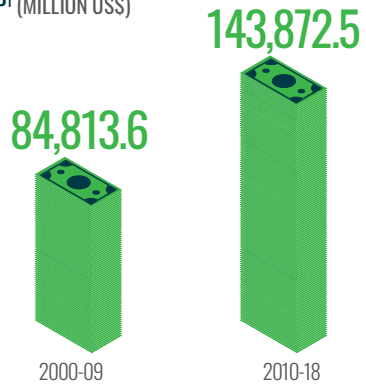
ABOUT
64%
OF THE EMPLOYED
FEMALE ARE IN THE
AGRICULTURE
SECTOR

ECONOMIC RELEVANCE OF AGRICULTURE SECTOR

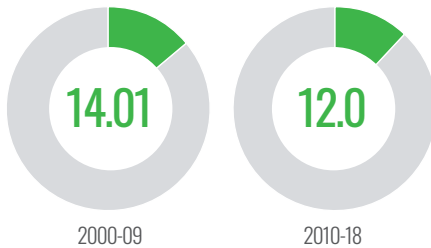
BANGLADESH

Agriculture is an important sector of the Bangladesh economy. It accounts around 44% of the employment and contributed 12.03% to the GDP per year on average during the period 2010-2018. About 64% of the employed female are in agriculture sector. The sector has been major driver of poverty reduction in Bangladesh.

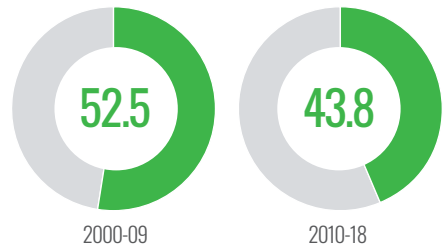
GDP¹ (MILLION US\$)



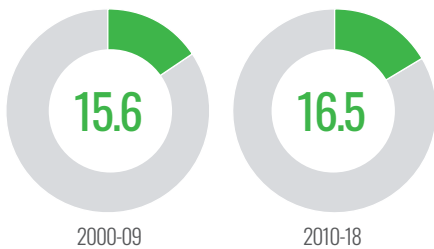
% AGRICULTURE TO GDP



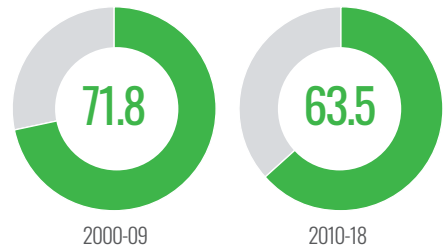
% OF AGRIC. EMPLOYMENT TO TOTAL EMPLOYMENT



% MANUFACTURING TO GDP



% OF FEMALE EMPLOYMENT IN AGRIC. TO FEMALE EMPLOYMENT



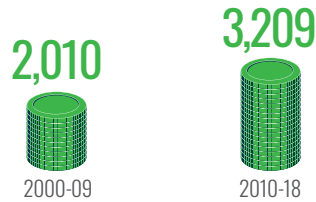
¹ At constant 2010 prices

MALDIVES

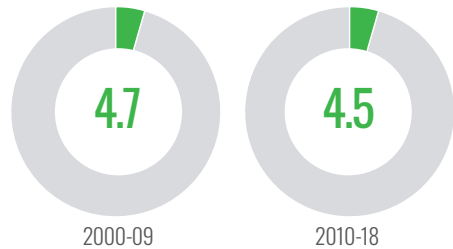
The fisheries sub-sector is an important economic activity in Maldives. However, its value added has been declining over the past two decades – from 4.69% (2000-09) to 4.51% (2010-18). The sub-sector has been affected by the persistent decline in fish catch, due to higher water temperatures. Agriculture sub-sector (primarily crop production) value added is much lower than that of fisheries sub-sector. Agriculture, despite its importance for the economy in terms of livelihoods and welfare value, its contribution to employment generation has been declining over the past three decades – from 19.33% (1990-99) to 10.51% (2000-18).

