



# **ECRL MONTHLY ECONOMIC** & Business Review



**Cover Story:**

The Economy of the Fisheries Industry in Bangladesh

**ECRL Thought:**

Bio-degumming: A Green and Efficient Technology for Jute Fabric

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# The Economy of the Fisheries Industry in Bangladesh

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## 1. Introduction

Despite global uncertainties, Bangladesh has achieved remarkable growth driven by a demographic dividend, thriving RMG exports, resilient remittances, and stable macroeconomics. Rising from extreme poverty in 1971, it attained lower-middle-income status in 2015 and is poised to exit the UN's LDC list in 2026 (WB, 2023). Poverty dropped from 11.8% in 2010 to 5.0% in 2022, with significant advancements in human development outcomes (WB, 2023). In this context, a burgeoning middle class (estimated at over 30 million) has fueled demand for high-quality agricultural products, particularly fish (U.S. Department of Commerce, 2022). Consequently, both domestic production and consumption of fish have increased, positively impacting the fish industry in Bangladesh. Furthermore, export opportunities contribute to the expansion of fish production. Given the growing demand locally and globally, the fisheries industry has the potential to significantly contribute to the agriculture sector, thereby supporting the increase of its diminishing share in the total GDP.

Bangladesh boasts extensive and diversified fisheries resources, broadly classified into inland fishing and marine fisheries (Shamsuzzaman, Islam, et al., 2017). Inland capture fisheries encompass diverse areas such as Beel, River, Estuary, Kaptai Lake, and Flood Plain. In contrast, inland culture fisheries include Pond, Ditch, Baor, Pen Culture, Cage Culture, Shrimp/Prawn Farm, and Seasonal Cultured Water Bodies (Shamsuzzaman et al., 2020). The inland fisheries sector spans an expansive 47.06 lakh hectares, a decrease from 2017, with inland capture occupying 38.61 lakh hectares and inland culture covering 8.45 lakh hectares (MoFL, 2023b).

Conversely, marine capture fisheries extend across an area of approximately 1,18,813 km<sup>2</sup>, encompassing 200 nautical miles of the Exclusive Economic Zone (EEZ) from the baseline (MoFL, 2023a).

Fish, the primary protein source, contributes approximately 60% of Bangladesh's total animal protein intake (Rifat et al., 2023). The per capita fish consumption in the country stands at 75.50 gm, surpassing the daily protein demand of 63 gm (FRSS, 2023). Bangladesh achieved global prominence in fish production by ranking 3rd in inland fish production, 5th in aquaculture production, and 11th in marine fish production in 2018 (Shamsuzzaman et al., 2020). The nation has attained self-sufficiency in fish production, earning international recognition as one of the leading fish-producing countries (FRSS, 2023).

Fisheries and aquaculture stand as one of Bangladesh's major export sectors, contributing significantly to the nation's export earnings (Mamun & Kabir, 2023; Shamsuzzaman et al., 2020). The country is actively involved in producing and exporting diverse fish varieties. In the fiscal year 2023, Bangladesh exported frozen and live fish, amounting to USD 422.28 million (compared to USD 532.94 in FY2022), reflecting a 20.76% decline (EPB, 2023b). This downturn can be attributed to an economic slowdown resulting from the Russia-Ukraine war and the lingering impacts of the COVID-19 pandemic (WB, 2022). Nonetheless, Bangladesh has set an ambitious target to produce 85 lakh tonnes of fish by 2041, a goal that exceeds the FY2022 production of 47.59 lakh tonnes by 1.8 times (2023b; The Daily Star, 2023). Highlighting the global reach of its fisheries sector, Bangladesh exports various fish types to 52 countries (MoFL, 2023b), with major markets including the European Union (EU), USA, and Japan (EPB, 2023a).

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Beside, Bangladesh imports live fish primarily from Thailand, Singapore, USA, Sri Lanka, and the Netherlands (OEC, 2023). Despite short-term challenges, the long-term vision underscores Bangladesh's commitment to the sustained growth and global prominence of its fisheries and aquaculture industries (Shamsuzzaman et al., 2020).

The fisheries industry plays a significant role directly or indirectly in Bangladesh's economy, contributing to employment generation, poverty reduction, food security, animal protein supply, export earnings, and overall socioeconomic development (MoFL, 2023b). This sector provides employment and livelihoods for 12% of the total population, with 1.4 million being women. Approximately 270,000 households are dependent on marine fishery activities (MoFL, 2023a, 2023b; Shamsuzzaman et al., 2020). The Bangladesh government has committed to achieving sustainable development goals (SDGs) by 2030, with marine resources playing a pivotal role (M. M. Islam & Shamsuddoha, 2018; United Nations Bangladesh, 2023). Moreover, this industry has a high potential for the perspective of the country's economic development, which indicates a close connection between agricultural and economic growth (Mohsin et al., 2015; Shamsuzzaman et al., 2020). Furthermore, the fisheries industry holds high potential for the country's economic development, highlighting a close connection between agricultural and economic growth (Mohsin et al., 2015; Shamsuzzaman et al., 2020). In FY2023, the fisheries sector contributed approximately 2.41% of the total GDP and around 21.47% to the agricultural GDP (MoF, 2023). Over the last ten years, the average growth rate of this sector has been around 6.19% (MoF, 2023).

As most inland capture fisheries face heavy pressure and are considered fully exploited or overexploited, aquaculture becomes central to meeting the increasing fish demand with a growing population (Finegold, 2009; Shamsuzzaman et al., 2020). However, conducting an economic assessment of the fisheries sector becomes imperative for the sustainable production of fisheries resources. This assessment should address the optimization of resource exploitation, equitable distribution, efficient marketing of fish and fish products, and the evolution of alternative management strategies. The depletion of inland open water fisheries resources intensifies the urgency for an economic analysis that guides evidence-based decision-making and identifies the most efficient interventions in the fisheries sector.

This study assumes particular significance as it addresses a pressing problem within the fisheries industry and aligns with broader developmental goals. In the face of depleting inland fisheries, the imperative to extract higher value from these resources necessitates a comprehensive understanding of the economic landscape.

The study aims to contribute significantly by providing insights that support evidence-based decision-making, facilitating the evolution of efficient intervention strategies, and ensuring the sustainable economic growth of the fisheries sector. Moreover, it positions itself as a pivotal study that uniquely bridges the gap between fisheries production and its economic importance, a dimension largely overlooked in existing literature (Ghose, 2014; Hasan et al., 2021; M. A. R. Hossain, 2014; Shamsuzzaman, Islam, et al., 2017; Shamsuzzaman et al., 2020).

The identified research gap underscores the necessity for a comprehensive investigation into the contribution of fish production and its economic importance, aligning with the overarching aim of this study. Consequently, the primary objectives of this research are to elucidate the economic trends concerning the fisheries sector's contribution to the country's economy and to derive meaningful conclusions that can inform policy and practice. By achieving these objectives, this study aspires to play a significant role in guiding policy decisions, promoting sustainable practices, and contributing to the realization of Sustainable Development Goals (SDGs) in Bangladesh.

## 2. Materials and Methods

The research for this study was conducted by meticulously gathering information from diverse secondary sources. The data collection process involved consulting scientific research and grey literature available in various formats, including peer-reviewed journals, periodicals, and government gazettes. An online database search was conducted using specific keywords such as 'Fisheries resources,' 'Inland and Marine fisheries,' 'Legal issues,' 'Export and Import,' 'LDC,' and 'SDGs' to retrieve relevant information. Additionally, visits to pertinent institute websites, such as the Bangladesh Foreign Trade Institute (BFTI), Bangladesh Fisheries Development Corporation (BFDC), Ministry of Finance (MoF), Ministry of Fisheries and Livestock (MoFL), US Department of Commerce, EPB, United Nations Bangladesh, World Bank (WB), and Bangladesh Bureau of Statistics (BBS), were instrumental in collecting comprehensive data.

The gathered data underwent analysis using MS Excel to discern patterns, trends, and insights. The analytical process involved a thorough review and synthesis of the collected information. The utilization of a diverse range of sources and methodologies enhances the robustness and reliability of the findings, providing a comprehensive understanding of the role of the fisheries industry in the Bangladesh economy.

Over the last ten years, **6.19%**  
the average growth rate

### 3. Results

#### 3.1 Production

##### 3.1.1 Inland open water (capture) fishery

The fisheries sector in Bangladesh is broadly divided into two major sectors: inland fisheries and marine fisheries (MoFL, 2023b, pp. 2021–2022). The inland fisheries are divided into two subsectors: inland capture fishery and aquaculture fishery (MoFL, 2023b, pp. 2021–2022). The inland capture fishery includes six types of habitat, comprising approximately 853,863 ha of rivers and estuaries, 177,700 ha of the Sundarbans, 114,161 ha of beels, 68,800 ha of Kaptai lake, and 2,646,248 ha of the floodplain (haor) (MoFL, 2023b, pp. 2021–2022). The inland culture fishery consists of six types of habitat, covering an area of 410,683 ha of ponds, 149,004 ha of seasonal cultured water bodies, 5,671 ha of baors, 262,980 ha of shrimp/prawn farms, 9,353 ha of crab production, 7,708 ha of pen culture, and 17.5 ha of cage culture (MoFL, 2023b, pp. 2021–2022).

**57.39%** inland closed-water fisheries have experienced an increasing contribution, rising

An analysis of time series data from 2003 to 2014 reveals a declining trend in the capture fishery habitat area, with a decrease of 0.16 million ha, while the trend in culture fishery habitat area is increasing by 0.35 million ha (Shamsuzzaman, Islam, et al., 2017). Moreover, in comparison to the data from 2014, the capture fishery habitat area in 2022 shows a decrease of 0.049 million ha, whereas the culture fishery habitat area increased by 0.06 million ha (Table 1). Figure 1 illustrates the district-wise magnitude of captured fish production for 2015.

**Table 1.** Marine and freshwater fish production and area in Bangladesh (MoFL, 2023b, pp. 2021–2022)

Types of fisheries	Fisheries sector	Water Area (Hectare)	Production (Metric Ton)	% of production
Inland Open water (Capture)	River and Estuary	853,863	342,545	7.2
	Sundarbans	177,700	24,259	0.51
	Beel	114,161	105,573	2.22
	Kaptai Lake	68,800	17,937	0.38
	Floodplain	2,646,248	831,317	17.47
<b>Capture Total</b>		<b>3,860,772</b>	<b>1,321,631</b>	<b>27.77</b>
Inland Closed Water (Culture)	Pond	410,683	2,166,715	45.53
	Seasonal cultured water body	149,004	231,692	4.87
	Baor	5,671	11,685	0.25
	Shrimp/Prawn Farm	262,980	287,497	6.04
	Crab	9,353	13,397	0.28
	Pen Culture	7,708	5,063	0.11
	Cage Culture	1.75 lakh cu. Meter	5,021	0.11
<b>Culture Total</b>		<b>845,399</b>	<b>2,731,070</b>	<b>57.39</b>
<b>Inland Fisheries Total</b>		<b>4,706,171</b>	<b>4,052,701</b>	<b>85.16</b>
Marine Fisheries	Industrial (Trawl) fishing	11,381,300	137,170	2.88
	Artisanal fishing		568,860	11.95
<b>Total</b>			<b>706,030</b>	<b>14.84</b>
<b>Total Production</b>			<b>4,758,731</b>	

The total fish production in Bangladesh for the fiscal year 2021-2022 was reported to be 4,758,731 MT. Out of this, 1,321,631 MT (27.77%) originated from inland open waters, 2,731,070 MT (57.39%) from inland closed waters, and 706,030 MT (14.84%) from marine fisheries (refer to Table 1 and Figure 2) (MoFL, 2023a, pp. 2021–2022). The annual growth rate of the overall fish production in Bangladesh showed a decrease from 3.84% to 2.98% between the fiscal years 2014-2015 and 2021-2022. This trend included a decline in yearly increases since reaching a peak in 2016-2017 at 6.60% (see Table 2).

