

# Leave No One Behind

## Citizen's Platform Briefing Note

# 41



Citizen's Platform for SDGs, Bangladesh

এসডিজি বাস্তবায়নে নাগরিক প্ল্যাটফর্ম, বাংলাদেশ

### About the Platform

The Citizen's Platform for SDGs, Bangladesh was set up as a civil society initiative to contribute to implementing the globally adopted 2030 Agenda for Sustainable Development in Bangladesh. Citizen's Platform was formally launched in June 2016 at the initiative of a group of eminent citizens in Bangladesh. The objective was to track the delivery of the Sustainable Development Goals (SDGs) in Bangladesh and embed accountability and voice in its implementation process. The concept of the Citizen's Platform was informed by a participatory and multi-stakeholder approach, which was conceived as a crucial element if the goals and targets of the SDGs were to be achieved in the Bangladesh context. Citizen's Platform currently includes 124 Partner Organisations working on a range of SDG related issues across Bangladesh. Citizen's Platform's activities include mobilising stakeholders with a particular emphasis on the 'Leave No One Behind' spirit of the SDGs. Citizen's Platform undertakes research, convenes dialogues, organises workshops, arranges public hearings, disseminates SDG relevant information and conducts other activities to enhance accountability and transparency in SDG delivery in Bangladesh.

### About the Dialogue

LDC graduation is a significant milestone in the developmental journey of Bangladesh. While Bangladesh is preparing for this landmark transition, there is a need to make appropriate preparations for this anticipated transition. The SDG Platform strongly feel that this transition is aligned with the SDG objectives of inclusivity and the spirit of LNOB. To date, the LDC graduation strategies have focused mainly on production, market access, preference erosion and trade. As is well-known, it needs to be appreciated NGOs and Civil Society Organisations (CSOs) have been playing a pivotal role in supporting Bangladesh's development. Regrettably, the impact of LDC graduation on financing these organisations and their future roles in post-LDC Bangladesh have hardly been discussed and documented. To discuss the opportunities and challenges facing these organisations and to come up with possible solutions, the Citizen's Platform, in partnership with the United Nations Development Program (UNDP) Bangladesh and United Nations Environment Program Poverty-Environment Action, organised a policy dialogue titled 'Role of CSOs and NGOs in LDC Graduation of Bangladesh: Opportunities & Challenges' on 19 October 2022 (the dialogue was in hybrid format). The distinctive feature of this dialogue was that it was envisaged to be an opportunity to blend two streams of issues because of LDC graduation of Bangladesh: alignment of LDC graduation with SDG aspiration and combination of CSOs in LDC graduation. The dialogue was attended by CSOs and private development organisations from and outside Dhaka. Citizen's Platform's partner organisations, international development partners (IDP), public and private sector representatives, and journalists also attended the dialogue.

## ROLE OF CSOs AND NGOs IN LDC GRADUATION OF BANGLADESH: Opportunities and Challenges

### INTRODUCTION

Bangladesh has twice (in 2018 and 2021) met all three requirements for LDC graduation (income, human capital, and economic and environmental vulnerability) while also meeting many other significant development milestones. In November 2026, the country is expected to graduate from the LDC group. Civil society organisations (CSOs) and private development organisations have been strong advocates for advancing the interests of the LDCs. Indeed, these organisations have played a crucial role in helping Bangladesh meet the LDC graduation requirements. At the same time, these organisations will need to continue playing an essential role in LDC graduation with momentum and sustainable graduation. As is known, Bangladesh has become a signatory to the Doha Programme of Action (2022-31), which recognises the crucial role of the CSOs in smooth LDC graduation as well as in achieving the SDGs, and ensuring that the CSOs can play their due role in the implementation process which ought to be democratic, participatory and inclusive.

The purpose of the dialogue, as mentioned earlier, was to bring together representatives of NGOs and CSOs at sub-national and grassroots levels to raise awareness about the attendant

issues. With support from its partner organisations, the Citizen's Platform prepared an evidence-based presentation drawn from the findings of a survey-based research study. The presentation and the dialogue focused on addressing the impact of LDC graduation on the financing of the CSOs and the private development organisations and their future roles in post-LDC Bangladesh. From the perspective of the IDPs, the discussion was vital as they received important insights about the required financing portfolio following Bangladesh's LDC graduation. The dialogue was kicked off by a keynote presentation followed by comments from nine designated discussants. The dialogue was chaired by Ms Shaheen Anam, Core Group Member, Citizen's Platform and Executive Director, Manusher Jonno Foundation (MJF).

The keynote presentation focused on the role that CSOs/NGOs could play in ensuring smooth and sustainable LDC graduation in Bangladesh. The presentation also highlighted the recent trends in global financial flows to developing countries, LDCs and Bangladesh, general features and findings emerging from the survey results and the challenges for CSOs/NGOs in the context of LDC transition. It is expected that policymakers will take advantage of the event's learnings to take appropriate actions to mobilise global support towards sustainable LDC graduation.