ECONOMIC RELEVANCE OF AGRICULTURE (CONSTANT, 2010)

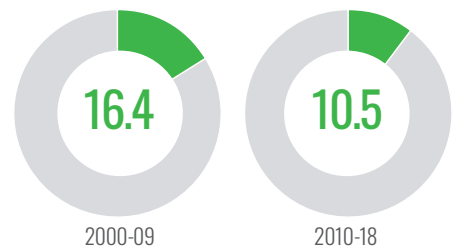
GDP (MILLION US\$)



% FISHERY VALUE-ADDED (VA) TO TOTAL VA

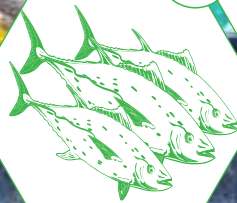


% OF AGRIC. EMPLOYMENT TO TOTAL EMPLOYMENT





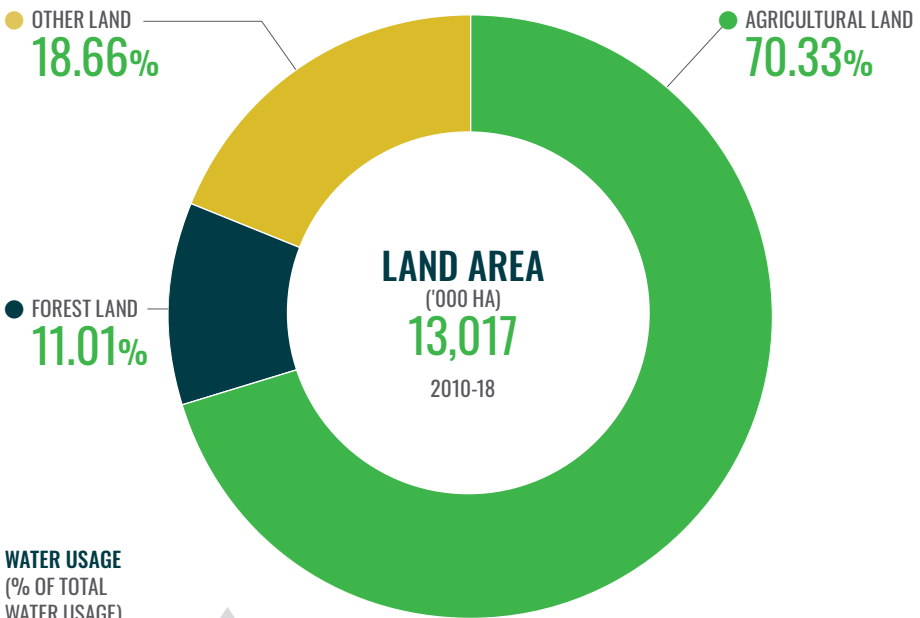
VALUE ADDED FROM
THE FISHERIES SECTOR
HAS BEEN DECLINING
OVER THE PAST TWO
DECADES



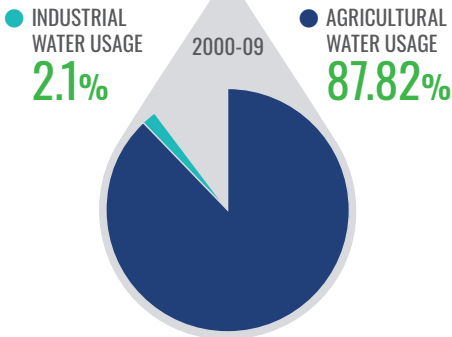
AGRICULTURE AND LAND USE

BANGLADESH

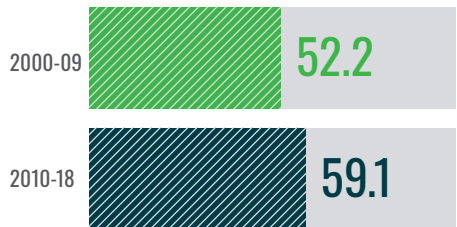
In Bangladesh, close to 90% of country area is land area. About 70% of the land area is agricultural land. Significant part of the agricultural land is crop land, which has been declining over the past five decades because of population growth. The country's land area equipped for irrigation increased more than 400% since 1970s. Bangladesh agriculture water withdrawal to total water withdrawal is substantial, close to 90%, which is much higher than the global average of 70%.