Inland open-water fisheries remain a significant contributor to total fish production; however, their share has declined from 27.79% in 2014-2015 to 27.77% in 2021-2022. In contrast, inland closed-water fisheries have experienced an increasing contribution, rising from 55.93% in 2014-2015 to 57.39% in 2021-2022 (MoFL, 2023a, pp. 2021–2022; Shamsuzzaman, Islam, et al., 2017). Over the same period, the contribution of marine fisheries has decreased from 16.28% to 14.84% (refer to Table 1). The average yield (annual fish harvest per hectare in metric tons) in open inland waters declined throughout 2000-2001 but improved sharply thereafter (Shamsuzzaman, Islam, et al., 2017). Pen and cage culture represent two novel approaches to fish culture in Bangladesh, each contributing 0.11% to the total fish production in 2021-2022, respectively (Table 1). These innovative methods have the potential to significantly enhance fish production in Bangladesh (Shamsuzzaman, Islam, et al., 2017).

A total of 260 and 475 marine fish species are known to inhabit Bangladesh, with 12 exotic fish species recorded in the country (DoF, 2023). Major carp species such as *Catla catla*, *Labeo rohita*, *Cirrhinus cirrhosus*, and *Labeo calbasu*, along with exotic carp like silver carp (*Hypophthalmichthys molitrix*), grass carp (*Ctenopharyngodon idella*), and common carp (*Cyprinus carpio*), are available in the market (MoFL, 2023b, pp. 2021–2022).

Around 40-50 small indigenous fish species grow to a maximum length of 25 cm (Felts, Rajts, & Akhteruzzaman, 1996, pp.1-41). Some commonly found species in this category include *Puntius ticto*, *Heteropneustes fossilis*, *Clarias batrachus*, *Oreochromis mossambicus*, *Anabas testudineus*, and *Puntius sarana* (MoFL, 2023b, pp. 2021–2022). The IUCN (2000) reported that many of the small indigenous fish species are now endangered or critically endangered. Among them, only carp species contribute 35% of the total annual production (freshwater and marine water), followed by pangas (8.54%) and tilapia (8.56%) (MoFL, 2023b, pp. 2021–2022).

carp species contribute of the **35%** total annual production

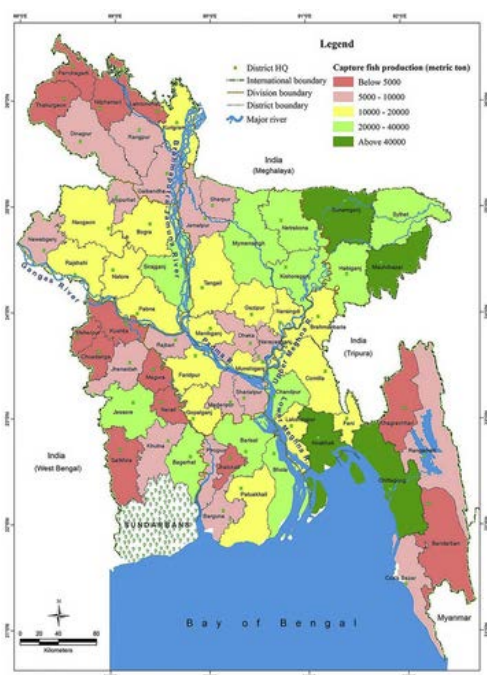
However, Bangladesh's inland water resources offer significant potential for the development of freshwater capture and culture fisheries (Hossain, 2014). The catch from inland capture fisheries is noteworthy, especially for rural areas concerning fish supply and employment (Shamsuzzaman, Islam, et al., 2017). Fishery products harvested from inland waters in minor amounts include other catfish (Boal, Air, Silon, Rita), snakehead (Shol, Gazar, Taki), other carp (Kalibaus, Bata, Ghania), and live fish (Koi, Singhi, Magur). Species-wise annual fish production in inland and marine fisheries for 2007-2022.

### 3.1.2 Inland closed water (culture) fishery

Aquaculture involves farming fish and other aquatic organisms, where 'farming' denotes some form of intervention to increase production and the establishment of private rights over the stock under intervention (Beveridge & Little, 2002). Aquaculture entails the production of aquatic organisms under controlled conditions throughout part or all of their lifecycle, and its development holds the potential to address future food needs and alleviate pressure on natural resources (USDA, 2023).

The entire area of inland closed (culture) water fisheries bodies is 0.85 million hectares, including coastal shrimp farms (MoFL, 2023b, pp. 2021-2022). Bangladesh's overall pond area is 410,683 hectares, and oxbow lakes (baors) cover 5,671 hectares (MoFL, 2023b, pp. 2021-2022). Among various segments of the fisheries sub-sector, inland aquaculture has generally experienced the fastest growth, with the adoption of new technologies such as pen culture, cage culture, new species, and intensification and improvement of pond farming, particularly in pond aquaculture, across the country over the past years (MoFL, 2023b, pp. 2021-2022).

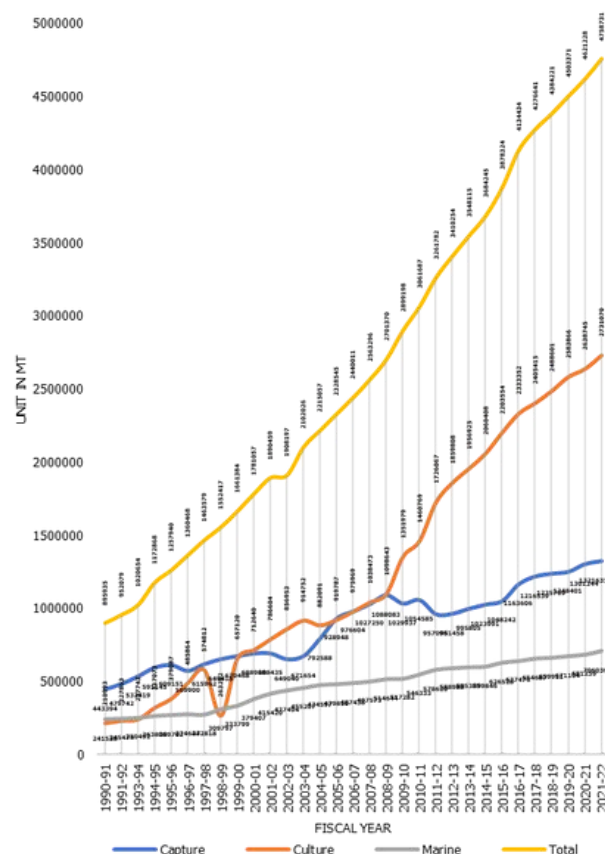
**Figure 1.** District-wise inland open water (capture) fisheries production (MoFL, 2023b, pp. 2021-2022)



Currently ranking 5th in world aquaculture production, aquaculture in Bangladesh now provides more than half the fish for direct human consumption and is poised for further growth (MoFL, 2023b, pp. 2021-2022). The aquaculture industry contributes significantly to the economy with increasing production capacity and abundant export opportunities. Over the last three decades, the growth rate of fisheries production has exceeded six times, while aquaculture has more than doubled (MoFL, 2023b, pp. 2021-2022). The expansion of aquaculture is likely to ensure food security and create employment opportunities (E-Jahan et al., 2010).

In Bangladesh, two types of aquaculture practices are found: freshwater and coastal aquaculture. Currently, no marine aquaculture is practiced in the country, and no marine or coastal fin fishes are farmed. Freshwater aquaculture primarily involves pond farming of carp (both indigenous and exotic), catfish (Pangas), tilapia, and several other domesticated fish, albeit on a lesser scale. Coastal aquaculture predominantly consists of shrimp and prawn farming in ghers (coastal ponds or enclosures).

**Figure 2.** Year-wise fish production in Bangladesh



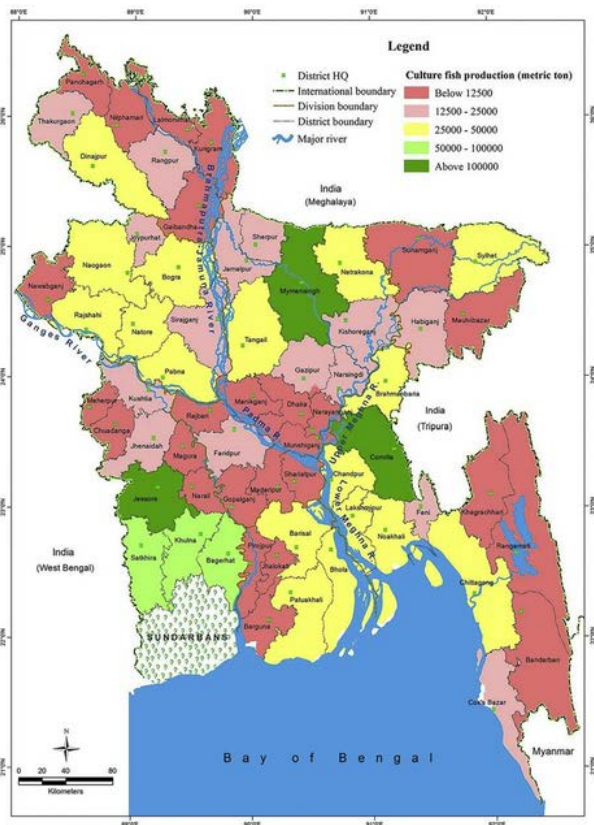
Bangladesh's overall pond area is **410,683 Hectares**

In Bangladesh, aquaculture production systems primarily include extensive and improved extensive methods, with some instances of semi-intensive and intensive systems, although the latter are rare (Hossain, 2014). As of 2022, the unit area aquaculture productions (MT/ha) are 5.28, 1.55, 2.06, and 1.09 for ponds, seasonal water bodies, baors (oxbow lakes), and shrimp ghers, respectively (MoFL, 2023b, pp. 2021–2022).

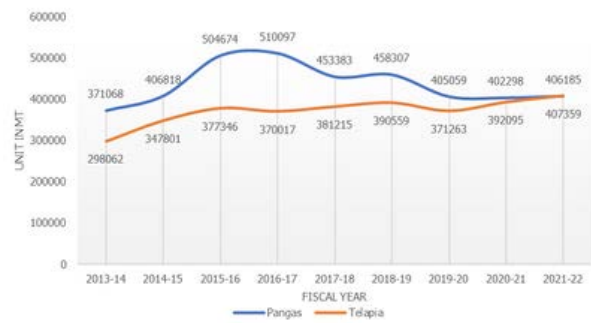
Inland pond culture serves as the foundation of aquaculture in Bangladesh, contributing approximately 79% to the total recorded aquaculture production. This sector is predominantly occupied by carp (both indigenous and exotic), catfish (Pangas), and tilapia. Notably, Bangladesh holds the 4th position globally and the 3rd in Asia for Tilapia production (MoF, 2023). Despite this, the aquaculture sector accounted for 57.39% of the total fish production in 2021-2022 (Table 1). Pond aquaculture, mainly practiced in closed-water fisheries in Bangladesh, contributed 45.53% (2,166,715 MT) to the total fish production in 2021-2022.

In the coastal regions of Bangladesh, the main cultured species in brackish water include the giant tiger prawn (*Penaeus monodon*) and the giant river prawn (*Macrobrachium rosenbergii*) (Azim et al., 2003).

**Figure 3.** District-wise inland closed water (culture) fisheries production (Shamsuzzaman, Islam, et al., 2017)



**Figure 4.** Total Yearly Production of Pangas and Tilapia in Bangladesh



### 3.1.3 Marine fisheries

The coastal and marine environment of Bangladesh presents a warm tropical climate and high rainfall, which, combined with nutrient enrichment from the land, has fostered one of the world's most productive ecosystems (Md. S. Hossain, 2001; Md. S. Islam, 2003). The exploration, exploitation, and management of living and non-living resources in the Bay of Bengal have the potential to significantly contribute to Bangladesh's economy. This potential has been further solidified by recent legal decisions, such as the International Tribunal for Law of the Sea (ITLOS) ruling on the Bangladesh-Myanmar maritime boundary in 2012 and the Arbitral Tribunal of the UNCLOS decision on the India-Bangladesh maritime boundary in 2014. These rulings have established sovereign rights over an area exceeding 118,813 km<sup>2</sup> of territorial sea, 200 nautical miles (NM) of Exclusive Economic Zone (EEZ), and all living and non-living resources under the continental shelf up to 354 nautical miles from the Chittagong coast (Figure 5) (Shamsuzzaman, Islam, et al., 2017).

