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COUNTRY DEVELOPMENT COOPERATION STRATEGY (CDCS)

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ABBREVIATIONS AND ACRONYMS

ADB	Asian Development Bank
BHA	Bureau of Humanitarian Assistance
CDCS	Country Development Cooperation Strategy
CEFM	Child, Early, and Forced Marriage
COVID-19	Coronavirus Disease 2019
CSO	Civil Society Organization
DO	Development Objective
DoJ	Department of Justice
DoS	Department of State
DRG	Democracy, Human Rights, and Governance
DSA	Digital Security Act
EG	Economic Growth
FDI	Foreign Direct Investment
FFP	Food for Peace
FSR	Financing Self-Reliance
FTF	Feed the Future
FY	Fiscal Year
GBV	Gender Based Violence
GDP	Gross Domestic Product
GFSS	Global Food Security Strategy
GHP	Global Health Programs
GoB	Government of Bangladesh
ICT	Information and Communications Technology
IPTI	Indo-Pacific Transparency Initiative
IR	Intermediate Result
J2SR	Journey to Self-Reliance
JSP	Joint Strategic Plan
LCG	Local Consultative Group

LDC	Least Developed Country
LMIC	Lower-Middle Income Country
MEL	Monitoring, Evaluation, and Learning
MoE	Ministry of Education
MoPME	Ministry of Primary and Mass Education
NBR	National Board of Revenue
NGO	Non-Governmental Organization
NPA	National Plan of Action
NPI	New Partnerships Initiative
NRM	Natural Resource Management
NSS	National Security Strategy
PMP	Performance Management Plan
PRM	Population, Refugees, and Migration
PSE	Private Sector Engagement
RF	Results Framework
RMG	Ready-Made Garments
RoL	Rule of Law
SRLA	Self-Reliance Learning Agenda
STEM	Science, technology, engineering, and mathematics
TIP	Trafficking-in-Persons
UMIC	Upper-Middle Income Country
U.S.	United States
USAID	United States Agency for International Development
USD	United States Dollars
USG	U.S. Government
WBG	World Bank Group
WePOWER	Women in Power Sector Professional Network

EXECUTIVE SUMMARY

Strategically located in South Asia, Bangladesh is a key Indo-Pacific partner with huge development potential. In recent decades, it has experienced consistent economic growth, made impressive gains in educational attainment and health, and hosted a vibrant civil society. Bangladesh also faces formidable challenges. The country's journey to self-reliance is impeded by vulnerable topography, exclusionary practices that prevent many Bangladeshis from participating fully in the country's economic and civic life, and pervasive corruption. Hosting the world's largest refugee population also brings unique challenges to this already overpopulated country. The United States Agency for International Development's (USAID) 2020 to 2025 Bangladesh Country Development Cooperation Strategy (CDCS) acknowledges Bangladesh's challenges and leverages its assets. Accordingly, the Goal of this CDCS is that **Bangladesh is committed to democratic principles and inclusive growth with an increasing capacity to economically diversify, address inequality, and become a resilient Indo-Pacific partner.**

The Goal seeks to galvanize Bangladesh's Journey to Self-Reliance (J2SR), aligns with the U.S. Government's priorities for the Indo-Pacific region, and supports Bangladesh's goal of attaining upper-middle income country (UMIC) status by 2031. As illustrated in Figure 1, the Results Framework (RF), USAID has identified three Development Objectives (DOs) to support the Goal:

- DO 1: Improved Democratic Systems that Promote Transparency, Accountability, and Integrity
- DO 2: Enhanced Opportunities for an Inclusive, Healthy, Educated Society, and a Robust Economy
- DO 3: Strengthened Resilience to Shocks and Stressors

USAID will build on its work in economic growth, education, health, energy, environment, food security, disaster preparedness, and democracy and good governance. This CDCS differs from earlier strategies by articulating an innovative and intentional approach to achieve results through increased synergies across the portfolio. USAID plans to slowly shift from technical assistance to policy assistance to build country management capacity. In addition, there will be an increased focus on coordinating and leveraging donor resources that can provide the highest returns. Because good governance drives social and economic progress, USAID improves governance across sectors by improving citizens' ability to hold elected and appointed officials accountable and strengthening the institutional capacity of government bodies to meet constituents' needs (DO 1). Achieving sustainable economic growth (EG) and self-reliance requires a healthy, well-educated population served by a government that can deliver high quality social services. USAID will leverage the gains made through good governance by using a private sector approach to enhance organizational and individual capacity that will enhance the socioeconomic opportunities for citizens (DO 2). However, development gains are consistently threatened in Bangladesh by vulnerabilities that inhibit inclusive growth, create setbacks, and undermine the country's progress. As such, USAID will strengthen the transformative, absorptive, and adaptive capacities of individuals, communities, and institutions to be resilient to acute shocks and chronic stressors (DO 3).

This CDCS employs an integrated, inclusive approach with mutually reinforcing DOs that reflect the interdependence of development sectors. The new Goal and RF emphasize Bangladesh's J2SR and USAID's expectation that the Government and people of Bangladesh will assume greater ownership of their own development. The CDCS leverages the Government of Bangladesh's (GoB) plans to become a UMIC and uses these stated aspirations as the impetus for improved partnership, more sustainable development outcomes, and ultimately, self-reliance. The Mission capitalizes on the integration of key development efforts, especially good governance programming and private sector engagement (PSE), to drive impact across the DOs.

USG Priorities in the Indo-Pacific. Given Bangladesh’s geostrategic location, USAID seeks to strengthen its capacity as an Indo-Pacific partner and dilute growing influence of the government of the People’s Republic of China (PRC). The PRC recently became Bangladesh’s largest trading partner and fastest growing source of foreign direct investment (FDI).¹ The PRC has purchased 25 percent of the Dhaka Stock Exchange and, under the Belt and Road Initiative, pledged to loan 26 billion U.S. dollars (USD) to Bangladesh for infrastructure and other projects. The PRC government utilizes Bangladesh’s underdevelopment and weak governance to extract contract terms unfavorable to the GoB and people of Bangladesh and manipulates corrupt political processes to curry favor and facilitate its economic agenda. The short-term impact is greater policy influence; the long-term impact will be greatly diminished economic and policy options once payment to Beijing comes due. Beyond the PRC, however, the erosion of Bangladesh’s democratic principles, weak rule of law, and corruption discourage other FDI and inhibit its potential to become an economic powerhouse and democratic leader in the region.

The CDCS is aligned with the United States (U.S.) National Security Strategy (NSS), Department of State (DoS) and USAID Joint Strategic Plan (JSP), and the Embassy Strategy. USAID supports the Indo-Pacific Transparency Initiative (IPTI) by buttressing Rule of Law (RoL), good governance, political processes, civil society, and human rights to create greater demand for government accountability, transparency, and responsiveness, while protecting civic and political space. USAID also supports the USG’s objectives in the Indo-Pacific by expanding inclusive EG and increasing fair and reciprocal trade and investment with free market economies. USAID will advance activities that strategically position Bangladesh to lead and build its own capacity across the Indo-Pacific region, reduce the influence of concerning actors, and be more responsive to citizen demand for improved public services, inclusive growth, and economic opportunities that strengthen resilience.

This, in turn, improves Bangladesh’s ability to attract private foreign investment, increase revenue generation to reduce dependence on external loans, and accelerate economic development. The Mission will improve natural resource management (NRM) by accelerating energy sector transformation, advancing environmental and social safeguard standards, and combating transnational environmental crime. These efforts counteract natural resource use that contravenes environmental safeguards, fosters corruption, threatens livelihoods, and undermines long-term EG.

J2SR Country Roadmap Analysis. The J2SR Country Roadmap sets the course for this CDCS. Bangladesh is in the lower-left quadrant for commitment and capacity compared to other low- and middle-income countries. Roadmap indicators suggest that Bangladesh’s commitment to self-reliance is low across all dimensions, but especially in governance and inclusive development. In terms of capacity, Bangladesh has demonstrated continued progress in its economy, citizens’ health, and long-established civil society; however, weakness remains across all capacity metrics. Thus, revitalizing Bangladesh’s commitment to democratic principles, RoL, and human rights, as well as improving the capacity of social organizations and leaders to advocate for change, are central to the CDCS. USAID prioritizes inclusive and sustainable growth by leveraging the private sector, improving the enabling environment, diversifying exports, and increasing economic productivity. A healthy and educated population is an engaged population – economically, democratically, and socially. USAID also builds citizen capacity for self-reliance and resilience to natural and manmade disasters.

Strategic Choices. Bangladesh has achieved durable progress in alleviating poverty and improving universal access to healthcare and basic services, with important gains in primary school enrollment and gender parity. However, the quality of services, inclusive development, and equitable distribution of social and economic development gains, particularly for women, need to improve greatly. Given these and the

significant challenges noted above, as well as vulnerability to climate effects, Trafficking-in-Persons (TIP), wildlife trafficking, and the Coronavirus Disease 2019 (COVID-19), USAID has used the following strategic principles to select program priorities:

- Aligns with USG mandates and foreign policy priorities, including to support a free and open Indo-Pacific and J2SR, while using evidence-based approaches.
- Capitalizes on integration of key development efforts – especially good governance and PSE – to drive impact across technical sectors.
- Maximizes opportunities to advance self-reliance and build host country ownership.
- Is prescient and strategic in anticipating and mitigating the impacts of COVID-19.

USAID continues to work in the areas of democracy, human rights, and governance (DRG); EG; health; education; and food, disaster, and humanitarian assistance. However, the Mission approaches this in a more integrated and inclusive manner, focused on investing for impact and sustainable results and advancing Bangladesh's self-reliance. Integrated teams that deploy the Mission's diverse technical and operational skills are accountable for achieving each DO. Project and Activity designs help operationalize integration and entail new technical approaches for Mission staff, implementing partners, and other key stakeholders, as well as new monitoring, evaluation, and learning (MEL) practices. The Mission has already captured critical information related to COVID-19 impacts and plans to mitigate their effects on USAID investments and address gaps and opportunities for future programming. USAID is carrying out additional stock-taking of COVID-19 impacts and will adjust the CDCS accordingly.

USAID understands that the success of the CDCS depends on the willingness of the GoB to collaborate. Based on its assessment of how best to engage with the GoB to advance good governance, democracy, and RoL focused on the country's self-interest, USAID supports: 1) a competitive business environment and trade freedom by promoting laws, policies, and regulations that reduce barriers to competition and ensure markets are more fair and free from influences; 2) biodiversity and habitat protection by improving NRM and strengthening environmental safeguards to protect people, wildlife, and future prosperity; 3) social group equality by strengthening health systems, finance, and governance, as well as promoting policies and regulations that strengthen education at all levels, workforce development, and resource management; 4) a liberal democratic government by enhancing the systems, capacity, and sustainability of civil and criminal justice by prosecuting human rights violators and putting institutions and policies in place to ensure government accountability and legitimacy; and 5) open government by promoting political party development and democratic best practices, ensuring the integrity of electoral systems and processes, and bringing more women into leadership and decision making positions.