WATER USAGE (% OF TOTAL WATER USAGE)



LAND AREA EQUIPPED FOR IRRIGATION (%)

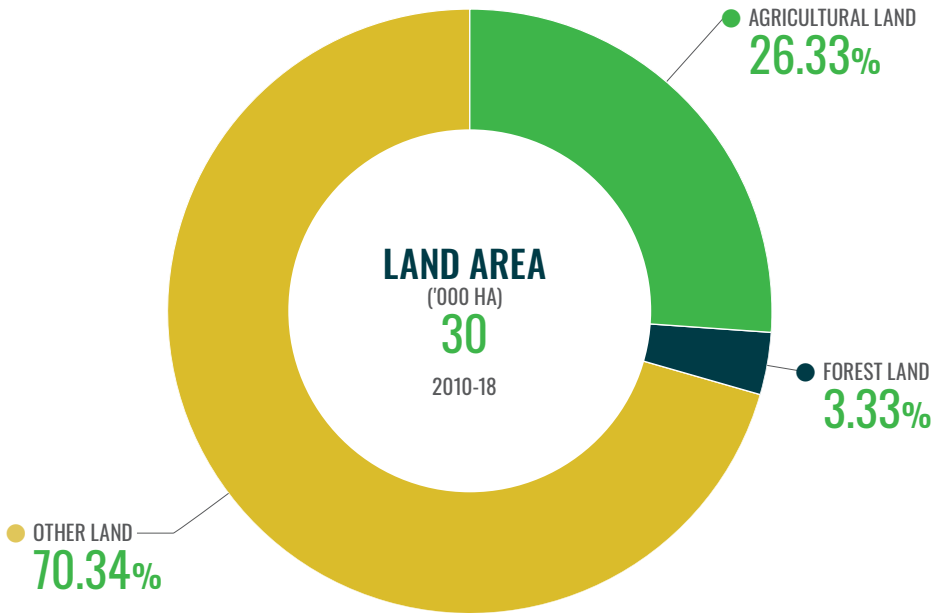


MALDIVES

About 99% of the Maldivian territory is ocean. Only 26% of the total land areas of the all Islands of the country is crop land.



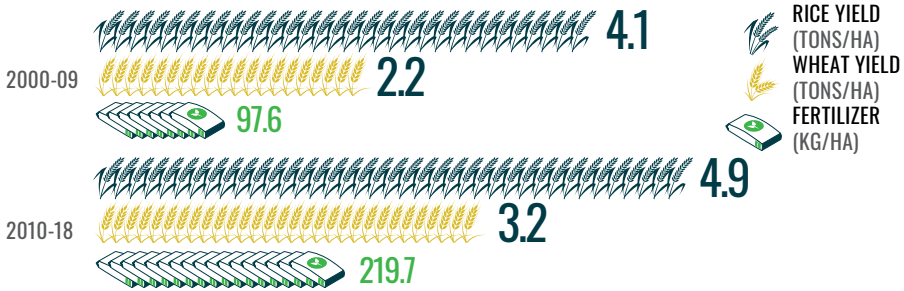
ABOUT
99%
OF THE MALDIVIAN
TERRITORY IS OCEAN