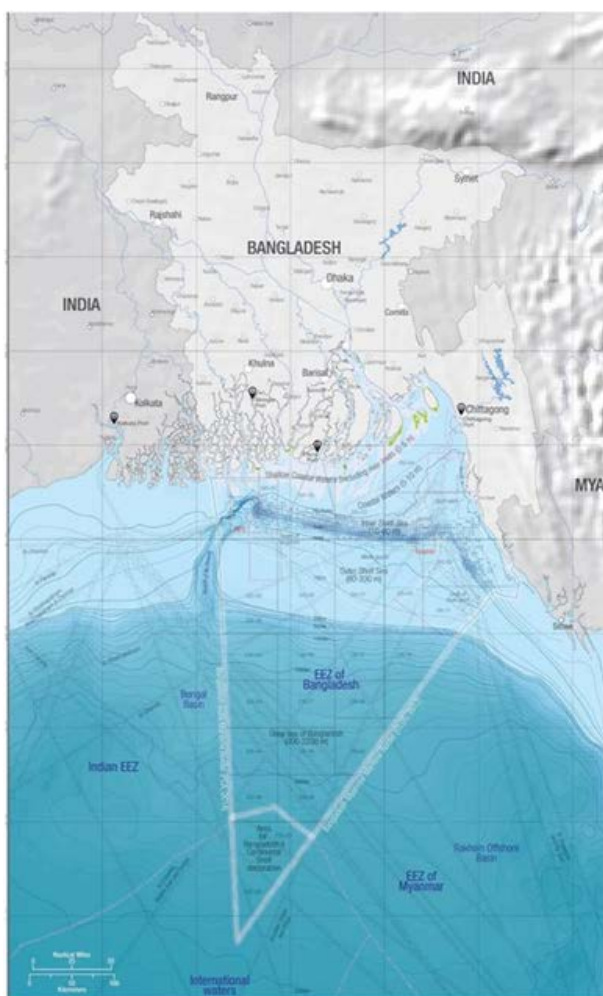
Presently, an expanse of 32,440 km<sup>2</sup>, ranging from the coastline to a depth of 40 m in the Bay, is accessible to approximately 67,669 unlicensed fishing boats, with approximately 51% being non-motorized (Shamsuzzaman, Xiangmin, et al., 2017). In Bangladeshi marine waters, fish resources are harvested across three tiers: (1) up to 40 m in depth from the coastline, where conventional fishing boats operate; (2) from 40 m to 200 m in depth, where mid-water trawlers operate; and (3) from 200 m in depth to the end of the EEZ, where long-liner trawlers are active (Islam et al., 2017). The government permits only 242 trawlers to fish in these regions (Shamsuzzaman, Islam, et al., 2017).

The coastal and marine zone of Bangladesh constitutes a dynamic and diverse region where land, ocean, and atmosphere interact, showcasing unique mangrove influences and higher productivity. These ecosystems play a pivotal role in providing a diverse range of fishery resources, crucial for sustaining the livelihoods of marginalized communities (MoEFCC, 2023). Marine fisheries, in particular, significantly contribute to the country's economy, constituting about 14.84% of the total fisheries production (Table 1).

Over the past 17 years, the entire fish group in marine fisheries has undergone notable changes in production. Species such as Sardine, Sea catfish, Jewfish, Indian salmon, sharks, and other marine fish have demonstrated a gradual increase. Furthermore, the inclusion of tuna and tuna-like fish, as well as crabs, has been observed in the time series data from 2007-08 to 2021-22 within the marine and coastal species.

A comprehensive survey has identified 475 fish species, including 373 species of fish, 21 species of sharks and rays, 24 species of shrimps, 21 species of crabs, 03 species of lobsters, 01 species of mantis, 04 species of octopus, 05 species of squids, and 05 species of cuttlefish (MoEFCC, 2023).

**Figure 5.** Maritime area of Bangladesh (Shamsuzzaman, Islam, et al., 2017)



### 3.2 Export, Import, and Contribution to GDP

Bangladesh is a significant producer of fish for domestic consumption, ranking third among inland capture fish-producing countries (fisheriesindia.com, 2023). In addition to meeting domestic demands, Bangladesh exports fish, shrimp, and other fisheries products earning foreign currency. provides a comprehensive overview of Bangladesh's annual fish and fish product exports from FY2000-01 to FY2021-22.

The data, presented in MT and million USD, reveals the quantities and values of various fish products, including frozen shrimp/prawn, live fish, frozen fish, chilled fish, dry fish, salted fish, crab-and-eel, shark fin/fish maws, and others. The table reveals fluctuations in export quantities and values over the years, providing insights into Bangladesh's dynamic fisheries sector. Over the period from FY2000-01 to FY2021-22, total export earnings and quantities substantially increased. In FY2000-01, total export earnings were USD 376.71 million, exporting 38,988 MT. This grew to USD 646.88 million in FY2010-11, exporting 96,469 MT. However, in FY2021-22, exports decreased to USD 601.59 million, exporting 74,043 MT, compared to the peak in FY2010-11.

A detailed examination of the period from FY2000-01 to FY2010-11 (period 1) reveals a consistent increase in both the total export quantity and earnings. Bangladesh predominantly exported frozen shrimp/prawns and frozen fish during this timeframe. The export growth of frozen fish exhibited a sustained increase from FY2000-01 to FY2010-11, but in the case of frozen shrimp/prawn, the growth is not sustainable, characterized by ups and downs in export earnings. Alongside these primary products, Bangladesh exported dry fish, salted fish, crab and kuchia, shark fin/fish maws, and other fishes. The yearly growth shows fluctuations; their individual contributions are insignificant compared to frozen shrimp/prawn and frozen fish. However, in this period, the total yearly mean quantity of exports was 64,563 MT, and the export amount was 442 million USD, with the mean export of frozen shrimp/prawn at 45,064 MT (USD 382 million) and frozen fish at 15,408 MT (USD 46 million). Notably, in the last fiscal year (FY2010-11) of this period, total exports surged to 96,469 MT compared to the previous fiscal year, and the export earnings were 646.88 million USD.

In period 2 (FY2010-12 to FY2021-22), there is a discernible decreasing trend in both the total export quantity and earnings. In the final fiscal year of period two, exports and earnings experienced a decline to 74,043 MT and USD 601.59 million, respectively. Nevertheless, the total mean quantity exported amounted to 76,870 MT, and the earnings were USD 544 million, a significant increase compared to period 1. The overall gap between the two periods is approximately 12,307 MT, valued at USD 102 million. A detailed examination reveals that the average quantity of exported frozen shrimp/prawn decreased to 39,222 MT, which is 5,842 MT less than in period 1. Although the mean export earnings increased to USD 438 million, this is only USD 48 million higher than the previous period. In this period, the mean export of live fish notably increased to 6,257 MT (an increase of 6,089 MT), valued at USD 15 million (USD 14 million higher).

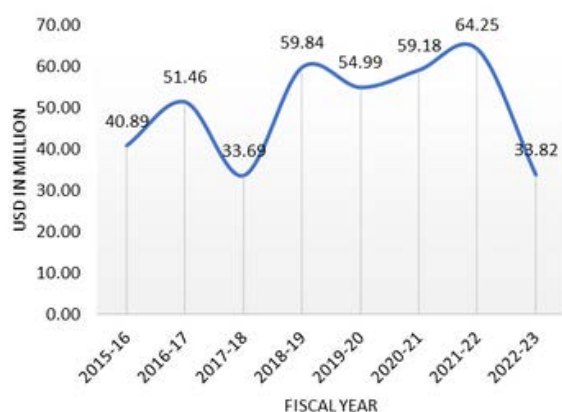


The mean production of chilled, dry, and crab-and-eel fish saw significant increases compared to the first period. The mean export of chilled fish increased to USD 35 million (USD 29 million higher), dry fish to USD 5 million (USD 4 million higher), and crab-and-eel fish to USD 18 million (USD 16 million higher). However, conversely, the mean exports for frozen and salted fish declined compared to the first period. Beyond its robust export sector, Bangladesh is a noteworthy participant in the global fish market through substantial imports of fish and fish products. In 2021, the country procured live fish valued at \$287,000, securing its position as the 87th largest importer of live fish globally (OEC, 2023). Remarkably, live fish ranked as the 951st most imported product in Bangladesh that year. Key source countries for live fish imports include Thailand (\$229,000), Singapore (\$24,700), the United States (\$14,300), Sri Lanka (\$6,040), and the Netherlands (\$4,030) (OEC, 2023). Notably, from 2020 to 2021, Bangladesh experienced surges in live fish imports from Thailand (\$86,000), the United States (\$14,300), and the Netherlands (\$4,030), as indicated by the fastest-growing markets (OEC, 2023).

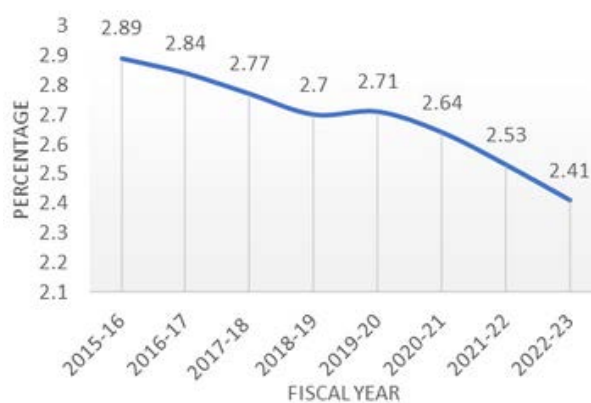
Figure 6 illustrates the annual dynamics of fisheries product imports in Bangladesh from FY2016 to FY2023. While the data reveals fluctuations in total fisheries product imports over the years, there was a significant decline in FY2023. This decline could be attributed to the simultaneous surge in domestic fish production and the imposition of import restrictions amid a currency crisis.

The agriculture, forestry, and fishing industries collectively contribute a substantial percentage to the national GDP, exceeding 11% over the last eight years, with the fishing industry accounting for over 2% (MoF, 2023). The sector's contribution to GDP has continuously declined from FY2015-16 to FY2022-23, ranging from 2.89% to 2.41%. This downward trend is attributed to the remarkable growth observed in the industrial and service sectors (MoF, 2023).

**Figure 6.** Imports of fisheries products in Bangladesh between FY2016 to FY2023



**Figure 7.** GDP Contribution Over the Last Eight Years at Constant Prices (Base Year: 2015-16) (MoF, 2023)



### 3.3 Fisheries Laws and Policies in Bangladesh

The legal landscape for Bangladesh's fisheries sector spans decades and is marked by historical regulations. In 1793, British rulers allocated lands to landlords for tax collection. Some pivotal laws persist with amendments, including the Private Fisheries Protection Act of 1889 from colonial times. During the Pakistani era, acts like the Protection and Conservation of Fish Act 1950 were enacted. Post-independence, enduring laws like the Fish and Fish Products (Inspection and Quality Control) Ordinance 1983 prevail alongside policies such as the 1998 National Fisheries Policy, which safeguards fish species and the environment. Detailed information is provided in Table 2.



**Table 2. . Legal Framework for Fisheries in Bangladesh and Objectives**

Fishing laws and policies	Objectives
Permanent Settlement Regulation, 1793	Under these regulations, large water bodies (Jalmahals) belong to direct control and management of the Zamindars, making every individual zamindar and talukdar the permanent and absolute proprietors of the land under their control.
The Private Fisheries Protection Act, 1889	This Act provides for the protection of private rights for fishing.
Pond Development Act, 1939	The purposes of the Act are for irrigation and pisciculture.
The Protection and Conservation of Fish Act, 1950	Conservation of fisheries resources as a whole. The text of the Act consists of 9 sections: Short title, extent, and commencement.
	Conservation of fisheries resources. The version of the Act consists of 9 parts: Short title, size, and commencement.
The Protection and Conservation Fish Rules, 1985	Conservation of fisheries resources. The text of the Act consists of 9 sections: Short title, extent, and commencement.
	Regulations on protection and conservation of fish. The text contains 11 articles about various measures of protection and preservation.
The Fish and Fish Product (Inspection and Quality Control) Ordinance, 1983	Quality control, fish, and shrimp, mainly targeting export.
Marine Fisheries Rules and Ordinance, 1983	Marine fisheries conservation & management.
National Fisheries Policy, 1998	Conservation, management, exploitation, marketing, quality control, and institutional development.
Territorial Waters and Maritime Zones Rules, 1977	Conservation, management, and development of marine fisheries. Preservation of marine fisheries.
The Fish Hatchery Act 2010 and Rules, 2011	Mitigate inbreeding and crossbreeding problems, and encourage hatchery and nursery owners to produce quality fish seeds in hatcheries.
Fish Feed and Animal Feed Act, 2010	Maintain the quality of the feed and feed ingredients.
National Shrimp Policy, 2014	Flourish the shrimp industry, raise employment opportunities, alleviate poverty, increase export earnings, and meet the nutritional demands of the people.
National Fisheries Strategy, 2006	Emphasizes collaboration, linkages, and partnerships, reflecting current government concerns for poverty alleviation through more targeted activities.