The private sector has the potential to play a greater role in Bangladesh's J2SR. The Mission's renewed focus on PSE has led to expanded efforts in this CDCS to work with the private sector, including the full spectrum of for-profit businesses, social enterprises, non-governmental and civil society organizations (NGOs and CSOs), and individuals across development sectors. For example, USAID supports activities to build the capacity of: 1) civil society to advance fundamental freedoms, reinforce social attitudes towards democratic systems, ensure information integrity and freedom, and support emerging leaders to become change agents; 2) agribusinesses and non-agribusinesses to increase domestic and international market productivity and improve energy security and resilience; and 3) women and youth by increasing knowledge and skills for legitimate employment, ensuring inclusive primary and secondary education for children and vulnerable populations, and providing proven life-saving interventions for mothers and children.

USAID's strategic approach also emphasizes reducing the effects of shocks and stressors to decrease chronic vulnerability and facilitate inclusive growth. The Mission's focus on safeguarding biodiversity and

protecting habitats will: 1) combat transnational environmental crimes; and 2) build the capacity of Bangladesh to adapt to, recover from, and mitigate the effects of shocks and stressors, such as disasters and unexpected economic and health crises, including infectious diseases and other public health threats. Inclusion will be an underlying principle to help close the economic gender gap and reduce the poverty rate, especially of women, by strengthening agriculture value chains to promote food security and improve the nutritional status of targeted populations while supporting sustainable practices, businesses, trade, and investment.

Trafficking-in-Persons. Poverty, precarity, and exclusion, as well as weak law enforcement and protection mechanisms, have made Bangladesh a source and transit country for TIP. Bangladesh was upgraded to Tier Two status in the 2020 TIP Report, indicating that while the GoB does not fully meet the minimum standards for the elimination of trafficking, it is making significant efforts to do so.² This major step, a result of USAID's intensive advocacy and successful partnership with the DoS and the GoB, reflects such concerted Bangladeshi efforts to combat human trafficking as: 1) convicting more traffickers, modestly increasing the number of victims identified, acceding to the 2000 United Nations TIP Protocol; and 2) establishing seven anti-trafficking tribunals as stipulated in Bangladesh's anti-trafficking law at the close of the reporting period. The GoB also continued to allow humanitarian access to the Rohingya camps. However, significant improvements in prosecution, protection, and prevention are needed. According to the Mission's Counter TIP program 2020, the pandemic-related borders closure, grounding of all airlines, and halt of all transportation have temporarily resulted in a significant decrease in trafficking cases.³ However, thousands of legal migrants have lost their jobs and been forced to return to Bangladesh since the COVID-19 crisis started; with no job opportunities and financial support, these people may become targets for trafficking.

International Religious Freedom. Bangladesh's constitution designates Islam as the national religion but upholds the principle of secularism.⁴ Religious freedom within Bangladesh faces a number of existing and new challenges such as increasing religious extremism, legacy legal instruments, and use of the Digital Security Act.⁵ The World Justice Project's 2020 Rule of Law Index lowered Bangladesh's global ranking to 115 out of 128 countries. Although the country prohibits religious discrimination, occasional violence occurs between Muslim and non-Muslim groups. The GoB has provided guidance to imams to prevent militancy and "provocative" messaging, but members of religious minorities, who are sometimes members of ethnic minorities, have called the GoB ineffective in preventing forced evictions and land seizures stemming from land disputes. The Ambassador and other U.S. Embassy representatives have condemned violence in the name of religion and encouraged the GoB to uphold minority religious groups' rights and foster a climate of tolerance. Since 2017, the USG has funded humanitarian assistance to overwhelmingly Muslim ethnic Rohingya who fled and continue to flee Burma.

Bangladesh is not a Country of Particular Concern according to State Department determinations on religious freedom.⁶ USAID's focus on inclusion and RoL will improve the enabling environment for religious freedom. USAID addresses inequalities and religious and ethnic minorities' challenges by bringing together youth to learn about each other's culture and norms with the understanding that such interaction generates tolerance and builds cooperation. Efforts are placed on increasing religious and ethnic minority tolerance, through inter-community collaboration with advocacy campaigns which promote peaceful coexistence, and social cohesion among the ethnic communities in both hill and plain land districts.

² United States Department of State. Trafficking in Persons Report. 20th Edition. June 2020.

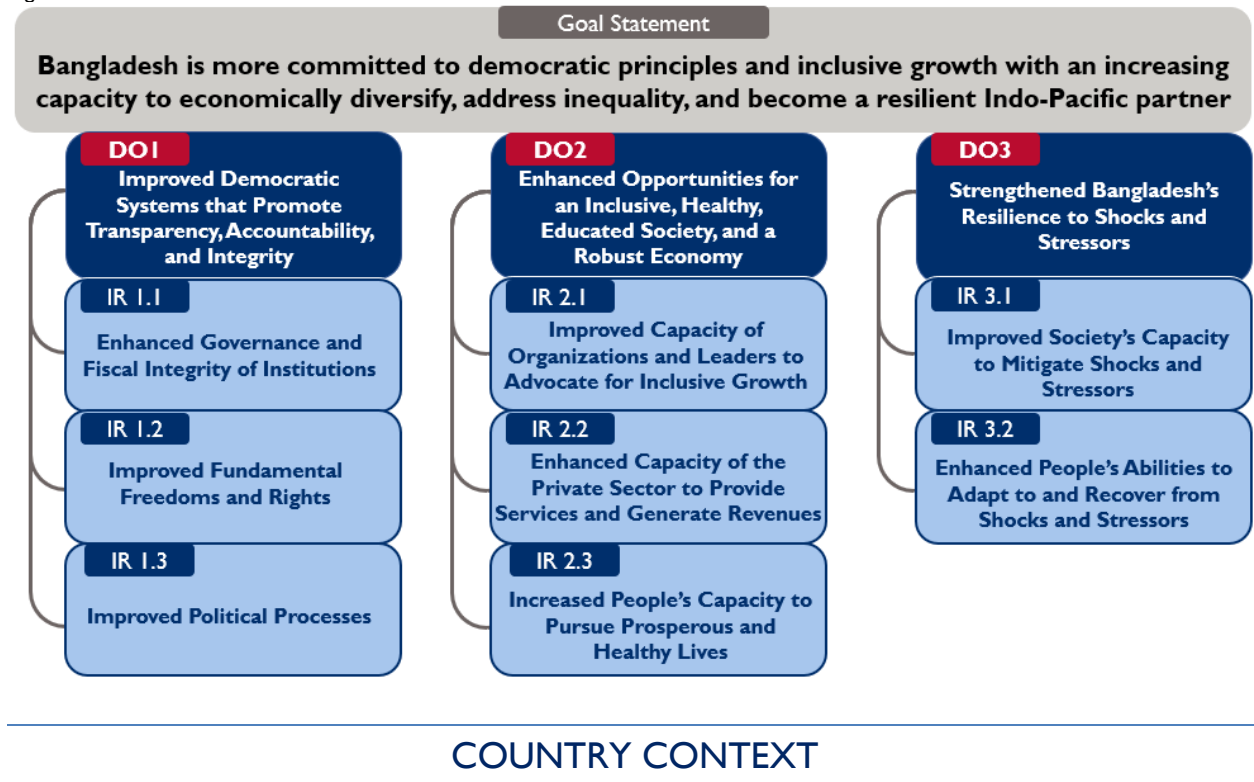
³ Bangladesh Police Monitoring Cell. 2020.

⁴ United States Department of State. 2019 Report on International Religious Freedom. June 2020.

⁵ United States Commission on Religious Freedom. Country Update Bangladesh. May 2020.

⁶ United States Commission On Religious Freedom, Annual Report, 2020.

Figure 1. USAID CDCS Results Framework



Bangladesh is a strategically important country in South Asia and the Indo-Pacific region, given its geographic location connecting South and Southeast Asia, substantive security and development ties with the United States (U.S.), and its decade of strong economic growth (EG).

Bangladesh is a lower-middle income country (LMIC) with major challenges in governance, inclusive development, and government and civil society capacity. It is one of the world's most densely populated countries and about one eighth of its population of over 165 million live on less than five U.S. dollars (USD) per day. Bangladesh is also home to one of the largest and fastest-growing youth populations, with nearly 30 percent of its population between the ages of 15 and 29. Rapid urbanization coupled with historic EG have put unsustainable pressures on infrastructure, basic services, land, and the environment. Despite these challenges, Bangladesh aspires to qualify for upper-middle income country (UMIC) status by 2031. Its post-COVID manufacturing and investment potential present key opportunities to strengthen the U.S.-Bangladesh relationship and shift Bangladesh's course toward more democratic governance.

U.S. foreign assistance in Bangladesh supports the U.S. Government's (USG) objectives for the Indo-Pacific by strengthening democratic systems, fostering inclusive, private sector-led growth, and improving natural resource management (NRM).

Democracy and Governance

The country is highly centralized with a weak governance structure that facilitates pervasive corruption, reduces the effectiveness of national institutions, constrains development, and inefficiently manages resources. Transparency International ranked Bangladesh 146th of 180 countries on its 2019 Corruption

Perception Index, citing corruption as the most problematic factor for business in Bangladesh.⁷ The ability of civil society to engage with the GoB and advocate for needed reforms has worsened with the passage of laws such as the Foreign Donations Regulation Act and the Digital Security Act, which significantly increased GoB control over the work of NGOs.⁸ The United States Agency for International Development (USAID) Gender Analysis 2020 suggests that a gender wall consisting of institutional, historical, socio-economic, and cultural factors continues to prevent Bangladeshi women's full participation in formal politics at both national and local levels. These barriers persist in spite of Bangladesh's policy of affirmative action through reserved seats for female politicians in the national parliament. USAID will continue to pursue opportunities to support democratic and good governance principles throughout the portfolio. In particular, USAID will build on Bangladesh's commitment to inclusive development, fiscal integrity, fundamental freedoms, and improved political processes in DO I. USAID is designing new programs which will improve governance, strengthen civil society institutions, and create advocacy forums to promote positive democratic reforms.

Economy

Bangladesh experienced impressive EG and poverty reduction in the past decade and became a LMIC in July 2015.⁹ Nevertheless, corruption, poor infrastructure, limited access to finance, and confined female labor participation relative to the population, compounded by the impacts of Coronavirus Disease 2019 (COVID-19), remain key challenges to further growth. While the ready-made garment (RMG) sector has contributed to poverty reduction and created job opportunities for millions of Bangladeshi women, the country must improve its business-enabling environment, increase human capital, and diversify exports to achieve sustainable and inclusive growth. Bangladesh must also address its economic gender gap as, according to the Global Gender Gap Report 2020, Bangladesh ranks 141st in the dimension of economic participation and opportunity, which reflects women are only 38 percent of the labor force, and represent 11 percent of legislators, senior officials, and managers.¹⁰ The Mission intends to emphasize nonagricultural private sector led development, specifically in areas of healthcare, energy, and microfinance, to effectively address these challenges and boost EG. USAID also intends to collaborate and engage closely with higher education institutions to build human capital to meet private sector workforce needs. Use and access to technology to meet the needs of the growing economy will be targeted through a socially inclusive and gender sensitive approach.