## **SUMMARY OF THE PRESENTATION**

The keynote presentation was delivered by Dr Debapriya Bhattacharya, Convenor, Citizen's Platform for SDGs, Bangladesh and Distinguished Fellow, Centre for Policy Dialogue (CPD). The document is available on the Citizen's Platform website.

### **Global flow of ODA to LDCs**

As is known, in the present LDC graduation discourse, the crucial contributions of CSOs and NGOs should be more recognised and discussed. Between 2015 and 2020, while total Official Development Assistance (ODA) disbursed to the CSOs posted a rise for developing countries (16.06 per cent), it indeed fell marginally for the LDCs (-0.98 per cent) and substantially for Bangladesh (-11.3 per cent).

### **ODA flow to Bangladesh**

In Bangladesh, ODA grants to organisations advocating women's rights increased more than in the other LDCs. On the other hand, grants released by the NGO Affairs Bureau as a percentage of total foreign assistance have declined between FY2015-16 (18 per cent) and FY2022 (8.2 per cent). Moreover, the absolute value of incoming grants peaked in FY2019 at USD 955.35 million, with a sharp decline in FY2021, which was yet to recover in FY2022.

## **A SURVEY CONDUCTED BY THE CITIZEN'S PLATFORM**

Dr Bhattacharya informed the audience that the Citizen's Platform had conducted an online survey of global and national financial flow trends to CSOs/NGOs and the likely challenges these organisations could face due to the forthcoming LDC transition. The survey was conducted on a sample of 109 CSOs/NGOs as voluntary respondents between 25 September and 13 October

2022, covering all eight divisions of the country. However, it was not a strictly representative sample survey based on responses from self-motivated and engaged CSOs/NGOs. The majority of the respondents came from relatively small organisations in terms of budget size, with 76 per cent having a budget of less than USD 1.4 million (BDT 12 crore, i.e., less than BDT 1 crore per month) in FY21.

### Survey results: CSO/NGOs engaged in target SDG Goals

An overwhelmingly large proportion of surveyed CSOs/NGOs were engaged in Poverty Alleviation (SDG1) (80.73 per cent of all and 57.83 per cent of small CSOs) and Gender Equality (SDG5) (87.1 per cent of all and 86.75 per cent of small CSOs). The second order of the engagement areas were Health (SDG 3), Education (SDG 4), Water and sanitation (SDG 6) and Climate Action (SDG 13). The lowest attention was paid to Life on Land (SDG 15) (6.42 per cent), Responsible Consumption and Production (SDG 12) (5.50 per cent) and Life Below Water (SDG 14) (5.50 per cent).

### Survey results: Target groups for CSO/NGO interventions

The top-ranked target groups served by these organisations included[i]: Women (92.66 per cent), Youth (88.99 per cent), and Children (81.65 per cent). The least served groups included returnee migrant workers (21.10 per cent), the transgender community (27.52 per cent) and the urban informal sector workers (30.28 per cent). Within these broad groups, the respondents sought to pursue a disaggregated approach. Furthermore, according to the OECD, ODA flow to women's rights organisations registered the highest increase between 2015 and 2020, while contributions to democratic participation and civil society had fallen the most in Bangladesh.

### Survey results: Sources of the decline in funds

The top three sources of fund decline, as reported, were from IDPs (as reported by 57.83 per cent of the respondents), government (as reported by 37.35 per cent of the respondents) and international philanthropy (as reported by 33.73 per cent of respondents). The lowest decrease reported was from traditional Bilateral Donors (10.84 per cent), Social Business (8.43 per cent) and Corporate Social Responsibility funds (1.20 per cent).

Curiously, even though the reported decline was highest from the IDPs' end, they were perceived to be the most likely sources of future funds (40.96 per cent), followed by the government-led proposed SDG trust fund (36.14 per cent) and foreign aid-supported proposed civic fund (33.72 per cent).

Furthermore, it was also noted that the SDG target areas that experienced a decrease in funding included No Poverty (SDG 1) (45.78 per cent), Quality Education (SDG 4) (22.89 per cent), Gender Equality (SDG 5) (20.48 per cent), Good Health and Well-being (SDG 3) (20.48 per cent), Climate Action (SDG 13) (18.07 per cent) and Zero Hunger (SDG 2) (18.07 per cent).

As many as 76 per cent of the respondents experienced a decrease in the annual budget (FY2021) relative to the pre-COVID period (FY2019). Only 14 per cent reported an increase in fund flows, and 10 per cent reported no change in funds. Nevertheless, the forecast from the survey did present an optimistic scenario, as the proportion of CSOs/NGOs that expected a decrease in funding dropped to 21.70 per cent in FY2023 from 57.8 per cent in FY2022.