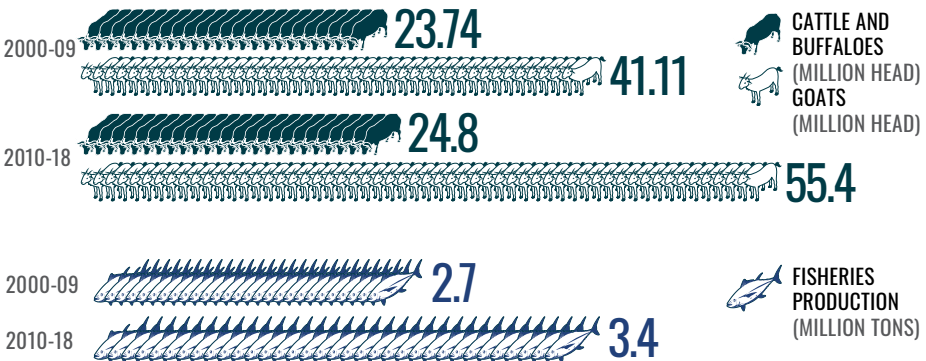
FOOD SECURITY AND NUTRITION

BANGLADESH

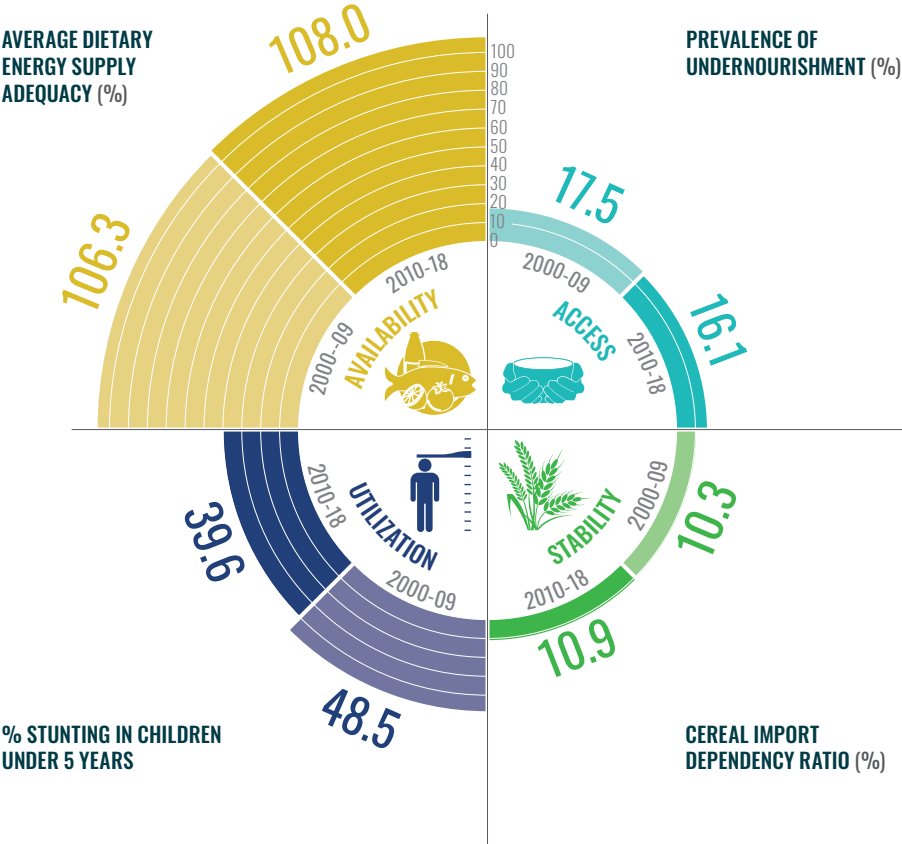
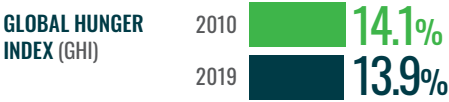
Rice is a major staple crop in Bangladesh, followed by wheat. Both increase in crop yields and expansion of area under cultivation in the past four decades have contributed to improving food security in the country. The increase in crop yield is closely related to the increase in the quantity of input use (improved seeds and fertilizers), improved irrigation infrastructure and market connectivity. Fertilizer use, for instance, increased by 125% over the past two decades.



Livestock and fisheries (including aquaculture) play a vital role in the socio-economic development of Bangladesh's economy and are important for the country's food and nutrition security. The subsector contributes around 35-40% to the agriculture GDP. In 2018 Bangladesh was the third largest producer of inland fisheries.

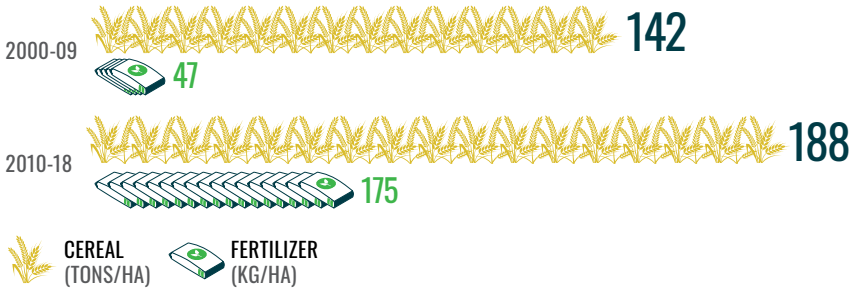


Overall food security has significantly improved in recent years. The Global Food Security Index for Bangladesh increased from annual average of 42.8 during the period 2010-18 to 53.2 in 2019. While Bangladesh's Global Hunger Index (GHI) declined from 30.3 to 25.8 during the same period. Despite recent progress, Bangladesh remains to be a low-income food deficit country and is classified as less-developed country by the United Nations.