Agriculture remains an important source of income, accounting for over 40 percent of Bangladeshi jobs (about half of which employ women), and 12.7 percent of Gross Domestic Product (GDP). While agricultural productivity has improved, the lack of post-harvest infrastructure and tailored financial products, and insufficient empowerment of women have constrained the sector. USAID is working to address these constraints through increasing investments in digital agriculture, strengthening agricultural value chains, and creating greater opportunities for women agro-entrepreneurs.

Environmental Vulnerabilities

Bangladesh is highly vulnerable to natural disasters and climate hazards, and its population has low resilience to these stressors. The natural resource base, including forests and wetlands on which half the

Transparency International. Corruption Perception Index 2019. 2020.

⁸ USAID. 2018 Civil Society Organization Sustainability Index: For Asia 5th Edition. November 2019.

⁹ World Bank Group. Bangladesh - Country partnership framework for the period FY16-20 (English). Washington, D.C. 2016.

¹⁰ World Economic Forum, Global Gender Gap Report 2020.

population depends, has been over-exploited and degraded.¹¹ Therefore, biodiversity conservation is a priority in this Country Development Cooperation Strategy (CDCS). The monsoon floods of July 2020, coupled with prolonged inundation and the COVID-19 pandemic, were the worst in a decade. The CDCS takes a strategic approach to addressing some of these shocks by designing activities to build resilience through climate mitigation and adaptation.

Human Capital (Health, Education, Workforce Development)

Despite improvements in alleviating poverty over the past three decades, major challenges impede human capital and workforce development.¹² Bangladesh's maternal and newborn mortality rates are still high,¹³ and its adolescent fertility rate is the second highest in Asia. While nutritional indicators have improved, one-third of children remain stunted. Nearly 98 percent of primary school-aged children begin the school year in a classroom, yet 44 percent of children who finish grade one are unable to read their first word in the Bangla language, and 63 percent of second graders cannot read with comprehension.^{14, 15} While there have been improvements in education in gender parity, the quality of services, inclusive development, and distribution of equitable social and economic development gains, especially to women, need to greatly improve. USAID is designing activities that will promote inclusive education by enhancing access to quality education, especially for children in marginalized communities, in line with the GoB's education development program. Emphasis will also be placed on opportunities to link higher education with enhanced workforce development; science, technology, engineering, and mathematics (STEM); and inclusion of girl children for these activities.

COVID-19

Since the first reported case in March 2020, COVID-19 has posed additional challenges to sustainable and inclusive growth and threatens to undermine progress in key indicators. In addition to COVID-19's human costs, lockdowns imposed by the GoB and other countries to decrease infections have negatively impacted Bangladesh's economy, resulting in business closures, loss of livelihoods, and reduced food access. Due to COVID-19, the World Bank estimated that about 50 million people who live slightly above the extreme poverty line may fall below the line,¹⁶ and the Asian Development Bank (ADB) estimated that the Bangladesh economy stands to lose about 4.9 percent of GDP.¹⁷ The GoB declared stimulus packages across all industries, but measures primarily supported the RMG sector, with continued challenges in getting loans to millions of farmers and limited assistance for migrant workers. By March 2020, more than 200,000 labor migrants had returned to Bangladesh due to overseas shutdowns.

¹¹ Bangladesh Planning Commission. Environment, Forestry and Biodiversity Conservation: Background Paper for Seventh Five Year Plan (2016-2020). 2016.

¹² World Bank Group. Bangladesh: More and Better Jobs to Accelerate Shared Growth and End Extreme Poverty: A Systematic Country Diagnostic. October 2015.

¹³ In the last three decades, Bangladesh has reduced mortality of children under five from 146 to 45 deaths per 1000 births. During the same period, the total fertility rate decreased from 4.3 to 2.3 births per woman. Bangladesh has also made progress on nutrition over the past 10 years, with childhood stunting decreasing from 51 percent in 2004 to 31 percent in 2018. The median age of marriage has increased from 14.4 years in 1993 to 16.3 in 2017. Bangladesh has significantly reduced maternal mortality from 322 per 100,000 live births in 2001 to 196 in 2016. National Institute of Population Research and Training, International Centre for Diarrheal Disease Research, Bangladesh MEASURE Evaluation. Bangladesh Maternal Mortality and Morbidity Survey 2016. 2017.

¹⁴ National Institute of Population Research and Training and ICF. Bangladesh Demographic and Health Survey 2017-18: Key Indicators. Dhaka, Bangladesh, and Rockville, Maryland, USA. 2019.

¹⁵ Save the Children. Reading Enhancement for Advancing Development Government Primary Schools Endline Evaluation. 2018.

¹⁶ UCA News. COVID-19 to throw millions into poverty in Bangladesh. April 2020.

¹⁷ Byron and Rahman. ADB now forecasts economic losses of 13.3 billion USD. The Daily Star. 2020.

COVID-19 has also revealed the weaknesses of Bangladesh's health systems. Lack of intragovernmental coordination and rampant corruption compounded the lack of medical supplies, including test kits, to protect against and treat COVID-19. Health experts criticized the decline in COVID-19 testing amid a surge in cases globally.¹⁸ Further, Bangladesh saw a significant reduction in the uptake of maternal and newborn health services from health facilities since the start of the pandemic.¹⁹ In addition, COVID-19 led to a shutdown of all private and public education institutions and a move toward online and televised classes. Initial reports show disruptions in education due to uneven television and internet access.²⁰

Social Vulnerabilities

Bangladesh is among the few countries that saw a decline in income inequality over the last decade. But it continues to have a high rate of gender-based violence (GBV) and the highest rate of child marriage in Asia due to social, cultural, and religious norms disadvantaging women over men. COVID-19 has made income, gender, and class inequalities in Bangladesh more acute. A sharp increase in GBV in rural and urban areas during the pandemic has exacerbated social and economic vulnerabilities of women, girls, and diverse gender groups.²¹ Bangladesh is a source, destination, and transit country for forced labor and Trafficking-in-Persons (TIP²²). Widespread poverty, unemployment, corruption, poor governance, porous borders, and traditional gender inequities exacerbate the prevalence of TIP. Child marriage is also a concern, where 52 percent of girls marry before the age of 18 and are easy targets for trafficking. Human trafficking and child marriage have become issues within the Rohingya refugee population. As livelihoods decline due to COVID-19, these issues are at risk of increasing.

Although the country prohibits religious discrimination, occasional violence occurs between Muslim and non-Muslim groups. The Government faces two types of violent extremists: traditional Islamists and, more recently, jihadists. Violent extremists pose significant threats to Bangladeshi society in terms of security, governance, inclusivity, and successfully continuing the development process. USAID has made strategic choices about addressing vulnerabilities as a cross-cutting issue in this CDCS.

Refugee Displacement and Impacted Communities

Almost five percent of the world's refugee population lives in Bangladesh.²³ More than 700,000 Rohingya fled violence in Burma in 2017, bringing the total Rohingya refugee population in Bangladesh in June 2020 to more than 1.1 million, the majority of whom are women and children who reside in refugee settlements and host communities. The refugees' presence has had significant socioeconomic and environmental effects on surrounding host communities, especially in the *upazilas* (sub-districts) of Ukhiya and Teknaf, where refugees constitute about one-third of the total population. Other *upazilas* in Cox's Bazar and

¹⁸ Lancet. Bangladesh's COVID-19 testing criticized. August 2020.

¹⁹ UNICEF. Pregnant mothers and babies born during COVID-19 Pandemic Threatened by Strained Health Systems and Disruptions in Services. May 2020.

²⁰ UNICEF. Students in Bangladesh adjust to remote learning via national TV during COVID-19 lockdown. May 2020.

²¹ The GBV survey done by Manusher Jonno Foundation in 27 districts interviewing 17,203 women shows some 4,249 women faced different forms of domestic violence in April 2020 during the nationwide shutdown induced by COVID-19. The Daily Star. 4,249 women faced domestic violence in April, 1,672 for the first time: MJF. 2020.

²² Significant improvements in TIP prosecution, protection, and prevention are needed. Law enforcement decreased investigations into trafficking cases, continued to deny credible reports of official complicity in trafficking, and, despite hundreds of credible reports of forced labor and sex trafficking of Rohingya, did not open investigations to verify these reports. Despite widespread reports of child sex trafficking, including in licensed brothels, the government did not make efforts to identify victims or investigate the persistent reports. Ibid.

²³ UNDP. Impacts of the Rohingya Refugee Influx on Host Communities. November 2018.

Bandarban districts have also seen negative effects on livelihoods, the labor market, income and consumption, access to quality health and education services, and environmental quality. Increased demands have overburdened local government institutions, inhibiting public services. Healthcare and education are two main areas where delayed and reduced service provision has impacted host communities. In addition, Bangladesh has lost around 5,000 hectares of forest reserves, and the freshwater shortage due to the crisis has affected the groundwater table. Social tension between Rohingya and host communities is an ongoing concern as both communities are under strain.

This CDCS addresses the needs of communities impacted by the Rohingya influx, consistent with needs assessment results and requests from the GoB. This strategy does not cover humanitarian assistance through the USAID Bureau for Humanitarian Assistance (BHA) or DoS Bureau of Population, Refugees, and Migration (PRM) programming, which primarily addresses Rohingya refugee needs in the camps. However, the Mission coordinates closely with BHA and PRM on issues related to the camps.

Government of Bangladesh Priorities

The GoB's strategic priorities in its 7th Five Year Plan Fiscal Years (FY) 2016-2020 aligned with its "Vision 21" goal for Bangladesh to become a LMIC by the 50th anniversary of independence in March 2021. The Results Framework (RF) of the 8th Five Year Plan under development includes national priorities and outcome statements that continue the emphasis on accelerated and inclusive growth, poverty eradication, good governance, and GoB's alignment with global development goals. However, USAID recognizes that insufficient political will in controlling corruption can affect the other priorities. When the 8th Five Year Plan is complete, USAID will undertake a new mapping to ensure alignment, integrate financing self-reliance (FSR) across sectors through its programming, and empower the non-state stakeholders needed to achieve the Plan.

Country Roadmap Analysis

Bangladesh is in the southwest quadrant of all low- and middle-income countries on the Journey to Self-Reliance (J2SR) Country Roadmap. This indicates that the country ranks relatively low on commitment to and capacity for self-reliance. For countries in the southwest quadrant, experience indicates the need to focus programming on key areas and change agents that can stabilize the country, foster resilience, and lay the foundations for self-reliance. In terms of commitment, Bangladesh's strength lies in its ability to carry through on sector-specific development. USAID builds on the GoB's motivation to attain UMIC status, which has spurred sector-specific development progress evident in the areas of health, agriculture, and disaster preparedness. However, as the Roadmap indicators suggest, Bangladesh's demonstrated commitment to self-reliance is low across all dimensions, but especially in governance and inclusive development. Regarding GoB capacity or effectiveness, significant challenges remain in the quality of public services, the civil service and its independence from political pressure, policy formulation and implementation, and the Government's commitment to its stated policies. There are weaknesses in the tax collection system as well. Bangladesh scores at or below the Asian and LMIC averages in all the Varieties of Democracy Project's five pillars of democracy. Transparency is a major issue, with pervasive corruption throughout the country. Therefore, USAID prioritizes inclusive citizen participation and Bangladesh's commitment to Open and Accountable Governance, emphasizing commitment to democratic principles, Rule of Law (RoL), and human rights foundations, as well as improving the capacity of social organizations and leaders to advocate for change.