**Note:** Detailed information is available in the provided sources (M. M. Islam et al., 2017; Shamsuzzaman et al., 2020; Shamsuzzaman, Islam, et al., 2017).

#### 4. Conclusion

In the context of Bangladesh, the fisheries and aquaculture sector assumes a pivotal role in mitigating protein deficiency and addressing malnutrition, while concurrently serving as a significant contributor to employment generation and foreign exchange earnings. This study provides a comprehensive overview of fisheries production and trade dynamics spanning the last decade in Bangladesh. Analysis reveals that the fishery resources within the country hold substantial potential for development, presenting an opportunity to bolster the national economy.

Despite the abundance of diverse fish resources in Bangladesh, fisheries production currently stands at a practical level. Notably, the nation faces constraints in accessing marine fisheries resources in the Bay of Bengal, and untapped potential in other marine resources remains unexploited on a commercial scale. This scenario underscores the imperative for strategic interventions to optimize resource utilization and capitalize on available opportunities.

The collaborative efforts of the government, relevant governmental departments, development partners, researchers, and non-governmental organizations emerge as crucial factors in orchestrating the comprehensive advancement of the fisheries sector. By fostering a coordinated approach and leveraging collective expertise, these stakeholders can contribute significantly to unlocking the full potential of Bangladesh's fisheries industry, thereby fostering sustainable economic growth and enhancing the overall well-being of the population.

*This study is a component of Working Paper 4, which ECRL has partially published in this monthly magazine. Consistent with its data restriction policy, ECRL has abstained from including the data table and reference section in this monthly magazine. The complete study is scheduled for publication in March 2024 as Working Paper 4. To access the full study, you can follow us via the following web link:*

<https://emergingrating.com/working-paper-2/>





## Bio-degumming: A Green and Efficient Technology for Jute Fabric

Jute is a natural plant fiber mainly produced in Bangladesh, India, and China, followed by Myanmar, Uzbekistan, Nepal, and a few other countries. However, jute fibers extracted from jute plants have many advantages, such as high strength, durability, biodegradability, and low cost. It also has some drawbacks, such as roughness, stiffness, low penetrability, and poor dyeability. The presence of gummy materials, lignin, and gums in the raw jute fibers mainly causes this. Therefore, with the help of a green and efficient technological process like bio-degumming, the gummy materials need to be removed to obtain smooth and soft jute fibers that can be used for finer and more diverse applications.

Traditional degumming methods such as water retting and chemical semi-degumming are time-consuming, polluting, and damaging to the fiber. On the other hand, Bio-degumming is a novel and eco-friendly technology that uses enzymes to degrade the gum by removing the non-cellulosic components from the fiber, resulting in softer, whiter, and more dyeable jute fabric. It is a new and promising method that can overcome the limitations of traditional methods and offer many benefits. It is an eco-friendly and innovative process that uses biological agents, such as enzymes and microorganisms, to break down the gummy materials in the jute fibers.

Research publications and experimental studies have been done on jute bio-degumming technology in Bangladesh and other countries. A published article on jute bio-degumming technology, conducted by Duan et al. (2016), revealed that Bio-degumming has many advantages over the traditional methods. Bio-degumming is fast, efficient, and consistent. It can reduce the degumming time from more than ten days to 15 hours and achieve higher degumming efficiency and lower residual gum content than water retting and chemical semi-degumming. Bio-degumming is also environmentally friendly and economical. It can reduce water and energy consumption and generate less wastewater and waste. The wastewater and waste from bio-degumming are also biodegradable and harmless and can be reused or recycled. Bio-degumming is also gentle and beneficial to the fibers.

It can preserve the natural structure and properties of the fibers and improve their quality and functionality. Bio-degumming can make the fibers smoother, softer, firmer, and absorbent. It can also expand their potential applications in new areas, such as paper, building materials, and composites.

Bio-degumming is a potential game-changer for the jute industry, especially for Bangladesh, one of the largest producers and exporters of jute in the world, as per FAO. The jute industry of Bangladesh plays a vital role in the national economy, providing employment, income, and foreign exchange. However, the jute industry of Bangladesh also faces many challenges, such as low productivity, poor quality, lack of innovation, and market competition. Bio-degumming technology can help Bangladesh's jute industry improve its performance and profitability and meet the growing demand for eco-friendly and high-value-added products. Bio-degumming technology can contribute to Bangladesh's jute industry's social and environmental benefits by creating more jobs, reducing poverty, and protecting the environment. This new technology deserves more attention for comprehensive research and investment from the government and the private sector.





**Table 1. E-Banking and E-Commerce Statistics (BDT in Crore)**

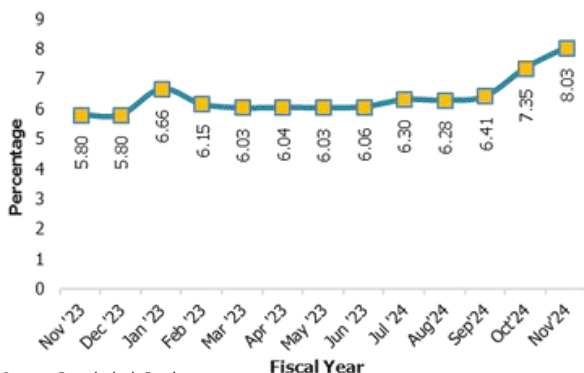
Month	Cheque Clearing		Electronic Fund Transfers (Outward)		Credit Card		Debit Card	
	Transaction	Amount (BDT)	Transaction	Amount (BDT)	Transaction	Amount (BDT)	Transaction	Amount (BDT)
Oct '23	1813675	202943.30	19944569	49241.20	3941642	2458.20	36855390	35253.60
Nov '23	1943889	227574.56	11106837	50322.47	3875289	2459.20	37528889	36356.31
Dec '23	1801384	197398.62	9767821	49478.62	3985465	2489.38	37472910	36710.65
Jan '23	2008460	211740.57	22203302	62004.33	3988104	2506.51	38637515	36765.30
Feb '23	1740691	193732.70	23703801	54405.70	3662104	2312.90	37534747	36690.30
Mar '23	1891786	209329.20	12996763	58432.20	4049110	2652.30	42588845	42259.60
Apr '23	1721971	188385.20	27049634	61014.50	4277389	2746.40	46430289	44144.30
May '23	1911669	205373.32	18755955	57970.65	4055964	2592.48	41208606	39014.96
Jun '23	2096578	249782.60	40161362	78321.70	3905459	2583.00	45469617	45348.40
Jul '24	1709520	212489.50	11548223	61242.50	4294399	2674.40	38168410	34456.70
Aug '24	1707463	212981.20	12035293	62303.40	4356197	2591.60	39346016	37803.70
Sep'24	1,591,351	180,396.90	10,869,818	55,598.00	4,356,695	2,563.30	38,730,247	36,759.50
Oct'24	1,856,922	215,168.70	27,380,116	71,929.50	4,783,354	2,865.70	41,810,339	39,575.70

Source: Bangladesh Bank

In October of FY2024, electronic banking (e-banking) and electronic commerce (e-commerce) transactions displayed a varied influence when compared to the preceding month (Table 1). Specifically, there was a significant increase in the activities of cheque clearing by 16.69 percent, electronic fund transfers by 151.89 percent, credit card by 9.79 percent, and debit card transactions by 7.95 percent, respectively.

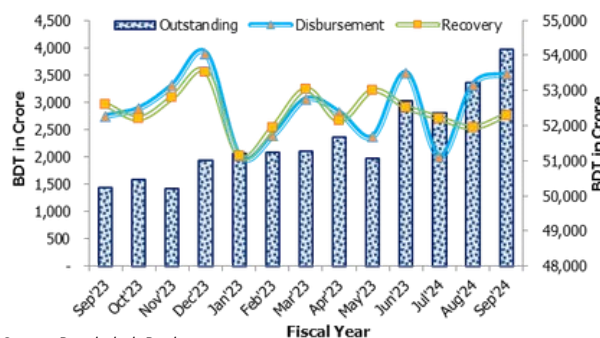
The call money rate's weighted average exhibited variations and a fluctuating pattern over the recent months. In November FY2024, it saw a rise compared to the preceding month, reaching 8.03 percent (refer to Figure 1). Additionally, the rate for the same month in the preceding fiscal year, November FY2023, was 5.80 percent, reflecting an increase of approximately 38.45 percent.

**Figure 1. Monthly Average Call Money Market Rates (Weighted Average)**



Source: Bangladesh Bank

**Figure 2. Agricultural Credit**



Source: Bangladesh Bank

The agricultural credit financing data indicates significant fluctuations in both disbursement and recovery amounts over the past 12 months, as depicted in Figure 2. In September FY2024, the disbursement amount saw a slight increase of 6.01 percent compared to the substantial rise observed in August FY2024. On the other hand, there was a notable 8.80 percent growth in recovery from the previous month in September FY2024, despite declines in the recovery amount during the preceding two months, July FY2024 and August FY2024. Nevertheless, the outstanding amount recorded a marginal increase, reaching BDT 54,164.17 Crore.

With globalization and digitization, people prefer the internet and mobile banking. In October 2024, the number of internet banking customers increased by 2.46 percent, and subscribers of mobile banks increased by 1.26 percent compared to the previous month. Agent banking has become popular in rural areas, for which the amount of money transacted through agent banking exceeded the BDT 50,000-crore mark for the first time in January 2022 and currently stands at BDT 70,459.86 crore (Table 2).

**Table 2.** Internet, Mobile, and Agent Banking at a Glance

Month	Internet Banking			Mobile Banking				Agent Banking			
	Customer	Transaction	Amount (BDT)	Agents	Transactions	Amount (BDT)	Subscriber	Agents	Transactions	Amount (BDT)	Subscriber
Oct '23	6,019,687	6,117,675	25,965.30	1,521,803	444,062,360	93,034.98	187,523,593	14,833	15,506,520	59,770.28	17,042,562
Nov '23	6,127,001	6,201,828	27,426.64	1,531,405	415,974,768	92,125.75	188,559,736	15,056	14,627,647	65,062.23	17,251,563
Dec '23	6,252,634	5,624,146	27,558.79	1,554,637	428,324,785	96,132.86	191,063,573	15,226	15,621,424	62,761.35	17,478,884
Jan '23	6,432,921	6,901,854	33,925.58	1,569,112	462,957,809	100,593.42	194,125,13	15,270	15,829,033	70,970.07	17,760,150
Feb '23	6,569,164	5,709,234	29,385.90	1,581,284	450,945,081	97,307.59	196,759,17	15,376	16,889,984	63,510.78	18,365,881
Mar '23	6,710,423	6,532,095	33,557.40	1,598,000	482,455,915	108,467.30	198,091,783	15,409	15,428,976	77,530.20	18,935,184
Apr '23	6,887,716	7,676,277	44,604.40	1,555,791	531,055,608	124,954.00	200,689,210	15,411	16,270,577	64,255.87	19,248,377
May '23	6,977,778	7,376,635	49,930.60	1,570,340	501,923,307	108,355.19	203,970,186	15,473	15,276,196	72,678.85	19,643,273
Jun '23	7,237,380	8,272,522	49,099.27	1,585,722	572,615,005	132,175.30	207,268,646	15,510	21,877,654	72,693.24	19,850,911
Jul '24	7,442,964	7,807,126	46,243.40	1,601,445	483,531,836	98,306.90	209,569,834	15,574	14,858,617	72,516.70	20,154,126
Aug '24	7,632,300	8,414,924	52,099.70	1,618,988	512,290,724	109,555.10	212,420,476	15,671	13,226,342	68,125.20	20,449,522
Sep'24	7,788,896	8,234,472	48,716.40	1,629,716	497,412,883	108,378.20	215,000,000	15,539	12,032,552	59,312.90	20,683,628
Oct'24	7,980,859	10,337,750	78,863.08	1,678,207	573,271,299	120,596.47	217,710,830	15,542	16,089,259	70,459.86	20,931,465

Source: Bangladesh Bank





## Dhaka Stock Exchange

The total number of listed securities stood at 651 at the end of November 2023. Among the listed securities, there were 355 companies, 37 mutual funds, 238 government bonds, 8 debentures and 13 corporate bonds. The companies include 35 banks, 23 financial institutions, 57 insurance companies, and 240 others. Figure 01 shows the DSE market cap and DSE broad index from November 2022 to November 2023. DSE Broad Index (DSEX) stood at 6,223.03 at the end of November 2023, which was 0.89 percent lower than the previous month and 0.21 percent lower than that of the same month of the preceding year. The market capitalization of DSE stood at BDT 7,718.17 billion at the end of November 2023, which was 1.59 percent lower than that of the previous month but 0.99 percent higher than that of the same month of the previous year. The Bangladesh Govt. Treasury Bonds (BGTBs) occupied 77.09 percent of the issued capital and dominated the market at the end of November 2023.