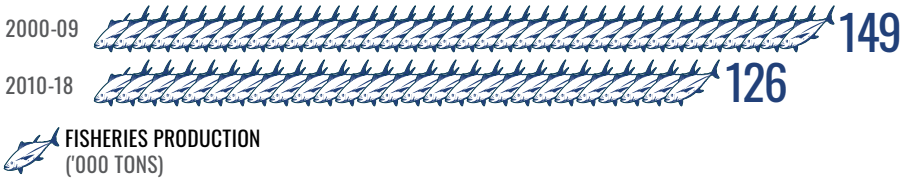


MALDIVES

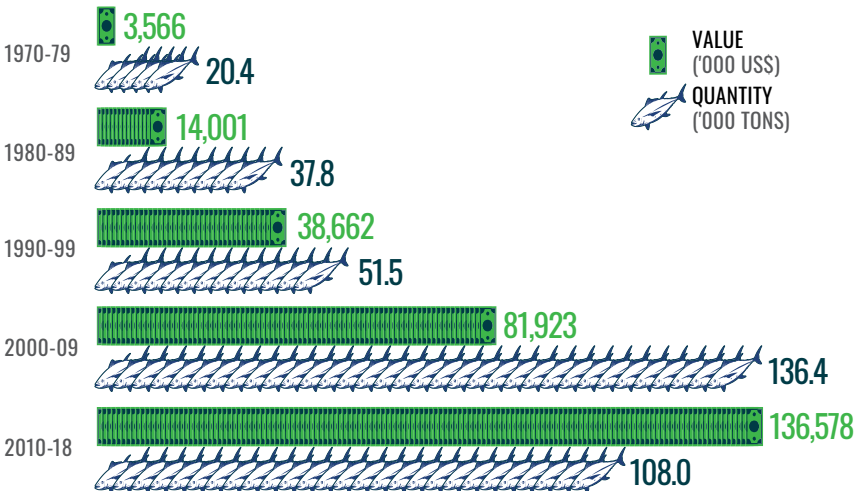
Due to the scarceness of arable land in the islands, agriculture is limited to only few subsistence field crops (cereals, sweet potatoes, taro, cassava) and tree crops (e.g. coconut, mangoes). The cereal production and yield have increased more than 30% over the past two decades. This is consistent with the fact that fertilizer use has substantially increased during the same period.



Fisheries production declined over the past two decades by more than 15% due to excessive fishing and warming sea water temperature.



FISHERIES EXPORTS | 1970-2019





**AGRICULTURE IS
LIMITED TO ONLY A FEW
SUBSISTENCE FIELD AND
TREE CROPS**





BANGLADESH

CLIMATE CHANGE WILL SIGNIFICANTLY IMPACT AREAS AFFECTED BY FLOODING, CYCLONE, SALINE INTRUSION AND DROUGHT

MALDIVES

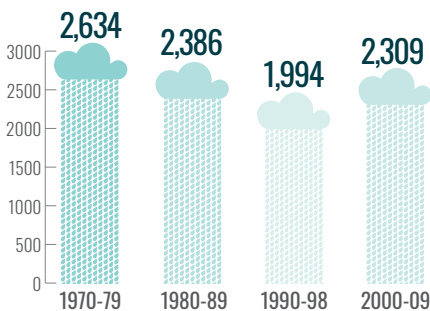
CLIMATE CHANGE AND RISING SEA LEVELS ARE A MAJOR THREAT TO THE VERY EXISTENCE OF THE COUNTRY

CLIMATE CHANGE

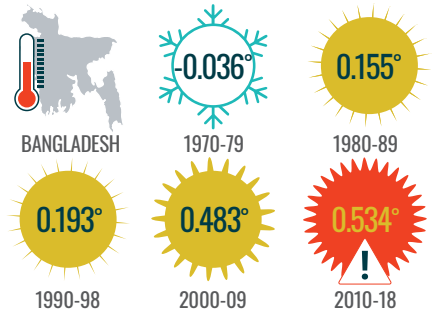
BANGLADESH

Climate change will significantly impact Bangladesh's agriculture sector which faces threat particularly in areas affected by flooding, cyclone, saline intrusion, and drought. It is predicted that average annual temperatures will increase to 2.5°C by 2050 if no measures are taken. According to the World Bank, this could cost Bangladesh 6.7 percent of GDP and deteriorate the living standards of three-quarters of the country's population by 2050.

NATIONAL RAINFALL INDEX (NRI) (MM/YEAR)



CHANGES IN TEMPERATURE (DEGREES CELSIUS)

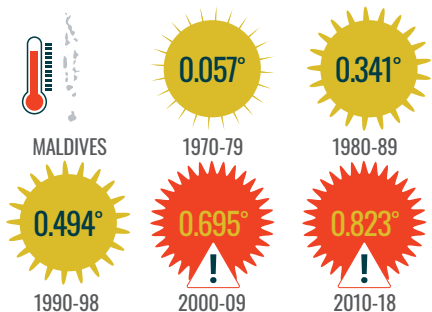


MALDIVES

Maldives's most islands are just 1 meter or so above the sea level. The highest point is 2 meters above the sea level. Climate change is a major threat to the very existence of the country. The country has experienced a land loss between 0.81-3.66 ha during the period 1970-2013.