The strength of growing businesses will be an important engine for Bangladesh's journey. Bangladesh has become one of Asia's most remarkable and unexpected success stories in recent years. Just 48 years ago, Bangladesh was one of the poorest countries in the world. Today, its economy is rapidly expanding, and the GoB is making a concerted effort to leave Least Developed Country (LDC) status. Major weaknesses,

however, hinder Bangladesh's J2SR. Harvard's Atlas of Economic Complexity shows that despite robust trade, about 85 percent of the economy is reliant on the RMG industry. This lack of economic diversification and technical sophistication are key areas to be addressed. Regarding EG, Bangladesh's business-enabling environment (0.32 out of 1.0) and trade freedom (0.43 out of 1.0) Roadmap metrics are below Asian and LMIC averages. Its export diversification score points to Bangladesh's overreliance on RMG and a lack of underlying economic sophistication. The ease of doing business in Bangladesh is low, hampering economic expansion. The key takeaway for the Mission is to prioritize inclusive and sustainable growth by leveraging the private sector, improving the environment, engaging the education sector, diversifying exports, and increasing economic productivity.

Child health has improved over the course of a few short years and access to health services has dramatically improved. However, the quality of those services has not caught up. This is tied directly to economic inequality and the lack of access to nutritional foods and information. As a result, the prevalence of stunting and disability-adjusted life years are worse than the Asia region averages. In education, serious issues surround children with disabilities' access to services. In terms of human capacity development, Bangladesh ranked slightly better in child health than in quality education. USAID's approach is to build needed citizen capacity to advance self-reliance, which is mutually reinforcing to citizen participation and inclusive growth priorities.

In addition to a healthy and educated population, Bangladeshis need an enabling environment that encourages productivity, provides critical natural resources, and ensures that when shocks do occur, the people can bounce back. Bangladesh is one of the most populated countries in the world. The country ranks 133 out of 180 on Yale's Biodiversity and Habitat Protections Indicator, with its low score attributed to poor protection of species biome and habitat in both forest and marine environments. Two-thirds of the country has an elevation of five meters or less, which leaves the country vulnerable to devastating natural disasters. Improving the country's resilience to immediate and future climate risks is essential to the continuing development of Bangladesh. Building citizen capacity to advance self-reliance and improve the management of natural resources encourages recovery and resilience to natural and manmade disasters. See the Annex for more information about the Journey to Self-Reliance Bangladesh Country Roadmap (FY 2020).

Country Transition Planning

Given Bangladesh's limited capacities and low commitment, country transition planning will be a longer-term effort. Through the CDCS period, the Mission plans to transition with a gradual decline in Feed-the-Future (FTF) programming to advance non-agriculture private sector-led EG, and anticipates a mid-term shift of funding for communities impacted by the Rohingya influx funding away from social assistance towards self-reliance-oriented private sector productivity and workforce development. BHA is still considering their Food For Peace (FFP) transition, especially considering COVID-19. USAID has and will continue to shift from technical assistance to policy assistance to build country management capacity. USAID continues to leverage other donor resources to fill gaps for areas with the highest social returns and greatest needs.

STRATEGIC APPROACH

The Mission identified and applied four Strategic Principles to decide which priorities to include in the CDCS:

- Aligns with USG mandates and foreign policy priorities, particularly in support of a free and open Indo-Pacific and J2SR, while using evidence-based approaches.
- Capitalizes on integration of key development efforts, especially good governance and private sector engagement (PSE), to drive impact across technical sectors.
- Maximizes opportunities to advance self-reliance and build host country ownership.
- Is prescient and strategic in anticipating and mitigating the secondary impacts of COVID-19.

Integrated Development Objectives Optimize Linkages Across Sectors

This CDCS employs an integrated, inclusive approach that reflects the interdependence among sectors, particularly regarding good governance and PSE, whereby improvements in one development sector drive improvements in others. For example, improved economic productivity and business enabling environment leads to more tax revenue, which finances education, healthcare, and infrastructure. Healthier, more educated citizens are more likely to demand better governance and make more effective entrepreneurs and public servants. Better infrastructure and governance reduce transaction costs and encourage economic investments, while supporting greater resilience to manmade and natural shocks, including COVID-19. These linkages help advance the cross-cutting issues of gender, youth, and ensuring other marginalized groups benefit from inclusive development.

The CDCS has three integrated Development Objectives (DOs) instead of the Mission's previous four sector-specific DOs and emphasizes good governance and PSE to accelerate impact. The new Goal and entire RF emphasize Bangladesh's J2SR and USAID's expectation that the Government and people of Bangladesh will assume greater ownership of their own development process.

Each of the current DOs explicitly acknowledges the interdependent nature of the four previously compartmentalized sectors of governance, economic growth, health, and disaster response. DO 1's emphasis on good governance applies to the institutions fostering economic growth, healthcare provision, and disaster preparedness. DO 2's emphasis on enhanced social and economic opportunity through PSE and fostering a healthy and educated workforce will bolster the improved services achieved through good governance and strengthened institutions. DO 3's emphasis on resilience concedes the potential strains shocks can have on governmental institutions and the private sector. Thus, by integrating DOs, USAID will be more cognizant of the impact each technical sector has on the others.

In response to J2SR and the influx of Rohingya refugees, USAID's integrated RF leverages technical expertise from across the Mission. No single technical office owns a DO, so offices will work in unison to achieve change. For example, to improve governance and accountability, all offices are working to strengthen key institutions and reform policies. Working with the private sector to leverage resources and investments to improve EG and provide services has become a key component of the Mission's health programming. Thus, health activities directly link to inclusive EG. Further, USAID is taking a fully integrated approach to support youth and assist communities impacted by the refugee influx.

As the impacts of COVID-19 cut across sectors, the Mission will continue to take stock of these impacts on its development approach after Year One of the Strategy and adjust accordingly. At present, USAID is addressing likely COVID-19 impacts as described in the DO summaries. The risks to an integrated approach are also identified in each DO summary.

Inclusion as a Cross-Cutting Issue

Bangladesh's low inclusive development indicator scores for Social Group Equality (0.24 out of 1.0) and Economic Gender Gap (0.34 out of 1.0) reflect how development gains in Bangladesh have been

asymmetrical, with youth, women, other marginalized groups, and host communities affected by the influx of Rohingya refugees not sharing as much in development benefits. Therefore, USAID promotes a nondiscriminatory, inclusive, and integrated approach to help ensure that all people can actively participate in and benefit from development processes and activities in Bangladesh.

This approach addresses the following trends in Bangladesh: widely held prejudicial and exclusionary attitudes toward ethnic, religious, and gender minorities and people with disabilities; individuals' lack of knowledge and awareness of their rights; and growing fundamentalism and an increase in conservative movements. Constitutional protections are not sufficiently enforced and sometimes negatively impacted by other Acts and Provisions. USAID intends to mitigate this trend by creating advocacy platforms. The higher levels of poverty among ethnic and religious minorities, *dalit* Hindus (lowest social group in the caste system), *hijras* (third-gender people), and people with disabilities exacerbate these trends, negatively affecting these groups' living standards, health, education, and political, economic, and civic participation. USAID is also committed to disability-inclusive development and continues to support marginalized-specific programs across its portfolio. For example, USAID will support youth and faith leaders to disseminate tolerance values amongst religious and ethnic minorities experiencing tension and inequality in their communities.

Building Commitment and Capacity for the Journey to Self-Reliance

USAID's strategic approach calls for building the commitment and capacity of the country's democratic institutions (state and non-state) and its private sector to appropriately implement activities under the Strategy. In particular, commitment refers to the degree to which a country's laws, policies, actions, and informal governance mechanisms — such as cultures and norms — support progress towards self-reliance; and capacity refers to how far a country has come in its ability to manage its own development journey across the dimensions of political, social, and economic development, including the ability to work across these sectors.

DO 1 will increase the country's commitment to and capacity for benevolent and effective governance. DO 2 will increase the private sector's capacity for economic development and the workforce's capacity for political and social development. DO 3 will increase the country's capacity for resilience to various types of shocks. Together the DOs will form a triumvirate for accelerating Bangladesh's J2SR.

Engaging the Private Sector

The Mission actively leverages resources from Bangladesh's private sector, as well as academic and research institutions, to generate sustainable solutions to the country's development needs. Most often, PSE entails private sector investment in equipment and technologies to increase labor productivity and improve standards of living. USAID also supports public-private dialogue on these issues and to improve value chain linkages.

In instances where the private sector has insufficient incentives to provide for society's benefit, USAID partners with the private sector to leverage its expertise and resources to address development issues that intersect with business interests. To better understand private sector needs and opportunities, the Mission implements its PSE Plan, which includes a Private Sector Landscape Assessment and other analyses, and internal PSE and partnership training and awareness building.

USAID's PSE assessments clearly affirm that private sector-led EG is pivotal for accelerating growth in Bangladesh. The Mission's PSE approach is to invest in advancing systematic diversification towards alternative productive, value-added, and export-oriented sectors that address unemployment and catalyze inclusive and transformational growth. The Mission recently completed three Private Sector Assessments

to identify areas of investment opportunity that can help drive EG and create jobs, including agribusiness (food processing), light engineering, Information and Communications Technology (ICT) and outsourcing, tourism, pharmaceuticals, and healthcare. In 2019, these sectors together contributed approximately 10 percent of the country's GDP while generating around 3.5 million jobs. Moreover, USAID used PSE in designing the Mission's new energy activity; PSE also informs evolving new FTF activities towards competitiveness and exports. Finally, USAID employs PSE in designing the new youth activity so that it targets job skills training to promising sectors.

Financing Self-Reliance

While some existing GoB policies have the potential to promote enterprise-driven development, the GoB's highly centralized and weak governance structure makes it difficult to maintain momentum for FSR. The GoB has demonstrated low commitment to transparent and accountable governance despite the pledges made under the 7th Five Year Plan. Upon completion of the 8th Five Year Plan, USAID is undertaking a new mapping exercise to ensure alignment and integrate FSR principles across sectors.

USAID will help to increase the GoB's capacity to finance its own development. Innovative digital technologies will be introduced to increase efficiency and transparency across the GoB. Targeted interventions will focus on improving domestic resource mobilization and public financial management within the health sector. Civil society organizations (CSOs) will also be strengthened to help advocate for and monitor good governance, including fiscal transparency and accountability.

To further build Bangladesh's self-reliance, USAID is actively identifying ways to harness the Government's stated commitment to FSR. The Mission is currently assessing areas with the greatest potential to improve tax revenue that could support the GoB's National Board of Revenue (NBR) to enhance their score on the tax system effectiveness indicator in the J2SR Country Roadmap. USAID will also coordinate with other donors to identify activities related to tax policy and administration that can contribute to the Medium-Term Revenue Strategy the NBR is developing in 2020.