### Survey results: Challenges concerning funding

Only 2 per cent of CSOs/NGOs reported no impact as a result of a fall in funds received, while 67.1 per cent reported that they had to resort to downsizing their workforce, 47 per cent had to shut down their operations entirely, and 42.2 per cent had to reduce the salary of their workforce, as for obtaining funds from the government, around 20 per cent reported facing no difficulty. In comparison, 66.1 per cent and 39.4 per cent reported cumbersome processes to receive funds and competition from other organisations (because of limited funds) as primary difficulties. Other difficulties in obtaining public funds, including corruption (29.40 per cent), discriminatory practices (including nepotism) (28.4 per cent) and limited eligibility criteria (17.4 per cent), were mentioned. Interestingly, 70 per cent of the studied NGOs perceived that these challenges are likely to persist. Around 20 per cent reported facing no difficulty in this regard.

### Wrapping up

Dr Bhattacharya pointed out some challenges that concerned the strategies pursued by the IDPs, approaches taken by the government and the overall status of the CSOs/NGOs in Bangladesh. Maintaining flexible funding to assist local organisations and activists has been perceived to be challenging. Moreover, a complete shift from "development cooperation" to "economic cooperation" was advocated by several significant IDPs. Some IDPs are also attempting to adjust to the limited civic space and avoid tensions with the government. The new governmental strategy necessitates additional time and resources from civil society to meet the regulatory demands; however, many smaller local CSOs/NGOs lack the capacity to do so. With the growing bureaucratic hassles and additional documentation, as well as more significant procedural requirements on the part of the IDPs and the government and declining resources to underwrite overhead expenditure, smaller local CSOs/NGOs are finding it difficult to match the rising demands in this connection. Consequently, CSOs and NGOs will need to deepen their collaboration to identify innovative solutions because, on the one hand, they have unique skill sets, and, on the other, the civic space is shrinking, and funds are limited.

## ISSUES DISCUSSED

The Chief Guest, Special Guest and Panelists shared their views on various issues raised in the keynote paper. The audience also shared valuable insights and suggestions because of this.

Against this backdrop, the discussion of the dialogue focused on specific issues concerning the opportunities and challenges of CSOs and NGOs in view of LDC graduation, with a particular emphasis on access to funding under the anticipated changed scenario.

## Restrictions on Duty-Free and Quota-Free Market Access

Bangladesh has been able to take advantage of duty-free and quota-free market access very successfully for a long time. According to a World Trade Organization (WTO) report, Bangladesh can use the available duty-free and quota-free market access to nearly 71 per cent of her global exports. However, due to the LDC graduation, Bangladesh's access to duty-free and quota-free markets will become increasingly limited.

## Democratic Deficit

Bangladesh lacks significantly as far as democratic practice is concerned. However, these issues will assume increasing importance with Bangladesh's further development. This will have advanced implications on the operations of CSOs/NGOs in many ways. The lack of transparency in government funding also creates difficulties in accessing funds by the organisations mentioned above.

## Lack of coordination between Government and CSOs/NGOs

In most cases, the government views CSOs and NGOs as critics rather than partners, which negatively impacts coordination between the government and CSOs/NGOs. As a result, CSOs/NGOs rarely receive financial support from the government, which undermines the work that these organisations would like to undertake.

## Reduction in Flexible Funding

A significant reduction in flexible funding is anticipated due to LDC graduation<sup>1</sup>. This issue received heightened attention in the discussion at the event. It was pointed out that the CSOs/NGOs were compelled to scale down many of their activities to accommodate the budget they had at their disposal.

## Microfinance Issue

The issue of microfinance was highlighted in the discussion several times. For many years, one of the major funding sources for CSOs and NGOs has been microfinance operations, which provided loans to women and other CSOs and NGOs. The scope and scale of such activities for many CSOs/NGOs were shrinking.

## Lack of Funding for Marginalised Community

Many CSOs/NGOs in Bangladesh work for the marginalised community, such as persons with disabilities, people in the coastal areas, floating people, and indigenous people. Unfortunately,

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<sup>1</sup>Flexible fund is a mutual fund or other form of pooled investment that allows broader flexibility for making investment decisions and allocations.



the financial resources for interventions for these people are relatively low. Consequently, many CSOs and NGOs working with marginalised people have had to cease their operations.

### Dependency on Foreign Donations

Due to Bangladesh's middle-income graduation, IDPs are not providing funds as they used to. Given the upcoming LDC graduation, funds for CSOs/NGOs will likely decrease further. Consequently, several CSOs/NGOs have stopped their operations due to a lack of funding. On the other hand, some CSOs and NGOs have become overly reliant on foreign aid and funds. These organisations will need to focus more on the skills development of their employees to enable them to generate funds for running their operations.