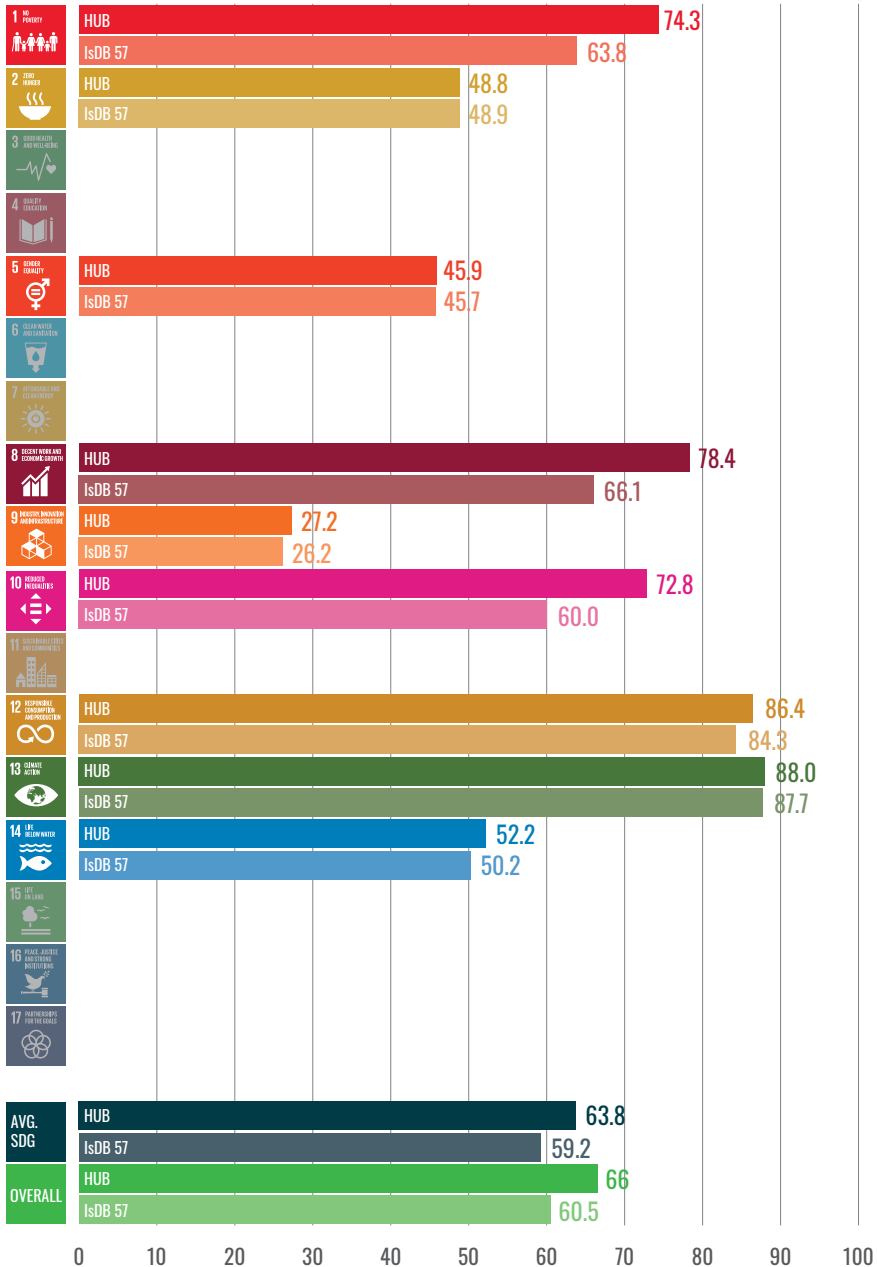
The temperature has been rising over the past five decades. It has risen by about 18% over the past two decades from 0.695°C per year during 2000-09 to 0.823°C per year in 2010- 18. Data show that mean annual temperature for period 2021-2050 is 1.8°C higher, compared to the 1981-2000 period.