Redefining Our Development Relationship with the Government of Bangladesh

USAID is strategically refining its efforts to strengthen the GoB's commitment to and build its capacity for its J2SR. Under the CDCS, the Mission identifies programming that:

- Supports Bangladeshi efforts to protect and defend democratic rights and freedoms.
- Makes long-term investments to preserve democratic values and civic participation.
- Supports GoB good governance priorities and programs.

USAID is leveraging the GoB's aspiration to graduate from LDC status by 2024 to improve GoB commitment to democratic systems and build the capacity of the Government and society. Part of redefining USAID's relationship with the GoB includes working through other actors, such as societal organizations, to promote change. The Mission continues to work with community-based organizations to protect the environment and resolve conflict. USAID also encourages like-minded agencies and donors to coalesce around pressing the Government to implement policies that promote growth and strengthen democratic systems.

Securing GoB commitment requires a multipronged and sustained approach and depends greatly on the perceived value seen by government counterparts and other key stakeholders. USAID continues to engage with the GoB to review programmatic interventions and identify areas of mutual interest. The GoB's strong interest in moving the country to UMIC status is seen as an opportunity that USAID will leverage to build their commitment to good governance and strengthen economic policy. USAID will also build

citizen forums to help advocate with the GoB for improved governance and transparency. The multiple approaches will encourage increased commitment from the GoB. USAID recognizes that increasing commitment will require first showcasing the benefits of the commitment and as such will focus on the areas that are seen to be of higher interest to the GoB. USAID has identified EG, Health Services, and Human Capital Development as areas where some immediate gains can be made in increasing GoB commitment. USAID will identify champions of change from the Government, civil society, and private sector to create synergies and forums where citizens' voices can be better heard. It is expected that these strategies will lead to increased commitment from the GoB as seen through using its own resources for policy reform and capacity building.

The Role of Civil Society and Citizens

Research shows that government accountability is strongly correlated with better development outcomes, including higher life expectancy, literacy and school enrollment rates, and lower mortality of children under the age of five. USAID activities address government processes and mechanisms that lead to corruption and illicit fiscal practices. The Mission increases public awareness and access to information by utilizing digital technology and platforms and, where applicable, linking these with government watchdog agencies, such as the Anti-Corruption Commission and the Office of the Comptroller and Auditor General. Activities also strengthen CSO and media capacity to inhibit practices that lead to corruption, illegitimate financial transactions, and poor public services, and that limit public access to information. USAID supports CSOs, social enterprises, and private sector networks in their vital role of providing social services, including gender-equitable, high quality health and education service delivery.

Efforts of Other USG Actors and Other Donors

The USG collectively advances U.S. influence and American values to promote a free, open, and rules-based international system in the Indo-Pacific region and help counter negative influences that weaken nations' abilities to be independent, strong, and prosperous. The USG's development, diplomatic, and security engagements support the governance, economic, and security efforts in the Indo-Pacific. USAID supports the Indo-Pacific Transparency Initiative (IPTI) by buttressing RoL, good governance, political processes, civil society, and human rights to create greater demand for government accountability, transparency, and responsiveness, while protecting civic and political space. U.S. assistance also supports a free and open Indo-Pacific by expanding inclusive EG and increasing fair and reciprocal trade and investment with free market economies. This, in turn, improves Bangladesh's ability to attract private foreign investment, increase internal revenue generation to reduce dependence on external loans, and accelerate economic development. The Mission improves NRM by accelerating energy sector transformation, advancing environmental and social safeguard standards, and combating transnational environmental crime. These efforts counteract natural resource use that contravenes environmental safeguards, fosters corruption, threatens the livelihood of vulnerable populations, and undermines long-term EG. USAID also continues to prioritize gains in health and education to enhance human capital development, which are important both to advance J2SR and enable a free and open Indo-Pacific.

To this effect, USAID coordinates and leverages efforts of the interagency and other actors in the Indo-Pacific region to achieve the ambitious Goal and DOs of the Strategy:

- USAID collaboration and partnerships with DoS, Department of Energy, Department of Justice (DoJ), U.S. Forest Service, and Department of Agriculture promote energy markets, counter wildlife trafficking, improve environmental safeguards, and enhance trade and competitiveness.
- DoS diplomatic engagement supports increased access to international and regional markets. DoS Anti-Terrorism Assistance provides Bangladeshi security agencies with training and equipment. USAID collaborates closely with identifying participants for existing higher education opportunities in targeted

sectors but more important is also partnering to develop new scholarship opportunities in unfunded areas such as renewable energy and gender and technology.

- Department of Defense security cooperation and assistance builds the capacity of Bangladeshi military and security agencies to mitigate terrorism and other forms of crime and help Bangladesh become a significant security partner in the Bay of Bengal and sustain global peace through United Nations Peacekeeping Operations.
- DoJ programs promote human rights, good governance, and judicial transparency, including training judges, prosecutors, and law enforcement agencies in best practices for prosecuting trafficking and terrorism, as well as combating GBV, human and wildlife trafficking, and corruption, which complement and reinforce USAID TIP activities.

USAID has also had preliminary discussions with World Bank staff under the South Asia Women in Power Sector Professional Network (WePOWER) initiative, in the energy sector and more generally in STEM. Their partner, the Institute of Electrical and Electronics Engineers in Bangladesh, facilitates opportunities for young women to study STEM within a network of 50 higher education institutes. WePOWER shows interesting possibilities for broadening collaboration under the Mission's energy and environment portfolios.

In sum, USAID plays a leadership role in Bangladesh's donor community. USAID has joint programs with like-minded donors, such as the United Kingdom, on high-profile Democracy, Human Rights, and Governance (DRG) issues. Furthermore, USAID invests primarily in areas with relatively less donor assistance (i.e., governance, agriculture, and health). USAID assistance fills key development gaps (e.g., USAID's basic education assistance for marginalized and disadvantaged populations was an area unmet by other donors). USAID is also the largest donor to the Rohingya crisis and coordinates closely with the interagency, international organizations, and like-minded donors on the Rohingya crisis response.

Donors with a significant presence in Bangladesh are as follows:

- The World Bank Group (WBG) is the largest multilateral donor with a portfolio of over two billion USD per year in recent years, largely in loans. In June 2020, the Bank committed one billion USD for three projects to create jobs and support economic recovery from COVID-19. These endeavors complement and help advance USAID's investments in Intermediate Result (IR) 2.2: Enhanced Capacity of the Private Sector to Provide Services and Generate Revenues.
- The WBG is also part of two large consortia that include the European Union and other donors. These consortia pledged over two billion USD for Bangladesh education, an area of urgency according to the GoB's 7th Five Year Plan and research by the WBG, ADB, and USAID.
- Japan is the largest bilateral donor with recent commitments of over one billion USD per year, largely in the form of loans for infrastructure projects.

Finally, as one of the largest donors, USAID plays an important leadership role in fostering greater participation and coordination among donors to effectively address Bangladesh's development challenges and mitigate COVID-19 impacts. As Bangladesh approaches graduation from LDC status, USAID continues to explore opportunities for programming through new partners and modalities that help accelerate J2SR progress and leverage development partner efforts. USAID is a member of the Local Consultative Group (LCG) and its Executive Committee. The LCG has 18 sectoral subgroups, where Mission technical offices participate actively to coordinate across sectors. USAID will continue to do so to ensure a harmonized approach, reduce duplication of efforts, and increase transparency to develop a shared vision. The Mission will work with the international community and GoB to revitalize the sector-specific sub-groups under the LCG as a means to enhance communication, foster improved coordination, and leverage resources.

RESULTS FRAMEWORK

Goal Statement

“Bangladesh is more committed to democratic principles and inclusive growth with an increasing capacity to economically diversify, address inequality, and become a resilient Indo-Pacific partner.”

As stated by the DOs under the Goal, the Mission’s overall development hypothesis is that:

- if democratic systems that promote transparency, accountability, and integrity are improved in Bangladesh (through DO 1); and
- if opportunities and people’s lives are enhanced to create an inclusive, healthy, educated society, and a robust economy (through DO 2); and
- if Bangladesh’s resilience to shocks and stressors is strengthened (through DO 3),
- then Bangladesh will be more committed to democratic principles and inclusive growth with an increasing capacity to economically diversify, address inequality, and become a resilient Indo-Pacific partner.

At the core of this CDCS are three strategic choices furthering Bangladesh’s J2SR. At the highest level, the Mission will focus its effort to strengthen governance, inclusiveness, and resilience. Specifically, the Mission’s priorities are addressing governance across all development sectors by improving the commitment of politically elected officials, establishing sound policies, and strengthening institutional capacity to effectively govern and meet the needs of their constituency; addressing inequality and promoting inclusiveness by building the capacity of social organizations, the private sector, and the citizenry to respond to the needs of the country; and promoting resilience among the people of Bangladesh to mitigate, adapt to, and recover from shocks and stresses.

These strategic choices are influenced by three critical actors. The first is the GoB as it is faced with governance challenges that impede all citizens from being fully represented. The Government is pushing to graduate from LDC status by 2024, and the country is growing. However, economic gains are not equitable, and the inequality gap continues to increase. The second is the private sector, which recognizes the great production capacity housed within Bangladesh; however, growth is stymied by inefficient and ineffective policies. The third is the citizens; given that Bangladesh is one of the world’s most densely populated countries, Bangladeshis have the capacity to effectively harness economic gains, leverage technology for social action, and address inequalities.

In addition to these actors, there are three overarching influences, such as the influx of 860,000 Rohingya since 2017 which puts economic and social pressure on host communities; frequent natural disasters; and rampant TIP that puts the country at risk of teetering to Tier 2 Watchlist and further to Tier 3 Status, which would severely restrict U.S. development assistance.

In view of this, the Mission narrowed its strategic choices to three interrelated and interdependent DOs to advance Bangladesh’s J2SR: strengthening governance, creating social and economic opportunities, and promoting resilience.

- **Government effectiveness, accountability, and integrity** through DO 1: Improved Democratic Systems that Promote Transparency, Accountability, and Integrity. In addition,

strengthening the country’s ability to address human rights violations features prominently under the other DOs.

- **Inclusive social, human, and economic prosperity** through DO 2: Enhanced Opportunities for an Inclusive, Healthy, Educated Society, and a Robust Economy.
- **A resilient Bangladesh** through DO 3: Strengthened Resilience to Shocks and Stressors.

In collaboration with the Government, private sector, universities, and civil society, the Mission will deepen its evidence-based programs across integrated DOs and IRs to accelerate reform of key policies, increase economic opportunities, strengthen citizen capacity, and elevate inclusive growth to heighten country capacity and commitment to resilience and inclusive democracy. Table I below lists assumptions and risks at the CDCS Goal level.