### Impact of the COVID-19 pandemic

The COVID-19 pandemic has had multidimensional impacts on the financing of CSOs/NGOs. The world was having to confront formidable socio-economic disruptions due to the pandemic. As a result, the funding of CSOs/NGOs has decreased due to supply-side and demand-side constraints; indeed, many of these have stopped operations after the pandemic.

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## CLOSING REMARKS BY THE CHAIR

In her concluding reflections, Ms Shaheen Anam drew the audience's attention to one of the core visions of the Citizen's Platform. She observed that the organisation started its operation targeting the SDG goals, especially SDG goal 16, which ensures transparency, accountability and good governance in Bangladesh. She mentioned that notwithstanding fund shortages and lack of opportunities, even the small and medium NGOs in Bangladesh have been working sincerely towards achieving the SDGs. The government should acknowledge CSOs' and NGOs' funding requirements to recognise their efforts. It should encourage and assist these organisations to continue contributing to attaining the SDGs. In the coming days, Citizen's Platform intends to conduct more micro-level research on various issues of interest and concerns to CSOs/NGOs.

## MAJOR RECOMMENDATIONS

### For the Government

- The government should develop a sound, evidence-based strategy and prudent policies concerning CSO/NGO activities, acknowledging their important work and providing adequate funding support.

- To ensure sustainable development and a smooth transition from the LDC status, the government works for democratic transition and puts emphasis on reducing corruption, increasing transparency and ensuring good governance at all levels. This is also important from the perspective of enabling increased national ownership in the development process.
- The government should allow more significant civic space for empowering citizens, which will help the cause of a sustainable LDC transition.

### For the CSO/NGOs

- CSOs/NGOs should work to promote solidarity and use their unique on-the-ground experience to strategise future action plans and steer discussions with the government towards good governance, accountability and transparency.
- The capacity and competency of CSOs/NGOs should be strengthened through the development of both hard and soft skills.
- The work of the CSOs/NGOs should be primarily geared towards achieving the SDGs and making the process smoother.
- To assist CSOs and NGOs' growth, the government should share costs associated with their operations.
- Large NGOs should step forward to help medium and small CSOs/NGOs by providing financial support to help continue their operations smoothly.
- CSOs/NGOs should focus on developing human resources to reduce their dependency on external financial support.
- CSOs/NGOs should focus on gender equality, and this should include their work on developing skills and human resource development.

### For all stakeholders

- The private sector should step forward and support the work of CSOs/NGOs through funding.
- To ensure development at the local level, the GoB, policymakers and the IDPs should extend support to the local CSOs/NGOs.
- A Citizen's Strategy Paper should be developed to provide a roadmap for engaging citizens and articulating their role in supporting Bangladesh's smooth and sustainable LDC transition.



## Event Participants

### Chair

*Ms Shaheen Anam*  
Core Group Member, Citizen's Platform  
Executive Director, Manusher Jonno  
Foundation

### Special Guest

*Ms Khushi Kabir*  
Member, Advisory Board, Citizen's  
Platform

### Panel Discussants

*Ms Farah Kabir*  
Country Director  
ActionAid Bangladesh

*Mr Md. Harun or Rashid*  
Chief Executive, Light House

*Mr Nesar Ahmed*  
International Trade Expert  
Support to Sustainable Graduation Project  
Economic Relations Division  
Ministry of Finance

### Chief Guest

*Vice Principal Dr Md. Abdus Shahid, MP*  
Chairman, Committee on Estimates  
Bangladesh Parliament

### Keynote Speaker

*Dr Debapriya Bhattacharya*  
Convenor, Citizen's Platform; and  
Distinguished Fellow, CPD

*Ms Hosne Ara Hasi*  
Chief Executive, JAGO NARI

*Dr Md Shahid Uz Zaman*  
Founder & Executive Director  
Eco-Social Development Organization (ESDO)

*Dr Nazneen Ahmed*  
Country Economist  
United Nations Development Programme  
(UNDP), Bangladesh

*Dr Badiul Alam Majumdar*  
Member Secretary, SHUJAN  
Country Director, The Hunger Project-Bangladesh

**Briefing Note Prepared by:** *Towfiqul Islam Khan, Ifaz Kabir, Fabiha Idris and Mrittka Ghosh*

**Series Editor:** *Professor Mustafizur Rahman*

**Associate Editor:** *Avra Bhattacharjee*

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এসডিজি বাস্তবায়নে নাগরিক প্ল্যাটফর্ম, বাংলাদেশ

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Secretariat at: Centre for Policy Dialogue (CPD), Dhaka

Telephone: (+88 02) 55001185, 48118090 Web: [www.bdplatform4sdgs.net](http://www.bdplatform4sdgs.net) E-mail: [coordinator@bdplatform4sdgs.net](mailto:coordinator@bdplatform4sdgs.net)