CHANGES IN TEMPERATURE (DEGREES CELSIUS)



PROGRESS TOWARDS THE SDGs

AGRICULTURE-RELATED SDG SCORES | BANGLADESH HUB vs IsDB 57





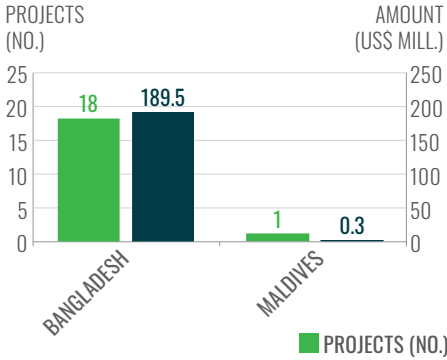
BANGLADESH
HUB HAS ACHIEVED THE
HIGHEST PROGRESS IN
CLIMATE ACTION (SDG 13)
WITH A SCORE OF
88%

IsDB FOOTPRINT IN THE REGION

IsDB AGRICULTURAL FINANCING | 1974-2019

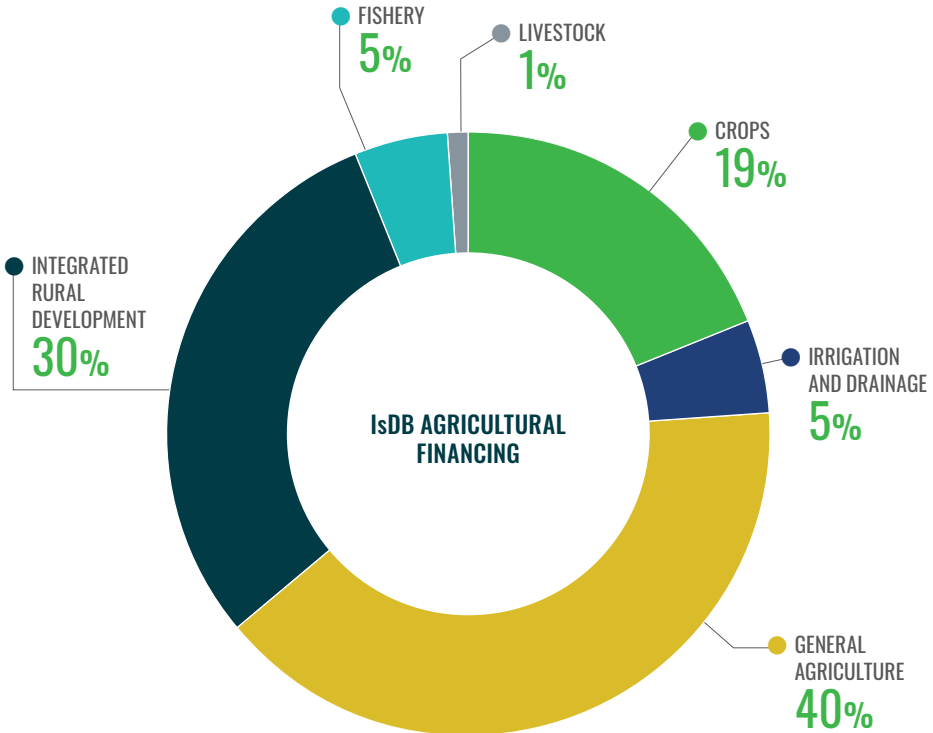
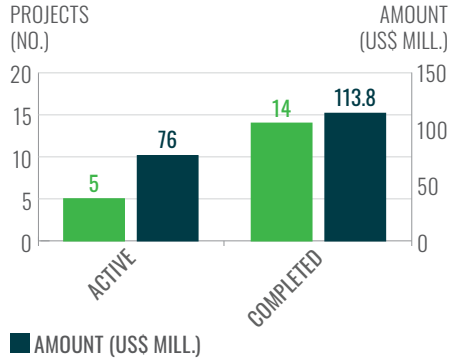
COUNTRY OPERATIONS

ACTIVE & COMPLETED (PROJECT NO AND US\$)



REGIONAL HUB OPERATIONS

ACTIVE & COMPLETED (PROJECT NO AND US\$)



**IsDB ONGOING INVESTMENT
& KEY EXPECTED OUTPUT IN BANGLADESH**

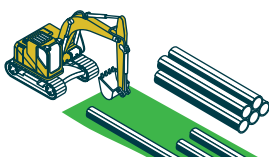
**TOTAL PROJECT
INVESTMENT:**

US\$77.2M



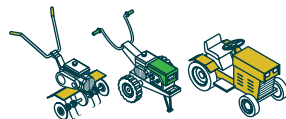
CROP LAND DEVELOPMENT (HA)