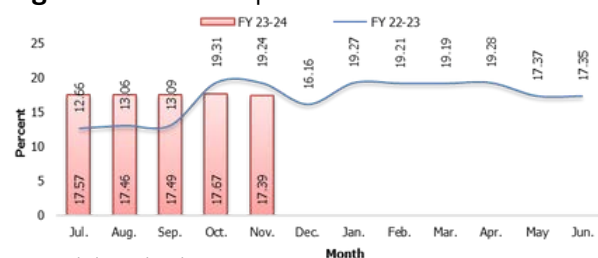
**Figure 1. Market Capitalization and DSE Broad Index**



Source: Dhaka Stock Exchange

Figure 2 shows the ratio of the market capitalization of DSE to GDP (at current market price), standing at 17.39 percent at the end of November 2023, which was 17.67 percent at the end of October 2023, and 19.24 percent at the end of the corresponding month of the previous year.

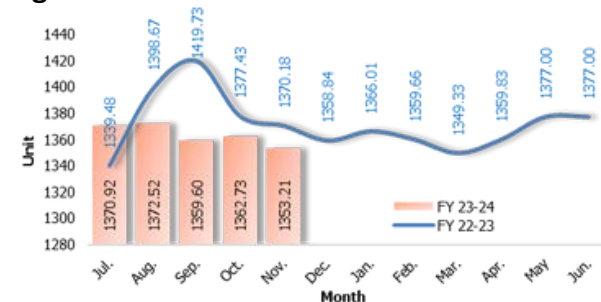
**Figure 2. Market Capitalization to GDP Ratio**



Source: Dhaka Stock Exchange

Figure 3 shows the DSE Shariah Index for FY 2022-23 and FY 2023-24. At the end of November 2023, the DSE Shariah Index (DSES) stood at 1,353.21, which was 0.69 percent lower than that of the previous month and 1.24 percent lower than that of the same month of the previous year.

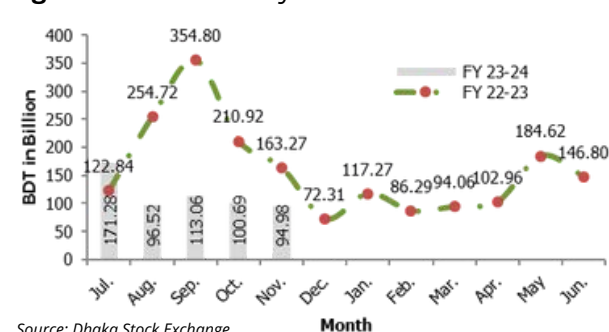
**Figure 3. DSE Shariah Index**



Source: Dhaka Stock Exchange

Figure 4 shows the DSE Turnover of FY 2022-23 and FY 2023-24. The value of total turnover of the traded securities of DSE stood at BDT 100.69 billion on October 2023, which was 52.26 percent lower than that of the same month of the previous year.

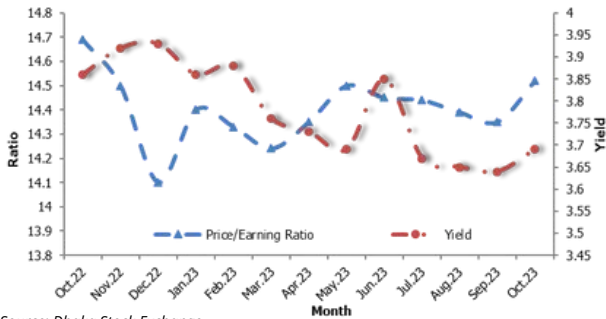
**Figure 4. DSE Monthly Turnover**



Source: Dhaka Stock Exchange

Figure 4 shows the DSE Turnover of FY 2022-23 and FY 2023-24. The value of the total turnover of the traded securities of DSE stood at BDT 94.98 billion on November 2023, which was 41.83 percent lower than that of the same month of the previous year.

**Figure 5.** Month to Month Price-Earning ratio and Yield of DSE

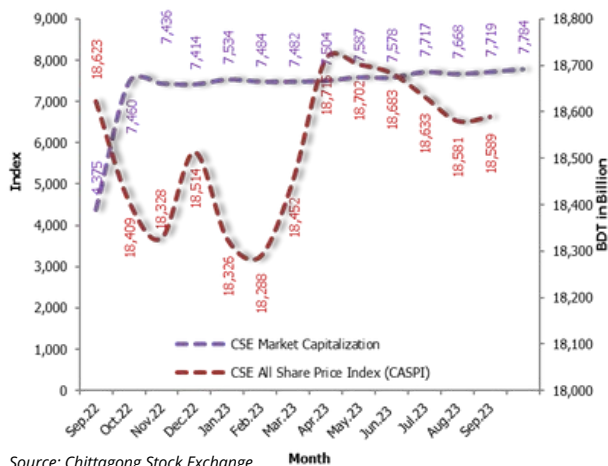


Source: Dhaka Stock Exchange

### Chittagong Stock Exchange

Figure 6 shows market capitalization and CSE all share price index. The total number of listed securities in the CSE stood at 612 at the end of November 2023. The total amount of issued capital increased to BDT 4,284.95 billion at the end of November 2023 from BDT 4,376.54 billion at the end of October 2023 and BDT 4,096.77 billion at the end of the same month of the previous year. All share price index of CSE (CASPI) stood at 18,479.52 at the end of November 2023, which was 0.59 percent lower than that of the previous month but 0.39 percent higher than the October 2023 and the same month of the previous year, respectively. The market capitalization of the CSE stood at BDT 7,679.39 billion at the end of November 2023, which was 1.34 percent lower than that of October 2023 but 3.27 percent higher than November 2022 and the same month of the previous year respectively.

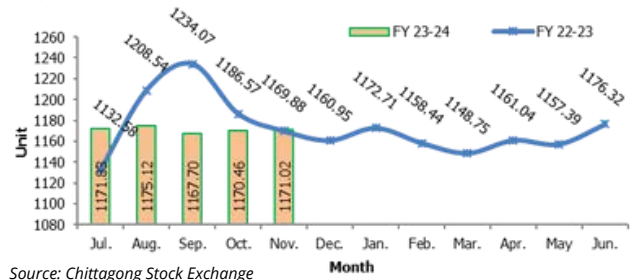
**Figure 6.** Market capitalization and CSE All Share Price Index



Source: Chittagong Stock Exchange

In the report, Figure 7 displays the CSE Shariah Index for the fiscal years 2022-23 and 2023-24. The CSE Shariah Index (CSI) rose to 1,171.02 by the end of November 2023 from 1,170.46 at the end of the previous month. However, it increased compared to 1,169.88 at the end of the same month in the previous year.

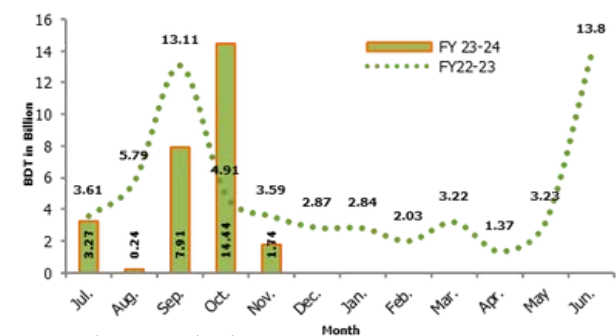
**Figure 7.** CSE Shariah Index



Source: Chittagong Stock Exchange

Figure 8 shows the CSE Turnover of FY 2022-23 and FY 2023-24. During October 2023, the value of the total turnover of traded securities of CSE increased to BDT 14.44 billion from BDT 7.91 billion during the previous month and also increased from the value of the same month of the previous year.

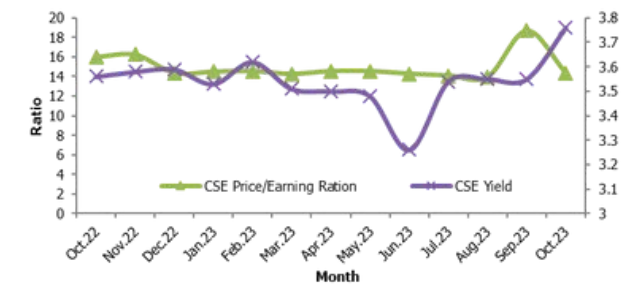
**Figure 8.** CSE Month to Month Turnover



Source: Chittagong Stock Exchange

Figure 4 shows month to month price-earning ratio and yield of CSE. The price-earnings (P/E) ratio of all securities of CSE stood at 13.90 at the end of November 2023, which was 14.35 at the end of October 2023. The yield stood at 3.79 at the end of November 2023, which was 3.58 at the end of November 2022.

**Figure 9.** Month to Month Price-Earning ratio and Yield of CSE



Source: Chittagong Stock Exchange

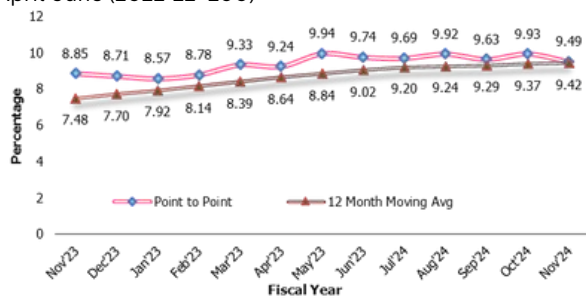




## Real Sector

In November FY2024, the point-to-point inflation stood at 9.49%, which had a considerable year-on-year (y-o-y) decrease. It followed a fluctuating trend since the beginning of FY2024. On the contrary, the twelve-month moving average in November FY2024 stood at 9.42%, following an increase from October FY2024, which was 9.37%. The national food inflation experienced an increase in November FY2024, along with food and non-food inflation as compared to the previous month (Figure 1).

**Figure 1.** CPI Inflation, Bangladesh (2005/2006=100); April-June (2021-22=100)



Source: Bangladesh Bureau of Statistics

The point-to-point general urban inflation has fluctuated for the previous few months (Table 1). The inflation in November of FY2024 decreased from the previous month, standing at 9.49%. The non-food inflation in urban areas decreased, whereas the non-food inflation in rural sectors decreased in November from October. The general inflation decreased in both the urban and rural sectors which stood at 9.16% and 9.62%, respectively.