Table I: Goal Assumptions and Risks

Assumptions	Risks
<ul style="list-style-type: none"> ● <u>GoB</u> aspirations to become a UMIC will serve as a driver for improved government effectiveness. 	<ul style="list-style-type: none"> ● COVID-19 pandemic continues, resulting in a severe and prolonged economic downturn. ● The <u>GoB</u> does not address human trafficking and slips to Tier 2 Watchlist and ultimately Tier 3 of the TIP report

DO I: Improved Democratic Systems that Promote Transparency, Accountability, and Integrity

Table 2. Development Objective I and Associated Intermediate Results

DO I: Improved Democratic Systems that Promote Transparency, Accountability, and Integrity		
IR 1.1: Enhanced Governance and Fiscal Integrity of Institutions	IR 1.2: Improved Fundamental Freedoms and Rights	IR 1.3: Improved Political Processes
<p>Sub-IRs</p> <ul style="list-style-type: none"> ● Policies and regulations enhanced to support market-based competitiveness and business enabling <u>environment</u> ● Governance and systems strengthened for workforce, labor, education, resource management, and <u>health</u> ● Natural resources safeguards <u>improved</u> ● Accountability, equity, and financial protection improved for better health outcomes 	<p>Sub-IRs</p> <ul style="list-style-type: none"> ● Systems, capacity, and sustainability of civil and criminal justice sector and institutions <u>enhanced</u> ● Human rights violations prevented and addressed; and public awareness of human trafficking and its dangers enhanced. ● Institutions, processes, and policies are transparent and accountable across all development sectors 	<p>Sub-IRs</p> <ul style="list-style-type: none"> ● Political party development and commitment to democratic practices <u>promoted</u> ● Integrity of electoral systems and processes <u>strengthened</u> ● Commitment to open communications by political officials improved

DO I Development Hypothesis: If Bangladesh's government, private sector, academia, and civil society work together to enhance good governance, protect fundamental freedoms and rights, promote RoL, and strengthen political processes, then democratic systems that promote transparency, accountability, and integrity will improve.

USAID believes that Bangladesh’s commitment to the principles of democratic governance and democratic institutions is key to promoting the country’s sustainable economic, social, and political growth. The IRs

link closely to this hypothesis and support greater commitment on the part of diverse stakeholders to work together to advance the stated results. Through DO 1, USAID proposes to support a more transparent and competitive business environment; environmental safeguards leading to biodiversity and habitat protection; social equality through health care, education, and workforce development; and a more liberal and open government. The geographic focus of activities under this DO will be nationwide.

The Bangladesh J2SR Country Roadmap shows low commitment scores particularly related to the areas of Open and Accountable Governance and Inclusive Development. Of note, the Liberal Democracy sub-dimensions represent one of the lowest scores in the Roadmap. The Mission is prepared with multiple strategic approaches that build commitment and leverage GoB aspirations to become a UMIC while also expanding capacity, specifically media and advocacy, addressed in DO 2. This includes support for GoB good governance institutions and priorities, cross-sectoral programming, private sector and civil society engagement, and a long-term commitment to democratic values and civic participation. USAID also encourages GoB compliance in advancing reforms to support democratic governance. USAID engages with GoB institutions across multiple sectors to advocate for reform from within, while strengthening civil society and building alliances with private sector partners who can amplify messages of transparency, accountability, and inclusion. Each IR addresses critical aspects of good governance, democracy, human rights, and RoL. Table 3 lists assumptions and risks for DO 1.

IR 1.1: Enhanced Governance and Fiscal Integrity of Institutions

Mission-funded interventions under IR 1.1 focus on both the supply and demand side of good governance across multiple sectors including health, education, agriculture, environment, and EG as well as mainstream DRG interventions, thus creating a network of activities supporting more efficient, effective, and accountable institutions. USAID prioritizes building the capacity of government, the private sector, and civil society to deliver and/or advocate for transparency, accountability, and improved services and address policy issues that also benefit other DO programming. Building allies for good governance from both within and outside the GoB creates positive change that paves the way for further reform and enhances the performance of institutions, leading to systemic improvements in transparency, accountability, and integrity.

On the supply side, USAID is strengthening the GoB's anti-corruption and transparency efforts with a view toward building greater commitment to good governance, supporting the use of e-governance and e-procurement, and continuing to support implementation of the new Bangladesh Food Safety Law, while leveraging other donors' efforts to enhance the institutional capacity of the Bangladesh Food Safety Authority. USAID is also strengthening GoB capacity and systems to increase domestic resource mobilization for health and to improve efficiency in resource allocation and utilization for better public financial management. As institutions provide better services through more judicious and efficient use of public finances, the social compact between citizens and government is strengthened.

On the demand side, USAID will bolster civil society's advocacy for government transparency and accountability and increased public access to government information. USAID is also partnering with state and non-state actors to monitor and report corrupt practices and their negative impact on Bangladeshi development, thereby increasing the country's capacity and encouraging greater commitment for good governance at multiple levels and across different sectors of society. USAID will actively explore opportunities to partner directly with government institutions, especially at the local levels, to build greater capacity and commitment, pending risk assessments indicating improvements in governance conditions.

The Mission's commitment to good governance, accountable institutional systems, and fiscal integrity is aligned with the IPTI (IR 1) to improve government transparency and accountability and thereby enhance institutional performance. IR 1.1 increases government accountability to citizens, which supports the Mission's parallel efforts under IPTI to reinforce fundamental freedoms (IR 1.2) and democratic processes (IR 1.3). USAID strengthens economic governance by encouraging the GoB to adopt enhanced regulatory frameworks, including both macroeconomic (including fiscal) and microeconomic management for policies that determine the private sector operating environment. USAID fosters GoB and private sector commitment and know-how to improve the business enabling environment and strengthen market- and rules-based competition, thus supporting economic expansion and diversification. Moreover, workforce and labor programs are designed to directly engage with the private sector to ensure fair and safe labor practices for all workers, regardless of gender, age, or caste status. This approach supports trade and competitiveness, while furthering other opportunities such as private sector investment in healthcare.

USAID investments in educational governance help create efficiency at the different echelons of the education system and enhance learning outcomes for children in primary and secondary schools. USAID partners with the Ministry of Primary and Mass Education (MoPME) and the Ministry of Education (MoE) to improve the efficiency, transparency, and accountability of the national and subnational systems and prioritize instructional leadership and supervision. Activities throughout the portfolio leverage higher education — institutions and graduates — to enhance results and support Bangladesh's path to self-reliance.

USAID advances biodiversity and habitat protection by improving NRM and strengthening environmental safeguards. Engaging citizens and civil society organizations in cooperative management of natural resources with local government builds trust between citizens and government, improves ecosystem health, and represents good governance. It also strengthens individual, community, institutional, and ecosystem resilience discussed in DO 3.

USAID is committed to strengthening health governance with effective oversight and regulation of health services and national health policy outcomes. Programming builds the capacity of the Government to develop and implement strategies that ensure accountability, transparency, and oversight in the delivery of quality and affordable health services.

Accountable democratic institutions help achieve and sustain improvements in peoples' lives and advance equity among diverse social groups. USAID strengthens communication, coordination, and cooperation among institutions for more effective and accelerated policy implementation and improved governance of the public sector workforce. USAID efforts enhance collaboration among policy makers and both private and public sector stakeholders. Programming aims to increase the effectiveness and efficiency of policy-making and regulatory systems, expand economic opportunities, and strengthen recognized institutional architecture to improve food security, education, environmental, nutrition, and health conditions.

IR 1.2: Improved Fundamental Freedoms and Rights

The Mission embraces the challenging and critical work supporting human rights and fundamental freedoms. Unless addressed, the erosion of civil liberties and further marginalization of vulnerable populations threaten Mission efforts towards inclusive and equitable development. Support for human rights, including the rights of women and vulnerable minorities, and fundamental freedoms improves democratic systems promoting transparency, accountability, and integrity.

Under IR 1.2, USAID programs strengthen the RoL, judicial systems, and capacity of the civil and criminal justice sector to respond to vulnerable and marginalized populations and protect human rights and

fundamental freedoms of speech, association, and movement. Capacity strengthening is needed to bolster the Government's sensitivity and ability to protect rights to land, livelihoods, language, and culture. Capacity strengthening of civil society and media is needed to increase public awareness and access to information to hold the Government more accountable. Where applicable, this includes strengthening ties among citizens, civil society, and government watchdog agencies such as the Anti-Corruption Commission. Direct interventions to improve RoL are unlikely to be effective without political will from the state to make major reforms or to increase resources to the overburdened court system. Nevertheless, incremental reform is possible by building alliances within and outside the GoB and empowering the legal community through improved legal education and providing advocacy services for marginalized populations. Therefore, USAID partners with the GoB to improve delivery of legal aid in the formal justice system, strengthen judiciary case-management capacity, and work with CSOs to raise citizen awareness of legal rights and responsibilities. Women receive additional support as judges, attorneys, prosecutors, and legal professionals to enhance gender equity and improve case management. USAID supports more effective case management and court administration by implementing a court improvement plan and strengthening legal aid committees' efficiency to improve access to justice for poor clients. In addition, USAID will emphasize legal aid and education to address GBV and child, early, and forced marriage (CEFM).

To ensure commitment to RoL and transparency (IPTI, IR 2), USAID tackles governance issues by addressing corruption and building the capacity of the criminal justice system (including judicial institutions and law enforcement agencies) to detect, investigate, and prosecute TIP, human rights violations, and wildlife trafficking. USAID strengthens GoB institutions to discourage trafficking and child marriage, protect survivors, and promote safe migration. All these efforts are geared toward implementing the GoB-led Prevention and Suppression of Human Trafficking Act 2012 and the 2018-2022 National Plan of Action (NPA) for combating human trafficking, which was drafted and launched with USAID assistance. Under IR 1.2, USAID will increase the focus on youth, emerging leaders, and youth-led organizations to improve meaningful participation of youth in community decision making.

IR 1.3: Improved Political Processes

Following the country's 2018 elections and consolidation of power in one political party, Bangladesh's political processes need to be protected. Enhancing Bangladesh's commitment to these processes (IPTI, IR 3) is at the core of open government and essential to J2SR. USAID, therefore, works with political parties, citizens, and CSOs to reinforce their understanding of and commitment to democratic principles; meaningful participation of women, youth, and minorities in political processes; free and fair elections; and political pluralism. USAID backs improved knowledge and skills of youth to advance good governance practices, and promote multi-party dialogue on local, regional, and national priorities. USAID will build youth leadership to advance accountable, democratic governance through their Youth Leaders Engaged to Advance Democracy activity. This IR also furthers the inclusion of marginalized peoples, religious and ethnic minorities, and other vulnerable populations to ensure more equitable representation in political processes. Further, USAID prioritizes civic education programs to increase the ability of Bangladeshi youth and women to advocate for democratic reforms based on citizens' priorities and help amplify citizens' voices on behalf of a more pluralistic and inclusive Bangladesh. When democratic processes empower and reflect the plurality of Bangladeshi society, government transparency, accountability, and integrity increase.

Table 3. Development Objective 1 Assumptions and Risks

Assumptions	Risks
<ul style="list-style-type: none"> USAID's ability to build partnerships among government, civil society, and the private sector will facilitate support for good governance. Positive public perceptions of the U.S. help build support for USAID initiatives. 	<ul style="list-style-type: none"> There is poor coordination and implementation of the <u>GoB</u> reform agenda, thus inhibiting good governance progress.