12,000



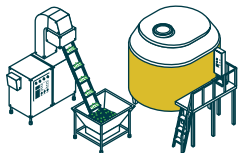
IRRIGATION INFRASTRUCTURE (KM)

90



FARM EQUIPMENT (NO)

1,770



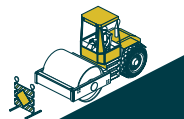
POST-HARVEST EQUIPMENT (NO)

12,000



AGRICULTURE/FRUIT TREES (NO)

500,000



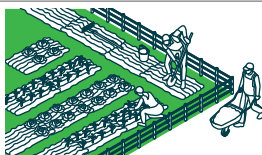
RURAL ROADS (KM)

755



RURAL MARKETS (NO)

74



FARMERS TRAINED (NO)

154,000



FARMER TRAINING CENTERS (NO)

3

**IsDB ONGOING INVESTMENT
& KEY EXPECTED OUTPUT IN MALDIVES**

**TOTAL PROJECT
INVESTMENT:**

US\$33.2M



FARMER COOPERATIVES FORMED (NO)

20



LOANS TO SMEs (US\$ MILLION)

6



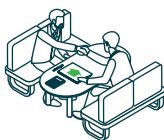
DEVELOP BUSINESS DEVELOPMENT
SERVICE CENTERS (NO)

6



SMEs DEVELOPED (NO)

5



NO OF ENTREPRENEURS TRAINED

1,800

IsDB OUTLOOK IN THE REGION

IsDB new business model, which is based on Global Value Chain, aims to boost the competitiveness of member countries. IsDB aims to achieve this goal by supporting member countries develop strategic industries in which they have comparative advantage, creating local supply chains, and integrating them with Global Value Chains. This new business model will be implemented through GVC based Member Country Partnership Strategy (MCPS). The Bank launched the preparation of Bangladesh and Maldives MCPS in 2020 and 2019, respectively and are expected to focus on the following thematic areas:



Crop, marine fisheries and aquaculture production/productivity



Inclusive and competitive value chains



Islamic Financial Services Industry development



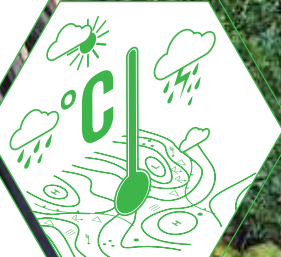
Build resiliency to climate change

DATA SOURCES

IsDB project data is taken from the existing IsDB Database, while most other indicators are calculated based on the data available from FAOSTAT (<http://www.fao.org/faostat/en/#data>), except for the following indicators:

- (i) National Rainfall Index and total water withdrawal, agricultural water withdrawal and industrial water withdrawal as well as temperature change are taken from FAO AQUASTAT (www.fao.org/nr/water/aquastat/data/query/index.html?lang=en)
- (ii) Global Food Security Index is taken from 2018 Global Food Security Index and 2019 Global Food Security Index (<https://foodsecurityindex.eiu.com/>).
- (iii) Global Food Hunger Index Scores from 2000 to 2019 from 2019 Global Hunger Index (<https://www.globalhungerindex.org/download/all.html>).
- (iv) SDG Index Scores are taken and calculated from the 2019 publication of Bertelsmann Stiftung and Sustainable Development Solutions Network (SDSN) titled Sustainable Development Report 2019: Transformations to Achieve the Sustainable Development Goals. Some of the Scores are taken and calculated from the 2019 IsDB Publication titled Reaching the SDGs: Progress of the IsDB Member Countries.
- (v) Percentage agriculture GDP to total GDP is from the World Bank (<https://data.worldbank.org/>). Agriculture includes agriculture, forestry and fishing.
- (vi) Percentage of agricultural employment to total employment is from the World Bank (<https://data.worldbank.org/>).
- (vii) Percentage of female employment in agriculture to female employment is from the World Bank (<https://data.worldbank.org/>).
- (viii) Agricultural productivity is from the World Bank (<https://data.worldbank.org/>).


Note: The figures for the specified period provided in this RAP are based on simple average of available data across the years and countries in the region (Hub) during the period. In some cases, the figures for the Hub may be based only on some years during the period and/or only on some countries in the Hub.






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