

1. Purpose of Development Cooperation

Bangladesh is an Islamic country with moderate democracy located at the junction of South Asia and Southeast Asia, and plays an important role in the stability and economic development of the South Asian region. In recent years, Bangladesh's GDP has been growing at an annual rate of more than 6%, attracting attention as a potential production base following China and Vietnam, and as a new market of 160 million people, and Japanese companies are also expanding their operations into the country. However, Bangladesh is still a least developed country with a poverty-stricken population of about 40 million, or about 30% of its population. The country faces challenges such as the need to strengthen governance, underdevelopment of basic infrastructure such as electricity and transportation, and vulnerability to natural disasters such as cyclones and floods, all of which are factors that hamper the country's economic and social development.

The assistance of Japan to Bangladesh will enhance the good bilateral relations between the two countries, which have been supported by the strong pro-Japanese sentiment since the independence of Bangladesh, and will lead to the strengthening of cooperative relations in the international arena. As Bangladesh is located at a geopolitical key point surrounded by China, India, and ASEAN, it will contribute to the strengthening of connectivity between South and Southeast Asia and the expansion of economic relations such as trade and investment in the future, and will also contribute to the promotion of the "Free and Open Indo-Pacific" Strategy. Furthermore, Japan's assistance to Bangladesh in achieving the Sustainable Development Goals (SDGs) will contribute not only to the stable development of the South Asian region, but also to the peace and stability of the international community, and is therefore highly necessary for Japan's foreign policy.

2. Basic policy of Japanese ODA (Overall Goal)

Accelerating sustainable and equitable economic growth and removing poverty in order to become a middle-income country

The Government of Bangladesh, in its Seventh Five-Year Plan (2016-2020), has focused on "GDP Growth acceleration, employment generation and rapid poverty reduction", "A broad-based strategy of inclusiveness with a view to empowering every citizen to participate full and benefit from the development process" and "A sustainable development pathway that is resilient to disaster and climate change; entails sustainable use of natural resources; and successfully manages the inevitable

urbanization transition" in order to achieve a middle-income country level of living for all citizens by 2021.

Under the "Comprehensive Partnership" agreed at the Japan-Bangladesh Summit Meeting in 2014, Japan will support Bangladesh's efforts to revitalize economic activities and overcome social vulnerabilities in a bid to boost the country's growth and poverty eradication through sustainable and equitable growth with equity.

3. Priority Areas (Subsidiary Goals)

(1) Accelerating economic growth for the benefit of all citizens toward a middle-income country

The Government of Japan will support the acceleration of sustainable economic growth through cooperation based on the "Bay of Bengal Industrial Growth Belt (BIG-B)" concept, while giving due consideration to the poor, in order to achieve the "a middle-income country by 2021" set as a policy goal by the Government of Bangladesh.

The Government of Japan will contribute to the improvement of regional connectivity by promoting the efficient move of people and goods through the development of high quality transportation and traffic infrastructure in accordance with international standards, while paying attention to the diversification of transportation systems. In addition, in order to solve the serious shortage of electricity and energy, which is the most serious obstacle to economic development, a stable supply of electricity and energy will be ensured through the construction of power plants and transmission and distribution networks.

Furthermore, in the pursuit of promoting the activities of the private sector, which is the driving force for achieving high economic growth, and in a bid to attract and increase private investment, we will support the improvement of the investment environment and engage extensively in human resource development, which is the foundation for the growth of the private sector.

(2) Overcoming social vulnerabilities

The Government of Japan will contribute to the achievement of the SDGs related to poverty, hunger, education, health, gender, and water and sanitation.

For education, we will contribute to improving the quality of primary education, improving technical education, and promoting research and development in the field of science and technology. As for healthcare, we will contribute to the achievement of universal health coverage by improving the quality of public health services, especially maternal and child health and non-communicable disease control, and by supporting the strengthening of

comprehensive health systems through capacity building of health administration, including the development of human resources for health and the establishment of community-based health support systems.

We will also provide support for disaster prevention and measures to tackle climate change, focusing on disaster forecasting and warning, earthquake disaster mitigation, and river management, as well as for improving living conditions and livelihoods in rural areas.

4. Points to be considered

- (1) In view of the active coordination among relevant donor countries and organizations in Bangladesh, Japan makes efforts to improve the effectiveness of bilateral assistance through close cooperation with donor countries and organizations.
- (2) Actively introduce innovative approaches, such as partnerships with new businesses that aim to both, economic growth and social issues such as the environment and poverty. We will also consider the utilization of Japan's technological resources in the formation of projects.
- (3) In order to improve governance, which has been an issue in the past, we will ensure that government functions are strengthened and administrative services are improved in all areas of assistance.
- (4) In the implementation of above support, the greatest attention will be paid to ensure the safety of those involved, and the necessary security measures will be taken.

Annex: Rolling Plan