**Table 1.** CPI Inflation, Bangladesh

Month in Fiscal Year	National			Urban			Rural		
	General	Food	Non-Food	General	Food	Non-Food	General	Food	Non-Food
Nov'23	8.85	8.14	9.98	8.7	7.95	9.54	8.94	8.23	10.31
Dec'23	8.71	7.91	9.96	8.43	7.45	9.51	8.86	8.11	10.29
Jan'23	8.57	7.76	9.84	8.39	7.41	9.48	8.67	7.92	10.12
Feb'23	8.78	8.13	9.82	8.75	7.98	9.61	8.8	8.19	9.98
Mar'23	9.33	9.09	9.72	9.36	9.14	9.59	9.32	9.06	9.82
Apr'23	9.24	8.84	9.72	9.68	9.1	9.96	8.92	8.78	9.33
May'23	9.94	9.24	9.96	9.97	9.13	9.88	9.85	9.34	9.83
Jun'23	9.74	9.73	9.6	9.45	9.26	9.47	9.82	9.95	9.52
Jul'24	9.69	9.76	9.47	9.43	9.63	9.2	9.75	9.82	9.48
Aug'24	9.92	12.54	7.95	9.63	12.11	8.48	9.98	12.71	7.38
Sep'24	9.63	12.37	7.82	9.24	12.01	8.12	9.75	12.51	7.42
Oct'24	9.93	12.56	8.3	9.72	12.58	8.5	9.99	12.53	8.01
Nov'24	9.49	10.76	8.16	9.16	10.58	8.17	9.62	10.86	8.00

Source: Bangladesh Bureau of Statistics; Bangladesh Bank; (2005/2006=100); April-June (2021-22=100)

The categories of non-food items like Clothing and footwear, Furniture and house equipment, Recreation and cultural Services, Restaurants and hotels, and Miscellaneous goods and services, experienced a significant increase in the monthly percentage of CPI in November FY2024 compared to the previous month (Table 2). Categories like Gross rent, fuel and lighting, Medical care and health expenses, Transportation, Education, and Communication decreased.

**Table 2.** Monthly % Change in Consumer Price Index (Point to Point Inflation, National)

Month in Fiscal Year	Non-Food	Clothing & Footwear	Gross Rent, Fuel & Lighting	Furniture & House Equipment	Medical Care & Health Expenses	Transportation	Recreation & Cultural Services	Education	Restaurants and Hotels	Communication	Misc. Goods and Services
Nov'23	9.98	0.81	0.12	1.53	2.64	1.68	0.33	-	-	-	1.75
Dec'23	9.96	0.60	0.01	1.00	0.15	0.28	0.33	-	-	-	0.40
Jan'23	9.84	0.27	0.74	0.31	0.12	0.11	0.64	-	-	-	0.58
Feb'23	9.82	0.17	0.53	0.24	0.11	0.15	0.23	-	-	-	0.33
Mar'23	9.72	0.23	0.44	0.25	0.34	0.26	0.09	-	-	-	0.70
Apr'23	9.72	0.12	2.47	2.40	-10.14	-1.65	5.95	-	-	-	-3.90
May'23	9.96	0.18	0.62	0.12	1.35	0.24	0.22	-	-	-	0.25
Jun'23	9.60	0.21	0.88	0.09	0.02	0.13	0.25	-	-	-	0.08
Jul'24	9.47	0.44	0.40	0.17	0.36	0.10	0.51	0.28	1.07	0.01	0.57
Aug'24	7.95	3.35	-0.03	4.86	0.53	4.61	2.73	0.00	-2.78	-2.00	1.78
Sep'24	7.82	0.56	1.05	0.94	0.51	0.40	2.14	1.38	0.88	1.32	2.87
Oct'24	1.21	0.99	1.54	1.48	2.89	0.88	0.80	0.84	0.73	0.74	0.91
Nov'24	0.91	1.43	1.12	1.53	0.45	0.53	1.13	0.11	1.17	0.04	1.57

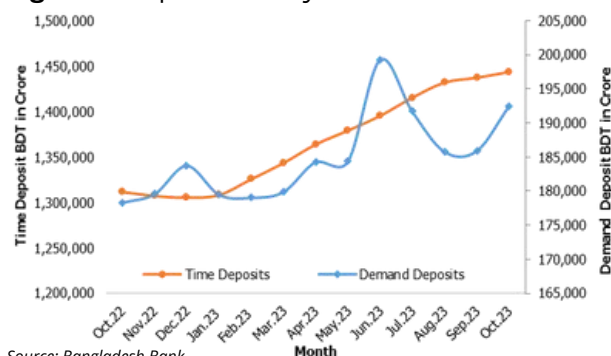
Source: Bangladesh Bureau of Statistics; (2005/06=100); April-June (2021-22=100)



## Monetary Sector

The Deposit Money Banks (DMBs) are made up of 61 Scheduled Banks from October 2022 to October 2023 (as shown in Figure 2). In October 2022, the demand deposit was BDT 178,312.10 crores. By October 2023, the demand deposit had increased to BDT 192,478.00 crores. However, the time deposit had increased to BDT 1,443,595.20 crore in October 2023, compared to October 2022.

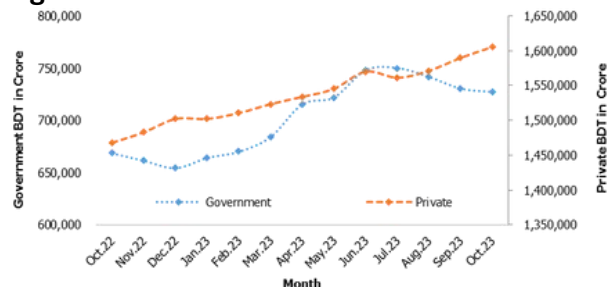
**Figure 2.** Deposit Money Banks (DMBs)



Source: Bangladesh Bank

Figure 3 shows the total domestic credit of the government and private sector of Bangladesh, in the month of October 2022, private sector credit was BDT 1,468,119.10 crore and in the month of October 2023, Private sector credit increased to BDT 1,605,040.50 crore. However, in the month of October 2022, government sector domestic credit was BDT 668,692.80 and in the month of October 2023, government sector credit was increased to BDT 726,991.41 crore.

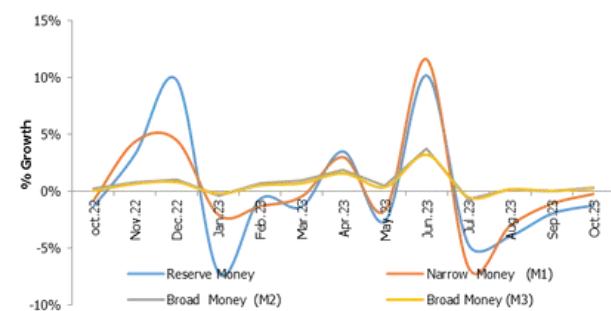
**Figure 3.** Domestic Credit



Source: Bangladesh Bank

The graph in Figure 4 displays the changes in various monetary measures such as reserve money, narrow money (M1), broad money (M2), and broad money (M3) from October 2022 to October 2023. The growth rates of these monetary aggregates fluctuated during this time period. However, it is worth noting that in October 2023, growth of broad money (M2) improved, and broad money (M3) increased compared to the previous month.

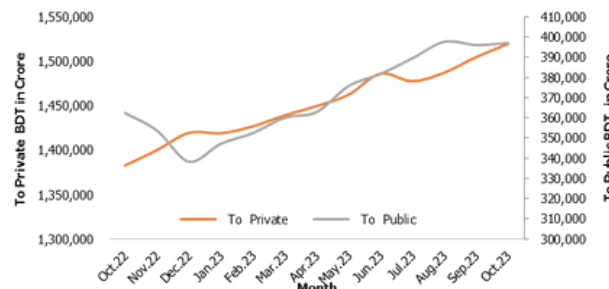
**Figure 4.** Monetary Aggregate Growth



Source: Bangladesh Bank

An overview of the credit provided by Deposit Money Banks (DMBs) in the form of advances, bills, and investments is presented in Figure 5. As of October 2022, the total credit extended by DMBs to private and the public entities amounted to BDT 1,383,000.60 crore and BDT 362,533.40 crore, respectively. However, by October 2023, the credit extended by DMBs to private entities increased to BDT 1,520,116.60 crore and the credit extended to the public entities increased to BDT 397,261.10 crore.

**Figure 5.** DMBs Credit (Advances + Bills + Investment)



Source: Bangladesh Bank

## External Sector

Figure 6 serves as a visual representation of the trends in Foreign Direct Investment (FDI) observed across different quarters from April - June 2022 to April - June 2023. In the April - June quarter of FY 2021-22, the FDI reached USD 20,504 million. However, in the quarter of April - June FY 2022-23, FDI increased to USD 21,823 million.

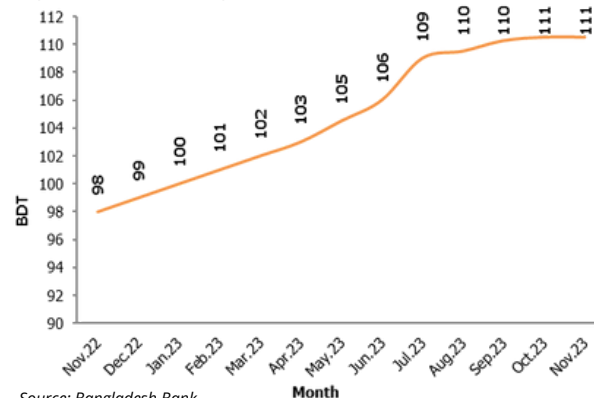
**Figure 6.** Foreign Direct Investment



Source: Bangladesh Bank

Figure 7 presents the exchange rate data based on information from Bangladesh Bank. In November 2022, the USD to BDT exchange rate was recorded at BDT 98.00, while in November 2023, it increased to BDT 110.50. This exchange rate movement indicates that from November 2022 to November 2023, the Bangladeshi taka experienced a depreciation of 12.76 percent against the USD.

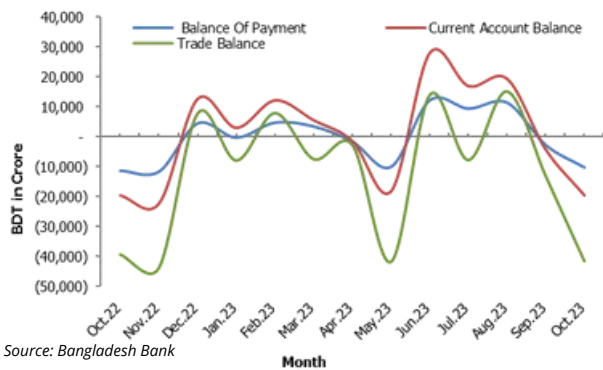
**Figure 7.** Exchange Rate of USD



Source: Bangladesh Bank

As of October 2023, the Balance of Payments recorded a deficit of BDT 10,096.70 crore, a significant decrease compared to the BDT 11,169.60 crore deficit in October 2022, as shown in Figure 8. Similarly, the Current Account Balance also showed an increased deficit of BDT 9,378.20 crore in October 2023, as opposed to the BDT 8,337.20 crore deficit reported in October 2022. Furthermore, the trade balance deficit in October 2023 was higher than that of October 2022.

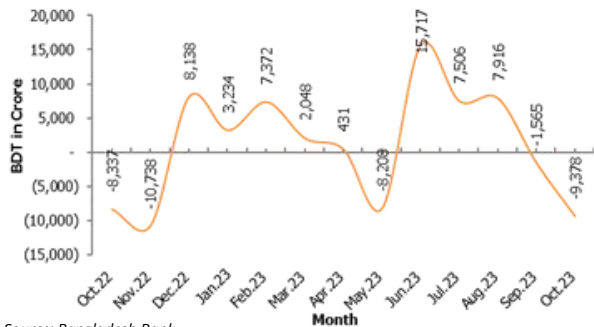
**Figure 8. Overall Balance of Payment**



Source: Bangladesh Bank

The graph in Figure 9 shows the current account balance in Bangladesh from October 2022 to October 2023. It started with a deficit of BDT 8,337.20 crore in October 2022 and increased to a negative balance of BDT 9,378.20 crore in October 2023.

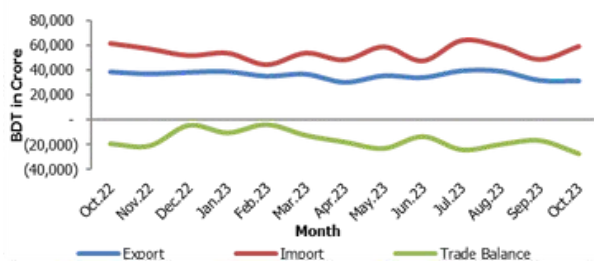
**Figure 9. Total Current Account Balance**



Source: Bangladesh Bank

Figure 10 presents the export and import trends of Bangladesh, spanning from October 2022 to October 2023. In October 2022, exports amounted to BDT 38,330.00 crore, while imports totaled BDT 61,460.11 crore. In October 2023, exports decreased to BDT 31,199.00 crore, and imports decreased to BDT 59,054.00 crore.

