

United Nations
Economic and Social Commission for Asia and the Pacific
Third Session of the Committee on Macroeconomic Policy, Poverty Reduction
and Financing for Development

Bangladesh
Country Statement under Agenda Item 3

Respected Chair, Good Morning,

At the outset, on behalf of our delegation, I would like to request you to incorporate the statement of our Hon'ble Finance Minister, (which was delivered by Hon'ble Finance Minister at the opening session) in the proceedings of the outcome document of this session of the Committee.

Following is our country statement under this agenda item:

1. The unprecedented social and economic crisis caused by the COVID-19 pandemic has put a spotlight on the role of innovative and digital finance in ensuring aid for millions across the world, supporting businesses and protecting jobs and livelihoods. The impact of the pandemic has extended far beyond the infected people due to the emergency shutdown of economic activities. Millions of families engaged in informal sectors have been affected hard economically. The Government of Bangladesh came up with stimulus packages for 28 sectors including cash aid for the most vulnerable families.
2. Four key components have triggered to bring innovative digital financing in Bangladesh:
 - a. **Public-private partnership:** The government has partnered with private mobile financial service providers to swiftly disburse cash aid to the families affected. RMG factories opted for the same solution to distribute wages safely among millions of garment workers. Mobile financial service providers disbursed USD 142 million aid, and 2.5 million new accounts were opened through Mobile Financial Service (MFS) in less than a month.
 - b. **Policy Adaptation:** All the concerned government agencies adapted policy to facilitate digital payments to respond and disburse funds.
 - c. **Existing Infrastructure:** Three enabling factors were instrumental: the telecom infrastructure and high-speed connectivity rolled out throughout the country; the existing digital payment architecture, and strong MFS operators with a widespread agent network covering the last mile.

- d. Digital KYC (Know your customer):** Mobile financial service providers in Bangladesh have adopted digital KYC for registration without filling up a paper-based document.

Hon'ble Chair,

3. The Government has taken key intervention in promoting digital payments in response to the COVID-19: (a) Mobile financial services' monthly transaction limit increased, (b) Daily transaction limit of contactless debit and credit cards enhanced, (c) Charges of debit and credit card payments for medicine and other essentials waived, (d) Person to Person transaction became free.
4. The ongoing 8th Five-Year Plan of the Government demonstrates strategic directions for the digital economy for attaining the SDGs. The Government has also undertaken "Post COVID-19 National ICT Roadmap 2021-2025".
5. Bangladesh has shown an exception in other areas too to unleash its highest potential using digitization to hold the momentum of the SDG progress. For example:
 - a. With a view to ensuring the virtual presence of the parties, the National Parliament has passed the "*Courts' Use of Information Technology Act 2020*". The Supreme Court of Bangladesh established the virtual MyCourt system for bail application, which reduces 12% prison population in first two months.
 - b. A collective data intelligence system – armed with AI analysis of big data – was set up connected to all mobile phone companies. The country's largest ever telemedicine service was born almost overnight. Remarkably, 4,000-plus doctors donated free time every day through an Uber-like system during the height of the pandemic.
 - c. While all tiers of educational institutions have remained closed in Bangladesh, online classes have been utilised by turning the Parliament TV into the Education TV.
6. It can rightly be said that Hon'ble Prime Minister Sheikh Hasina's vision of transforming Bangladesh into a Digital One was instrumental in taking on different projects and programmes which ultimately built the digital foundation in the country. This foundation helped the public and private stakeholders creating building blocs across the government and brought innovative MyCourt, Uber-telemedicine, Digital financing, Education TV and many other innovations to combat the COVID-19 in the country.
7. Thank you very much.