

Presentation of "Meeting the Challenge: A Mid-term Report on Achieving MDG-1 in Bangladesh" by H. E. Dr. Iftekhar Ahmed Chowdhury, Hon'ble Foreign Adviser (Foreign Minister) Government of the People's Republic of Bangladesh at the Annual Ministerial Review Meeting of ECOSOC on "Strengthening efforts to eradicate poverty and hunger, including through the global partnership for development" Geneva, 3 July 2007

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Mr. President,

I am immensely delighted to be here today and to present our report: "Meeting the Challenge: A Mid-term Report on Achieving MDG-1 in Bangladesh" at the first Annual Ministerial Review Meeting of the UN Economic and Social Council. The report prepared by the Ministry of Foreign Affairs, with assistance from relevant government ministries, agencies, NGOs and the UN Country Team, presents a comprehensive review of the progress we have made in reducing poverty and hunger. The international community will find it useful to understand and appreciate Bangladesh's development experience, because we believe it to be replicable in comparable milieu.

Mr. President,

A discourse on poverty cannot afford to be poor – in its focus or content. Keeping this in mind, our report presents a detailed account of the fight against poverty in Bangladesh. It includes both achievements, and the challenges. Though we have attained significant progress in poverty reduction, there is no complacency on our part. We believe achieving MDG-1 is a journey, and the journey does not end in 2015. In 2015, we will not only need to sustain our achievements, we will also have to confront a new set of challenges. Our report offers a window to look beyond 2015.

Though poverty is as old as our civilized existence, discussion on its cause or consequence only dates back to the beginning of the last century. Early historians, often appointed by courts, had confused poverty and the poor, and had little empathy for the latter. After all, the mention of the poor had the menacing effect of tarnishing the image of the monarch. However, while historians avoided discussion on poverty, poets and writers did not hesitate to bring up poverty. Thanks to Charles Dickens, poverty became an acceptable focus of literature, that aroused sympathy for Oliver Twist, who famously asked for more.

Secondly, it makes an attempt to explain the factors that made this reduction possible, both at microeconomic and aggregate levels. The factors discussed in the report demonstrate that combating poverty requires a holistic, multi-pronged approach. We highlight the critical role of increased agricultural productivity, access to education, migration and microfinance in poverty alleviation.

Thirdly, the report illustrates the role of development cooperation in the decline of poverty headcounts in Bangladesh. We discus

disease. Disease, in turn, prevents poor people from participating in productive and

children had graduated from BRAC schools. Nearly 90 per cent of them successfully made to formal high schools. This is significantly higher than the transition rates of students who graduated from formal primar

programmes. Increased understanding by the government and our development partners suggest that the vulnerability of the extreme poor can be reduced with policies and strategies that focus on micro-finance, asset or cash transfer, and social safety nets.

## Mr. President,

While we have made commendable progress, we are still facing formidable challenges. Agricultural production is showing signs of diminishing marginal return. Given the finite amount of land and a still growing population, land use and crop intensity is approaching a maximum. This severely limits the ability of many poor to earn a livelihood from farming. New investments and innovations in agriculture to further boost productivity will remain a key to maintaining food security and reducing poverty. It will remain a challenge to maintain a steady job growth in the urban sector to absorb the increasing flow of migrating rural poor. We will have to identify and promote new thrust sectors to sustain the progress in achieving MDG-1 targets by 2015.

The ready-made garments (RMG) industry - the country's foremost export sector - has experienced impressive success and growth in recent years. It employs nearly two million women, who migrated to cities and whose income not only empowers them, but also contributes significantly to the rural economy throughout the country. But the future of this important sector will rely heavily on its ability to compete with other garments producing countries. It will also depend on the outcome of the Doha period, our average MFN tariff declined from 47.4% in 1992-93 to 13.54% in 2004-2005.

The result of liberalization is reflected in the nearly four-fold increase in our imports, from USD 3.9 billion in 1992 to USD 13.8 billion in 2005. Concurrently, trade deficit as a percentage of GDP rose from 4.76% to 6.46%. This shows that our export has not kept up with growth in imports. It will remain a daunting challenge for us to pursue a propoor trade policy, especially to ensure that liberalization leads to job-growth, both in traded and non-traded sectors.

Another formidable challenge before us is the adverse consequences of global warming. The Stern Report warns that the poor in the low-lying coastal areas of Bangladesh will be one of the worst victims of a rise in our sea-level. By some estimates, the sea level in the Bay of Bengal is rising by about 3 mm a year and it is predicted that as much as one fifth of our land mass will go under water if the sea level rises by just one meter. This will not only cause massive displacement, but will also reduce our capacity for rice production by as much as 30 per cent. If we are to achieve MDG-1 by 2015, we will need to address the issues of climate change more vigorously. Global warming will pose serious threats to sustaining a low rate of poverty in the post 2015 era. International cooperation will be critically important to minimize the adverse effects of global warming on Bangladesh.

Mr. President, PRSP recognizes the emerging importance of migration and remittances as a dominant factor in household income and poverty alleviation. Our Overseas Employment Policy highlights the importance of increasing remittance flows through formal channels to maximize its impact on poverty alleviation. It also seeks to expand overseas employment opportunities for a fast-growing young population. The Government of Bangladesh believes that the source and recipient countries should work to promote temporary labour migration and to protect the interests of the migrant workers.

Bangladesh has made steady and satisfactory progress towards achieving MDG-1. Realistic projections by the government and the development partners indicate that we will succeed in lifting nearly 12 million people out of poverty by 2015. This will help reduce poverty by half by then, as targeted in MDG-1. However, success will ultimately depend on identifying the target population, improving coordination to make interventions timely and cost effective and enhancing the resources for the poor.

Mr. President,

It is important that we combine all our endeavors to eliminate poverty. Poverty anywhere is poverty everywhere. Today humanity is united in the belief that ameliorations of the pains of some is the responsibility of all. This is what distinguishes our times from those of the past. Our efforts must brook no delay and begin now. If there is a hill to climb, Mr. President, waiting will not make it any smaller.

Thank you.