DO 2: Enhanced Opportunities for an Inclusive, Healthy, Educated Society, and a Robust Economy

Table 4. Development Objective 2 and Associated Intermediate Results

DO 2: Enhanced Opportunities for an Inclusive, Healthy, Educated Society, and a Robust Economy		
IR 2.1 Improved Capacity of Organizations and Leaders to Advocate for Inclusive Growth	IR 2.2: Enhanced Capacity of the Private Sector to Provide Services and Generate Revenues	IR 2.3: Increased Capacity of Bangladeshis to Pursue Prosperous and Healthy Lives
<ul style="list-style-type: none"> Sub-IRs Capacity of civil society and advocacy to advance fundamental freedoms <u>strengthened</u> Social attitudes and behaviors reinforced and <u>improved</u> Information integrity and freedom <u>enhanced</u> Leadership among youth, women, marginalized groups, and minorities, including religious minority groups enhanced 	<ul style="list-style-type: none"> Sub-IRs Private sector capacity in agribusinesses and non-agribusinesses increased to meet domestic and international market <u>demands</u> Deployment of advanced energy systems <u>increased</u> Leveraging private sector investment for enterprise solutions to development challenges and service delivery 	<ul style="list-style-type: none"> Sub-IRs Youth and adults acquired knowledge and developed skills and behaviors to find legitimate <u>employment</u> Education quality, inclusivity, efficiency, and equity at the primary and secondary levels delivered in formal or non-formal settings improved. Research and teaching capacity in higher education institutions are <u>enhanced</u> Access and quality of integrated health services improved

DO 2 Development Hypothesis: If Bangladeshi people and organizations have enhanced capacities to advocate for inclusive growth, provide enterprise-driven solutions to development challenges, and invest in human capital development, then there will be increased opportunities for all Bangladeshis to enjoy an inclusive, healthy, and prosperous future.

USAID believes that social and economic inclusion has a multiplier effect. As more people are included in social and economic processes, more individuals will contribute to others' well-being as well as their own. For example, healthier and better educated individuals will be able to improve not just their own lives, but also contribute to society. In other words, inclusive development is mutually reinforcing.

Each IR under DO 2 contributes to this inclusion. Stronger CSOs will effectively advocate for workers, women, youth, and other marginalized groups. Enhanced institutions will encourage private-sector competition and investment in domestic productive capacity and local solutions, which in turn will generate greater economic well-being. In summary, USAID believes that greater human capital will generate personal agency, create socially conscious citizens, and more productive workers.

DO 2 focuses on building organizational and individual capacity to provide, advocate for, and take advantage of socioeconomic opportunities that lead to increased well-being and self-reliance. By increasing organizational and individual capacity that also supports DO 1 and DO 3, Bangladesh will be a more resilient and effective partner in the Indo-Pacific region. DO 2 activities will be implemented nationwide, with some district level focus based on specific needs of marginalized people.

USAID's portfolio will have a strong emphasis on private sector resource mobilization and engagement. Partnerships with local businesses will help to increase economic opportunities that reduce poverty, improve access to education, and support healthcare services.

The Bangladesh J2SR Country Roadmap shows low scores for economic policy and inclusive development indicators depicting Capacity of the Economy, Citizen Capacity, Economic Gender Gap, and Social Group Equality. To address the challenges and improve scores on these indicators, Mission programs uphold a Bangladeshi inclusive society and work with the private sector to promote the country's capacity to generate viable solutions. The scores reveal that within the economy, there is a lack of diversification, firms are protecting themselves from competition rather than investing in increased productivity, and there is an opportunity for substantial investment in information technologies. In addition, Bangladesh's highest Roadmap score is for Child Health (0.76 out of 1.0). This indicates progress in health, yet there is substantial room for improvement. Bangladesh's score in Education Quality (0.40 out of 1.0) is better than some other sector capacity scores, but still below average for all low- and middle-income countries. Therefore, Mission efforts to improve human capacity mutually reinforce citizen participation and inclusive growth priorities. USAID's PSE also strengthens health service delivery to vulnerable populations, fosters marketable skills for youth and women, and expands access to education for marginalized children, especially girls and minors with disabilities.

USAID is committed to combating child marriage and GBV and will ensure that each activity looks for opportunities to support efforts in this area. This DO will also support Bangladesh in continuing to safeguard the hard-won gains in maternal and child health, family planning, nutrition, and infectious disease. Under DO 2, USAID activities support advocacy for inclusion and social cohesion; reduce social and gender disparities; improve the systems and service delivery for health and education; and build capacity for self-sufficiency in these sectors. Building the capacities of citizens helps fortify the foundation for self-reliance, reinforcing Mission efforts under DO 3. Improved governance through DO 1 allows the Mission to engage the private sector productively to help transform the economy through strengthened market systems, export diversification, reduced market entry barriers, and improved access to services. Inclusive education opportunities lead to more legitimate and productive employment, while providing access to quality health services — including critical health services for women and children from poor and underserved households — support citizens' ability to participate actively in the economy, political arena, and society as change agents. The IRs thus tap into the potential of organizations and leaders, the private sector, and individuals to widen participation and create democratic and socioeconomic systems that are equitable and responsive to all Bangladeshis. Table 5 below lists assumptions and risks for DO 2.

IR 2.1 Improved Capacity of Organizations and Leaders to Advocate for Inclusive Growth

Inclusive development is one of five themes in the GoB's draft 8th Five Year Plan, which emphasizes social protections, greater investment in labor-intensive industries, and increased public spending on human capital and labor productivity. While the GoB recognizes that greater production can contribute to the economy, it can do more to make the process truly inclusive. For example, weak implementation of Bangladesh's National Youth Policy fails to tap youth, especially from marginalized and vulnerable communities, as a source for change. Inclusive EG results only when minority and/or marginalized groups can make their interests heard and be meaningfully integrated into the development process.

Under IR 2.1 the Mission will therefore support the establishment of cross-sectoral partnerships, internal capacity building, and building CSO networks to improve inclusive growth and advocate policy change to address marginalized communities' (youth, ethnic and religious minorities, people with disabilities, and sex and gender diverse populations) interests. The Mission will further advance inclusive development by strengthening disabled peoples' organizations and government institutions that deal with disability issues. USAID improves CSO and youth skills and engagement to expand inclusive civic participation and mobilize Bangladesh's future workforce and leaders to constructively advocate for fair labor practices and productive employment. In coordination with IR 2.2 and through integrated approaches across the DOs, USAID complements improved service access with activities that engage media groups in social and behavior change communication to increase demand for reforms and address social and gender norms that create barriers to the use of priority health services.

USAID will champion the inclusion of women in leadership roles through targeted training and advocacy campaigns. Special focus will be on training women judges, attorneys, prosecutors, and other legal professionals to promote more capable women leaders in the judicial arena.

IR 2.2: Enhanced Capacity of the Private Sector to Provide Services and Generate Revenues

As a result of the Mission's Private Sector Assessment: Exploring Market and Investment Opportunities analysis on how to better assist six sectors post COVID-19, USAID determined that improving services and generating additional revenue to benefit both the private and public sectors entails leveling the playing field for trade, improving competitiveness, facilitating investment opportunities, and creating conditions that are more conducive for businesses to flourish. All these efforts contribute to a productive economy with diverse peoples to produce goods and services and earn larger incomes that would, in turn, contribute to a more resilient population. Greater and more widely distributed economic benefits would increase GoB revenue that it can invest in public services and enable households to procure better healthcare and nutritious foods.

The GoB recognizes the importance of private sector development. In its draft 8th Five Year Plan, the GoB targets an average annual GDP growth rate of 8.0 percent, up from 7.4 percent. It understands that the private sector, especially women-run SMEs in key industries and sectors, are key to maintaining GDP growth in the coming years, particularly post-COVID-19. The Government pledged to increase public-private partnerships for investments in human capital, transportation infrastructure, and digital technologies, as well as strengthen government institutions to support the business enabling environment, encourage sectoral diversification away from RMG, and attract domestic and foreign private investment. USAID will also advocate for greater participation by women in the labor force and the market economy by addressing constraints and advocating for improved workplace conditions.

IR 2.2 aligns with and supports the GoB's efforts in growing the private sector and emphasizes USAID's role as a committed development partner. It expands PSE across USAID's entire development portfolio, including food security, energy, environmental services, health, education, humanitarian assistance, and good governance. These sectors are all vulnerable to potentially lasting COVID-19 impacts and require increased private sector resource mobilization. USAID improves access to and quality of private sector facility-based healthcare services and makes quality an integral component of interventions as they are brought to scale. USAID provides technical assistance to the Ministry of Health and Family Welfare to develop and disseminate national standards of practice in the private sector and develop tools and systems to monitor healthcare quality. USAID works with private sector service delivery networks to expand affordable essential services, particularly in urban areas that build on existing coverage of pharmacies, NGOs, social enterprises, and other private sector actors. Harnessing the rapid development of private health services are essential to meet the demand for priority health services among the urban poor.

USAID strengthens the enabling regulatory environment for competitiveness, trade facilitation, and responsible infrastructure development in the agribusiness and non-agribusiness sectors. This fosters an economic environment that attracts international investment, improves services, and generates revenue. USAID partners with local private businesses to secure financing, generate revenue through expanded and more inclusive health services, and increased economic opportunities that reduce poverty and increase productivity.

IR 2.3: Increased Capacity of Bangladeshis to Pursue Prosperous and Healthy Lives

IR 2.3 invests in health, education, and livelihoods to create the healthy and productive population required to contribute to an inclusive and robust economy. Better educated workers make healthier choices and are more effective advocates for social interests. Increased health leads to more productive workers who in turn produce more goods and services, which contribute to a stronger economy and higher standards of living.

In its draft 8th Five Year Plan, the GoB pledges to invest in its citizens' capacities for prosperous and healthy lives by increasing spending on health (to 2.0 percent of GDP, up from 0.7 percent) and education (to 3.0 percent of GDP, up from 2.2 percent). Health spending will focus on modernization, such as telemedicine, and be part of a Universal Healthcare Policy. Education spending will focus on improving education quality, with an emphasis on science, math, ICT, and developing problem solving skills. These investments would produce marketable skills that contribute to EG. Though GoB policies are in place, weak policy implementation and corruption have limited results. Consequently, there remains much that the Mission can do to support the realization of Bangladeshis' human potential.

USAID will help improve the capacity of Bangladeshis to access quality healthcare through strengthened health systems and higher quality service delivery. Under IR 2.3, USAID will work with the GoB and private sector to strengthen human resources planning for the health sector, establish and strengthen healthcare quality improvement systems, increase high-quality health product availability, strengthen logistics and supply chain systems, address service shortages in underserved areas and among vulnerable populations, encourage technology adoption to improve health information systems, and promote evidence-based programming in both public and private sectors. USAID takes a multi-sectoral approach to reduce child marriage and address GBV. USAID also has a policy framework that regulates the quality of services, improves government stewardship, and improves governance of the health sector in conjunction with DOI. These healthcare interventions are especially important considering COVID-19, which threatens to erode hard-won gains in maternal and child health, family planning, nutrition, and infectious disease. The pandemic has already disrupted essential care, including facility-based delivery, counseling and support for breastfeeding, and immunization programs.