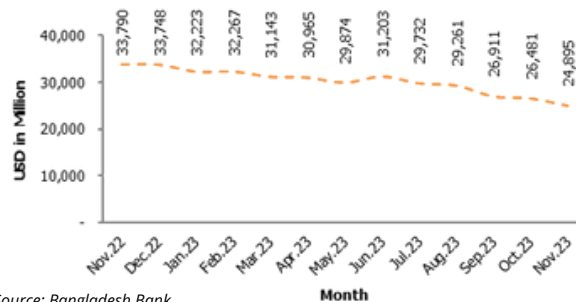
**Figure 10. Export, Import, and Trade Balance**



Source: Bangladesh Bank

Figure 11 illustrates the progression of Foreign Exchange Reserves from November 2022 to November 2023. In November 2022, the foreign exchange reserves stood at USD 33,789.62 million. However, in November 2023, there was a decrease, and the foreign exchange reserves amounted to USD 24,894.60 million. Notably, the foreign exchange reserves have been on a downward trend since FY 2022 although, it is worth mentioning that in June 2023, there was a slight improvement in the foreign exchange reserves compared to previous months.

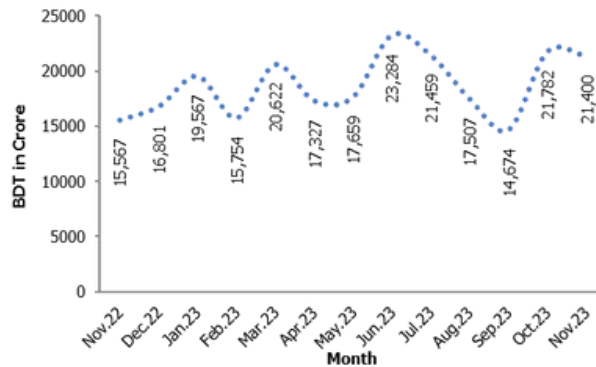
**Figure 11. Foreign Exchange Reserve**



Source: Bangladesh Bank

According to Figure 12, the worker remittance between November 2022 and November 2023 increased from BDT 15,567 crore to BDT 21,400 crore. This shows a 37.47 percent increase in remittance over a period of one year. These statistics highlight the significance of remittances as a critical source of income for many households and the country.

**Figure 12. Worker's Remittance**

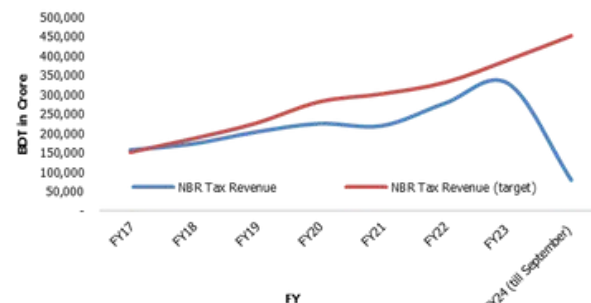


Source: Bangladesh Bank

## Fiscal Sector

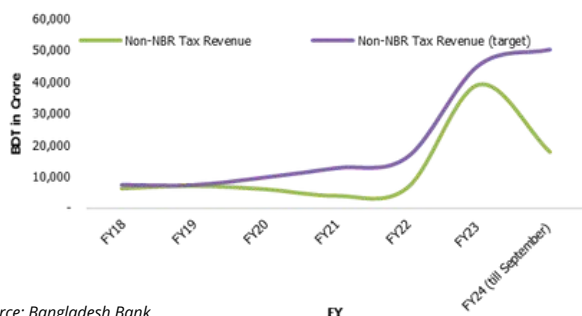
Figure 13 shows yearly NBR tax revenue from FY 2017 to FY 2024. Income is derived from a variety of sources, including both taxes and non-tax revenues. As of June 2024, substantial progress has been made toward achieving the overall revenue target, with 19.10% of the goal realized. Notably, most of this revenue has been generated through taxes administered by the National Board of Revenue (NBR), accounting for 81.43% of the total.

**Figure 13. Yearly NBR Tax Revenue**



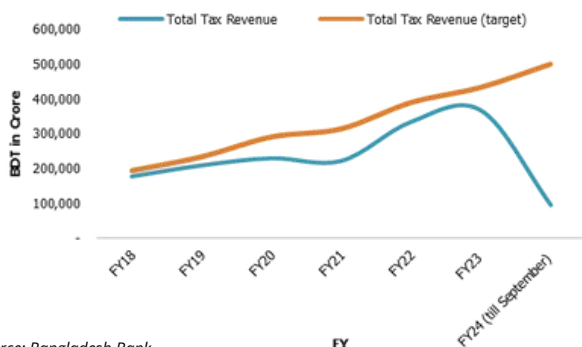
Source: Bangladesh Bank

**Figure 14.** Yearly Non-NBR Tax Revenue



Source: Bangladesh Bank

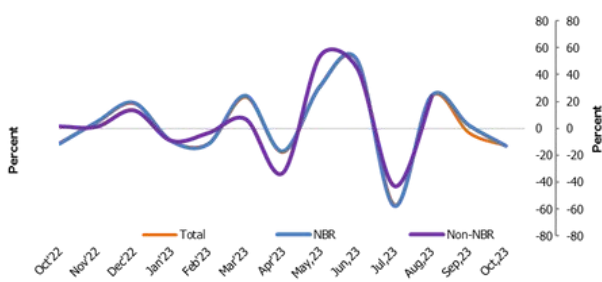
**Figure 15.** Yearly Total Tax Revenue



Source: Bangladesh Bank

Figure 16 shows the Month-over-Month growth of NBR tax revenue, revealing significant fluctuations. Notably, in October 2023, there was a notable decrease of 12.98% in total NBR tax revenue. However, in October 2023, the NBR revenue decreased compared to September 2023, indicating a fluctuating pattern in revenue collection within a short time frame, which could be attributed to various economic factors and seasonal variations.

**Figure 16.** Trends of Growth NBR Tax Revenue

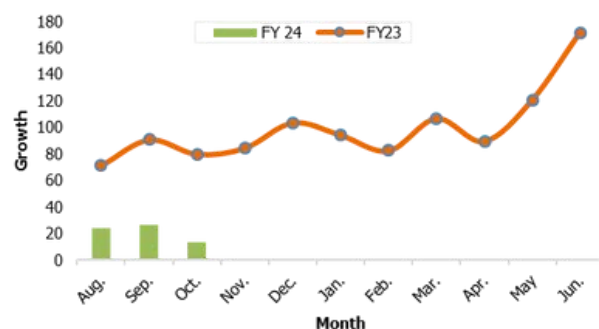


Source: Bangladesh Bank



Figure 5 shows the cumulative growth of NBR total revenue (sum of NBR tax and non-NBR tax), where the cumulative growth up to October of FY 2024 was 13.52%, which was 79.82% in October FY2023.

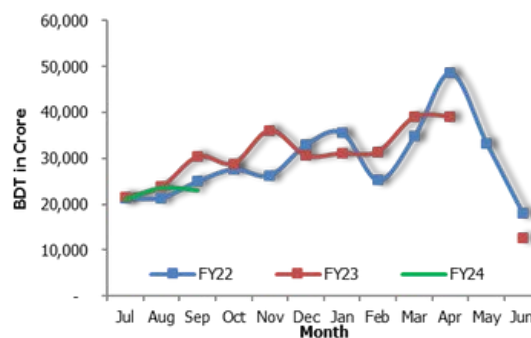
**Figure 17.** Cumulative Growth of NBR Total Revenue



Source: Bangladesh Bank

Figure 18 shows the government's total expenditure from July 22 to September 24. The total government expenditure in September FY24 was BDT 22,930 crore, which is 4.44% lower than the previous year (FY23) in the same month which was BDT 30,397 crore.

**Figure 18.** Total Expenditure



Source: Bangladesh Bank

**Table 3.** NBR and Non-NBR Tax Revenue, FY22 & FY23

Month	NBR Tax Revenue (FY24)					Non NBR Tax Revenue	Total NBR Revenue Collection	NBR Tax Revenue (FY24)					Non NBR Tax Revenue	Total NBR Revenue Collection
	Customs duties	VAT	Income Tax	others	NBR Tax Revenue Total			Customs duties	VAT	Income Tax	others	NBR Tax Revenue Total		
	1	2	3	4	5=(1+,+4)			1	2	3	4	5=(1+,+4)		
July	2,941.03	12,227.95	5,148.04	173.47	20,490.49		20,490.49	2692.53	5557.52	4656.93	4911.18	17818.16	1067.18	18885.34
August	3,384.74	15,122.04	6,687.89	238.40	25,433.07		25,433.07	3330.91	13308.34	5544.96	288.15	22472.36	1320.52	23792.88
September	3063.74	11351.26	11359.42	266.03	26,040.45		26,040.45	3026.84	13847.62	9606.29	353.18	26833.93	1303.47	28137.40
October	3280.84	11674.84	7,444.65	258.8	22,659.13	0	22,659.13	2979.88	13918.16	6527.94	364.32	23790.30	1322.43	25112.73
November								3109.85	14670.82	6628.00	491.33	24900.00	1338.46	26238.46
December								2722.65	13747.04	10991.98	2152.18	29613.85	1622.30	31236.15
January								3053.41	14531.78	8504.11	789.49	26878.79	1378.89	28257.68
February								2672.96	13263.36	7046.36	744.50	23727.18	1332.14	25059.32
March								3238.67	14785.63	10648.56	798.65	29471.51	1424.57	30896.08
April								2707.86	14218.40	6679.19	826.09	24431.54	954.64	25386.18
May								3729.89	16644.95	10793.52	839.80	32008.16	-	32008.16
June								3595.78	20478.69	24161.05	802.44	49037.96	-	49037.96
<b>Total</b>	<b>12,670.35</b>	<b>50,376.09</b>	<b>30,640.00</b>	<b>936.70</b>	<b>94,623.14</b>	<b>2,713.60</b>	<b>97,336.74</b>	<b>36861.23</b>	<b>168972.31</b>	<b>117888.89</b>	<b>13361.31</b>	<b>330983.74</b>	<b>13064.60</b>	<b>344048.34</b>



According to data, the unemployment rate of India decreased in September 2023 and stood at 7.1%, whereas the unemployment rate of Malaysia (3.4%), the UK (4.2%), and the USA stood the same (3.8%) compared to the previous month. The repo rate of Bangladesh, India, and Vietnam remained constant in September 2023, standing at 6.50%, 6.50%, and 4.50%, respectively, while for the UK, the repo rate increased to 5.25%. The deficit balance of Bangladesh, India, the UK, and the USA declined and stood at USD 1.56 billion, USD 19.37 billion, USD 1.98 billion, and USD 61.15 billion, respectively. Malaysia's surplus balance increased significantly to USD 5.18 billion, whereas Vietnam's surplus balance declined to USD 2.20 billion. The consumer price index of Bangladesh, Malaysia, Vietnam, the UK, and the USA experienced an increase in September 2023, whereas for India, the CPI experienced a slight decline. Furthermore, the consumer credit balance for Bangladesh, India, Malaysia, the UK, and the USA increased compared to the previous month.

**Table 1.** Selected Economic Indicators

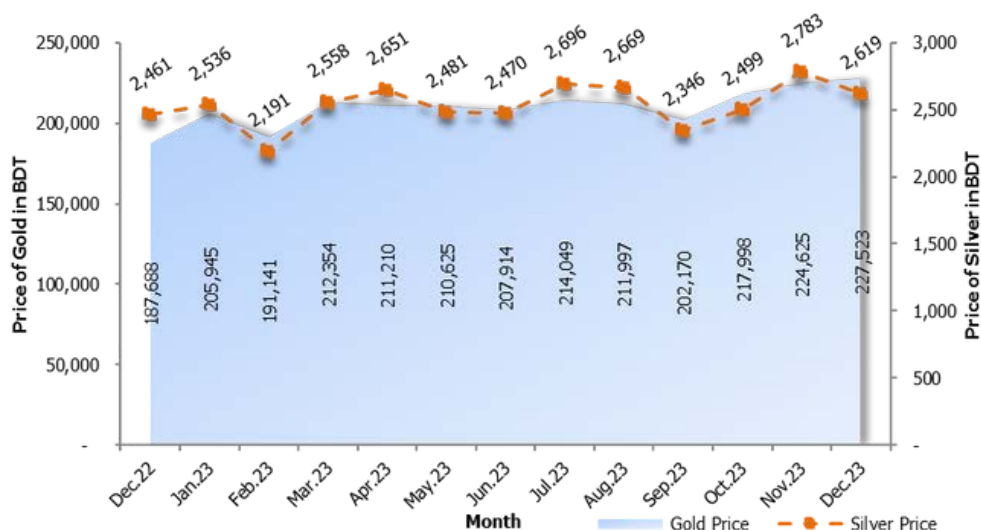
Country	Unemployment Rate [%]	Repo Rate [%]	Consumer Price Index [CPI]	Balance of Trade [billion \$]	Consumer Credit [billion \$]
Bangladesh	...	6.50	117.06	-1.85	174.74
India	8.10	6.50	186.20	-24.2	276.432
Malaysia	3.40	...	130.70	3.63	96.915
Vietnam	...	4.50	112.07	3.44	...
UK	4.20	5.00	131.35	-3.40	186.10
USA	3.80	...	307.03	-58.62	1,895.30

Source: Trading Economics



Figure 1 shows the price per ounce of gold and silver in the BDT currency (where one ounce equals 2.43 bhor). In recent years, the highest price of gold was BDT 227,523 in December 2023, and the lowest was BDT 191,141 in February 2023. On the other hand, the selling price of silver per ounce was BDT 2,619 in December 2023, and the lowest was BDT 2,191 in February 2023. However, the latest price of gold at the end of December is 1.29 percent higher than the price of November 2023, and the price of silver decreased by 5.89 percent compared to the month of November 2023.

**Figure 1.** Gold and Silver Price Per Oz



Source: Goldprice.org



## **DR. JAMALUDDIN AHMED, FCA**

Chairman

Dr. Jamaluddin Ahmed is one of the sponsor directors of Emerging Credit Rating Ltd. (ECRL). He is also the Chairman of the company. Professionally a Chartered Accountant and a fellow member of the Institute of Chartered Accountants of Bangladesh (ICAB) since 1990; he has been awarded PhD in Accounting from Cardiff Business School, University of Wales, under Commonwealth Scholarship in 1996, and secured First Class in Masters Degree and Bachelors with Honours from Accounting Department of Dhaka University.

He has many years of experience in the financial sector of Bangladesh and has used his expertise and experience to carry out numerous research work and publications. He is the Audit Engagement Partner of 10 banks and leasing companies, 4 energy companies, 10 listed non-bank companies, and a tax advisor for many local and multinational companies. He also performs the following responsibilities:

- The Board of Directors of Janata Bank Limited (2008-2013), Essential Drugs Limited, Power Grid Company of Bangladesh Limited.
- The Chairman of the Board Audit Committee of Janata Bank Limited (2008-2013) and Power Grid Company of Bangladesh Limited.
- The Member of the Board of Directors and Chairman of the Audit Committee of Grameen Phone Limited, Advisor to the Board and Audit Committee of Bangladesh Bank.
- Previously He had been the representative of ICAB to the Board of Dhaka WASA, Dhaka Stock Exchange Ltd., Consultative Committee at the Security and Exchange Commission, Bangladesh Telecommunication Company Limited.
- From 1999 to 2013 he was a partner at Hoda Vasi Chowdhury & Co., An Independent Firm of Deloitte Touche & Tohmatsu. He has taken several training courses in the power and energy sector and has completed assignments at numerous banks.



## **MR. N K A MOBIN, FCS, FCA**

Executive President

Mr. NKA Mobin is a highly esteemed and accomplished professional, currently serving as the Executive President and Sponsor Director of Emerging Credit Rating Limited (ECRL), a licensed rating company in Bangladesh authorized by the Bangladesh Securities and Exchange Commission (BSEC). With a history spanning 14 years, ECRL has established itself as a prominent player in the financial sector, boasting a technical collaboration with the Malaysian Rating Corporation Berhad (MARC) since 2009. A seasoned Senior Fellow Chartered Accountant and Chartered Secretary in Bangladesh, Mr. Mobin brings over 40 years of extensive experience in various aspects of financial management. His leadership acumen is evident through his role as an Executive Committee member of the Institute of Chartered Accountants of Bangladesh (ICAB) for two consecutive terms (2019-21 and 2022-24) and as a Fellow member of the Institute of Chartered Secretaries of Bangladesh (ICSB) for two decades, since 2003. Mr. Mobin has an impressive track record of holding key leadership positions, which includes serving as the Senior Vice-President of the Dhaka Chamber of Commerce and Industries (DCCI) for two years and leading ICAB for five years. In addition, his educational background is equally impressive as he has completed his MBA in Finance from Dhaka University and obtained EMBA degrees from prestigious institutions in Sweden, Singapore, France, and Japan. In the realm of corporate governance, Mr. Mobin served as the Government-nominated Board Director of Biman Bangladesh Airlines from 2016 to 2020. Currently, he holds the position of Independent Director in several companies, namely Citizen Banks PLC., Omera Petroleum Limited, and Omera Cylinders Limited.

Beyond his corporate endeavors, Mr. Mobin is an active participant in various civic and social organizations. He is a Rotarian with Phf membership and also served as an Executive Committee member of the Bangladesh Scouts Foundation. Additionally, he holds the prestigious Red & Green Jacket (Highest honor). As a golf enthusiast, he is a regular player at the Kurmitola Golf Club, where he achieved two "Hole-in-One" titles in a single session. Since 2007, he has been a proud member of the Kurmitola Golf Club and several other social clubs.

His extensive list of positions and memberships includes serving as an:

- Independent Board Director of Bangladesh Submarine Cables Company Limited (BSCCL) from 2020 to 2023
- Independent Board Director at Unique Hotel & Resorts Limited from 2021 to 2023,
- Independent Board Director at HeidelbergCement Bangladesh Limited from 2021 to 2023.
- Independent Board Director at Shasha Denims Ltd. (2016-2021)
- Independent Board Director at Mobil-Jamuna Lubricants (BD) Ltd. (2019-2022).
- Vice President (Education & Examination) at ICAB for 2019 and 2022
- Treasurer at Gulshan Society for 2022-23.



## **MR. ARIFUR RAHMAN, FCCA, FCA, CSAA**

Chief Executive Officer (CEO)

Mr. Arifur Rahman is a dynamic professional representing the Emerging Credit Rating Limited as the Chief Executive Officer (CEO), the distinguished credit rating agency in Bangladesh. He has completed his B.Sc. (Hons) in Civil Engineering with first class result from Bangladesh University of Engineering & Technology (BUET) and also completed BSc (Hons) achieving higher second class honors (2:1) in Applied Accounting from Oxford Brookes University.

Mr. Rahman has 21 years of expertise in the various sectors like Civil Engineering, Auditing, Financial Consultancy, Feasibility Studies, and Tax Advisory and Planning etc. He is also a Certified Shariah Adviser & Auditor (CSAA). He is actively involved in taking charge of the technical and organizational interests and advising the company in articulating current business strategies as well as future growth potentials. He is responsible to administer different departments and plays an important role in taking the managerial and operational decisions of the organization. Mr. Rahman is also the Fellow Member of the Association of Chartered Certified Accountant. Mr. Rahman is qualified as a chartered accountant from the institute of the Institute of Chartered Accountants of Bangladesh (ICAB).

## **MR. AL MAMUN**

Research Fellow

Mr. Al Mamun is a Research Fellow at ECRL, working on different issues related to macroeconomic analysis, financial and banking sector, data bank maintenance, project management, and business research (market and financial research), especially industrial research, distribution assessments, and feasibility studies. In addition, he is also interested in working on macroeconomic policies, energy, and environmental-related issues.

Mr. Mamun is also an Associate Research Fellow at the Center for Policy and Economic Research (CPER). He plays a remarkable role in various areas, including industry, labor market discrimination, poverty, international trade, sustainable development, and more.

Mr. Mamun completed his undergraduate and postgraduate studies in Economics at East West University in Bangladesh. Additionally, he pursued advanced studies in Statistics at the same esteemed institution.

## **MR. MD. SHAIFUL HASAN**

Senior Business Consultant

Mr. Shaiful Hasan holds the position of Senior Business Consultant at ECRL, where he oversees the department's comprehensive operations. His responsibilities extend to enhancing and refining ECRL's digital footprint and brand identity through meticulously curating financial infographics, YouTube video productions, and other captivating content for various social media platforms. Furthermore, he conducts insightful interviews with subject matter experts and serves as an anchor for financial literacy videos, bolstering the organization's educational outreach efforts.

Mr. Shaiful has over eight years of financial analysis and project management expertise. Throughout his professional journey, he has successfully executed over 2,000 projects, offering his clients extensive services. These services encompass diverse areas, including feasibility studies, intricate financial modeling, comprehensive asset and company valuation, strategic M&A consultancy, in-depth industry analysis, meticulous company profiling, proficient data visualization, report enhancement, publication in magazines, credit rating evaluations, distribution assessments, rigorous background verifications, thorough assessments of customer credit lines, the development of business plans and startup strategies, precise financial projections, creation of investor pitch decks, execution of digital marketing campaigns, and formulation of strategic marketing plans.

Mr. Shaiful completed his academic journey at East West University, earned a Master of Social Science degree in Economics and a Bachelor of Business Administration in Finance and Economics. Notably, he received the prestigious Dean's Scholarship in recognition of his exceptional academic achievements.

## **MS. NABIHATUL AFROOZ**

Senior Research Associate

Ms. Nabihatul Afroz is a Senior Research Associate at ECRL, where she conducts financial and economic research on various industries and projects. She has more than six years of experience in data analysis, report writing, credit rating assessments, and survey design. She also handles special assignments from the management and collaborates with other team members to achieve common goals.

Ms. Afroz holds two Master of Science degrees in Economics, one from City University London, UK, and another from East West University. She also completed her Bachelor of Business Administration degree in Finance and Economics from East West University. She has a strong academic background and a keen interest in financial markets and economic development.

## **MR. MD. ASADUZZAMAN**

Research Associate

Mr. Md. Asaduzzaman has been working as a research associate at Emerging Credit Rating Limited since 2022. He has more than three and half years of experience in various projects, financial research, and credit rating assessments. He is responsible for industry research, financial infographics and video making, data visualization, and macroeconomic analysis for ECRL monthly magazine.

Other than that, he is involved with ECRL's special projects. He completed his BBA and MBA in Finance and Banking from Manarat International University, Bangladesh.

# About ECRL

Emerging Credit Rating Limited (hereinafter referred to as ECRL) began its journey in the year 2009 with the motive to deliver credible superior & quality credit rating opinions in various industry segments around Bangladesh. ECRL obtained a credit rating license from Bangladesh Securities and Exchange Commission (BSEC) in June 2010 as per Credit Rating Companies Rules 1996 and also received Bangladesh Bank Recognition as an External Credit Assessment Institution (ECAI) in October 2010 to do the rating of Banks, Financial Institutions and their borrowers and also from Insurance Development & Regulatory Authority (IDRA) in 2015 to do the rating of Insurance Companies & affiliated with Malaysian Rating Corporation Berhad.

Emerging Credit Rating Limited's team is oriented towards the continuous improvement of processes, striving for an important role in the leadership of the business world. Every individual in ECRL is committed to providing topmost ingenious Credit Rating Services and Comprehensive Research Services in Bangladesh. ECRL's rating services and solutions reflect independence, professionalism, transparency, and impartial opinions, which assist businesses in enhancing the quality of their decisions and helping issuers access a broader investor base and even smaller known companies approach the money and capital markets. The Credit Rating process is an informed, well-researched and intended opinion of rating agencies on the creditworthiness of issuers or issues in terms of their/ its ability and willingness to discharge its financial obligations in a timely manner. Issuers, lenders, fixed-income investors use these risk assessments for the purpose of lending to or investment in a corporation (such as a financial institution, an insurance company, a non-banking corporation or a corporate entity) as well as evaluating the risk of default of an organization's financial obligations in terms of loan or debt.

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