USAID prioritizes improved livelihoods of youth from marginalized populations and geographic areas with an emphasis on gender equity through soft and market-driven skills development. USAID collaborates with the private sector to identify marketable skills, develop training curricula, and implement training programs. The focus will be on youth especially young women and skills training and opportunities will be tailored to meet their needs. By partnering with government and private sector vocational and technical training institutions USAID looks to improve their capacity to deliver training in market-relevant skills. The Mission plans to expand collaboration with higher education institutions to address multiple economic growth opportunities. USAID will also strengthen the capacity and effectiveness of organizations working to end GBV and CEFM. Engaging with educational institutes to both raise awareness and conduct advocacy campaigns to combat GBV and CEFM, USAID will target in- and out-of-school youth populations.

USAID will promote inclusive education by enhancing access to quality education in primary and secondary schools, especially for children from marginalized and disadvantaged communities, including girls and

children with disabilities. In universities, USAID will address constraints and explore special opportunities for increasing women’s participation in technology fields. USAID emphasizes teaching quality; providing schools with enhanced teaching and learning materials; and building government capacity at different levels to plan, manage, and oversee the quality of education especially in the areas of Science and Technology. USAID’s approach is in line with the MoPME’s Fourth Primary Education Development Program and the MoE’s plan for secondary education to support STEM curriculum in senior secondary schools.

USAID will advance professional excellence of university teachers and create partnerships with U.S. universities and the private sector through each of the technical sectors in which it works. Through FTF USAID has been supporting graduate scholarships at multiple U.S. universities and pairs U.S. universities with local partners, including Bangladeshi universities, to address specific technical challenges and opportunities. For example, some of the universities USAID is partnering with include Tufts University on nutrition and emerging pandemic threats, Virginia Tech on integrated pest management, Mississippi State University on fisheries, and Cornell University and Purdue University on food safety. USAID has ongoing partnerships with Michigan State and Cornell on biotechnology. Local Higher Education partners include the Bangladesh University of Agriculture, Bangladesh University of Engineering and Technology, Daffodil University, and University of Dhaka, as well as GoB research institutions. Additional collaboration will be sought with existing and new partners to strengthen the capacity of higher education institutions through scholarships, fellowships, and study visits to the US. A few examples include: the environment program is collaborating with DoS to set up International Visitor Leadership Program supported study tours for young environmentalists in Bangladesh, to help advocate for environmental sustainability; the health office is exploring e-mentoring opportunities for medical colleges teachers.

Table 5. Development Objective 2 Assumptions and Risks

Assumptions	Risks
<ul style="list-style-type: none"> ● <u>GoB</u> sustains commitment to economic reform and Country Investment Plan. ● Sustained private sector support for development-related alliances and partnerships. 	<ul style="list-style-type: none"> ● <u>GoB</u> is unable or unwilling to move forward with its social and economic reform agenda, including low PSE. ● Weakened environmental/social safeguards, thus increasing the potential for further marginalization and low-standard infrastructure investment.

DO 3: Strengthened Resilience to Shocks and Stressors

Table 6. Development Objective 3 and Associated Intermediate Results

DO 3: Strengthened Resilience to Shocks and Stressors	
IR 3.1: Improved Capacity to Mitigate Shocks and Stressors	IR 3.2: Enhanced Ability to Adapt to and Recover from Shocks and Stressors
<p>Sub-IRs</p> <ul style="list-style-type: none"> Protection services for trafficking victims <u>increased</u> The ability of the USG, host country, and other partners to prepare for and mitigate the effects of disasters <u>improved</u> Transnational environmental crimes, illegal or legal but unsustainable practices, uses, or consumption of natural resources <u>reduced</u> Existing and emerging public health threats identified and addressed 	<p>Sub-IRs</p> <ul style="list-style-type: none"> Nutrient quality, dietary diversity, and safety of food supply across agricultural value chains during production, post-harvest processing and storage <u>improved</u> Health and nutritional status of targeted populations and communities <u>enhanced</u> Sustainable practices, businesses, trade and investment of natural resources, land use, or related to natural resources <u>implemented</u> Threat and impact of violent extremism and conflict reduced

DO 3 Development Hypothesis: If Bangladesh improves its societal capacity to mitigate and respond to shocks and stressors, then the country can reduce threats to its development achievements and better manage future challenges.

Bangladesh is extremely vulnerable to sudden and recurrent shocks and stressors of various types, and therefore will be unable to attain inclusive growth if it continues to be vulnerable to setbacks that undermine its progress. USAID is therefore improving the capacities of stakeholders at a societal scale both in advance of and in response to shocks and stressors. For USAID/Bangladesh, resilience refers to specific absorptive, adaptive, and transformative capacities developed in response to acute shocks (cyclone, illness, unexpected economic crises and loss of employment, infectious diseases and other public health threats such as COVID-19) and chronic stresses (unpredictable rains and unsustainable NRM practices, social exclusion, GBV, violent extremism, TIP, and transnational environmental crimes). Building resilience to recurrent crises is important as crises cause loss of life and livelihoods and negatively impact the economy. In Bangladesh, unequal access to development benefits and damaging sociocultural norms reduce the social capital, inclusion, and earning power of youth, women, and other marginalized groups. Climate change and human-induced deforestation affect ethnic minorities' livelihoods and access to education and health in coastal Chittagong Hill Tracts areas. Inadequate emergency shelters, warning systems, and evacuation devices for people with disabilities negatively affect their livelihoods, health, and morale during emergencies in the cyclone prone districts of southern Bangladesh.

The J2SR Country Roadmap shows a low score for Bangladesh's Biodiversity and Habitat Protections indicator (0.47 out of 1.0), demonstrating the need to reinforce government commitment and civil society cooperation regarding NRM. In support of Bangladesh's J2SR, USAID's approaches under DO 3 align with the GoB's priority of realizing a development pathway that is resilient to disaster and climate change, uses natural resources sustainably, and successfully manages the transition to urbanization as stated in the GoB's 7th Five Year Plan. (The GoB's 8th Five Year Plan due to start in 2021 is currently under discussion).

USAID's process for building resilience expands the responsibility for managing risk, investing in resilience, and responding to shocks to include local communities and individuals, the private sector, and governments. While both change prevention and change mitigation are equally important and urgent, they each require different approaches. USAID will prioritize vulnerable populations in Cox's Bazar and Bandarban districts, as the Mission is already well-positioned to have positive impacts there. DO activities will work in the disaster-prone region of southeast and southwest Bangladesh, where there is the greatest

need to protect lives and create livelihood options. The focus of technical assistance and awareness raising activities in health and renewable energy under this DO will be national in scope.

IR 3.1 is about preparation and prevention and targets transformative capacities at a societal scale through improved disaster risk reduction and preparedness, co-management of natural resources, more inclusive local governance, stronger market-oriented agriculture, and strengthening social safety nets. USAID works with local Disaster Management Committees in the use of early warning systems and co-management units in wildlife protection and biodiversity preservation. Through PSE the Mission will strengthen food supply chains, foster livelihood opportunities, and support the basic needs of vulnerable citizens and their capacity to create safety nets in times of stress. Through consistent and multiple stakeholder engagement USAID will bolster prevention efforts, respond to public health threats, and adopt clean and renewable energy to mitigate climate-related shocks and stresses.

IR 3.2 is about response to shocks and centers on increasing absorptive and adaptive capacities of households and communities by increasing access to social safety nets, disaster preparation, employment protections, climate-smart farming practices, and livelihood diversification. It also prioritizes women's empowerment and resilience, agricultural markets through livelihood interventions, and access to water, sanitation, and nutrition services. Engagement of civil society will be a strong USAID focus to help build resilience and prevent violent extremism.

The COVID-19 pandemic poses serious threats to mitigating the vulnerabilities that can reduce resilience. Although the Government's COVID-19 preparedness and response plan addresses food insecurity, in the medium- to long- term, employment generation is very important for recovery, particularly among Bangladesh's large youth population. To address employment generation, the Mission is creating conditions that encourage small-scale employment activities including through the agriculture sector, an area in which USAID has well-established comparative strengths. USAID will also enhance market supply chains to mitigate the constraints to food security in rural areas. Governance strengthening under DO 1 as well as PSE and human capital investments under DO 2 further contribute to resilience efforts under DO 3. USAID will continue stock-taking of COVID-19 impacts on its integrated development approach and adjust the CDCS accordingly. Table 7 below lists assumptions and risks for DO 3.

IR 3.1: Improved Capacity to Mitigate Shocks and Stressors

Bangladesh's societal resilience is fundamental to counteracting the country's vulnerability to natural and manmade threats. USAID's disaster risk reduction activities assist local governments and communities to enhance preparedness and contingency plans, train local Disaster Management Committees, and support the improvement of early warning systems for flood and cyclone forecasting. USAID bolsters financial services to help mitigate and manage risk, enable productive and profitable enterprises, and strengthen formal and informal safety nets that individuals, households, and communities rely on during times of stress.

USAID will maintain and, when possible, improve the health of ecosystems in target areas, including the biodiversity contained within them. USAID works with Bangladeshi institutions and other donors on interventions to: 1) reduce direct and indirect threats to ecosystems; 2) improve habitats; 3) conserve endangered species populations; 4) strengthen co-management between communities and government to protect wildlife and preserve ecologically vulnerable forests and wetlands; and 5) slow, halt, and avoid greenhouse gas emissions from agriculture, forestry, and other land use to support global mitigation goals while promoting local development.

The Mission supports host communities in a variety of ways to mitigate the negative impact from the Rohingya crisis. Recognizing the immense pressure being put on the limited resources in that region by

the influx of refugees, USAID is taking a multi-sectoral approach to designing new programs and leveraging existing activities. Food security issues have been of major concern and were exacerbated by the COVID-19 pandemic. To address this, agricultural activities will focus on strengthening food supply chains and access to farm inputs. Enhancing resilience to ensure citizens are able to withstand different shocks and stressors requires that citizens be self-reliant and that they can first meet their basic needs and then have the ability to create safety nets. Improved livelihood opportunities will remain a key priority for USAID and through greater engagement with the private sector job creation will be highlighted.

The influx of Rohingya refugees compounded by other recurrent crises put more people at risk of stressors, such as falling below the poverty line, being trafficked, GBV, dropping out of school, and becoming sick. By creating more resiliency in food security, economic, health, and education opportunities and protecting the environment which affects livelihoods, USAID will be able to expand socioeconomic opportunities through DO 2 and strengthen partnerships with the GoB, research institutes, universities, employers, and other private sector organizations. USAID's youth entrepreneurship and empowerment support addresses conflict drivers stemming from the influx of Rohingya refugees in Cox's Bazar area. USAID's approach is to build vocational skills for in-school and out-of-school youths, delivered within a conflict-sensitive framework to promote social cohesion. This includes addressing gender inequalities, particularly lack of job opportunities for women and girls in host communities.

In 2017, the U.S. Secretary of State listed Bangladesh as one of 26 focus countries under the Eliminate, Neutralize, and Disrupt Wildlife Trafficking Act. USAID in collaboration with the interagency mitigates threats to biodiversity in Bangladesh through its Countering Wildlife Trafficking (CWT) strategy to: 1) strengthen national and local capacity to sustainably manage protected and ecologically critical areas and protect and restore wildlife habitats; 2) assist households living around forests and wetlands to improve fishing and agricultural practices and/or undertake alternative income-generating activities to reduce reliance on forests and wetlands and strengthen environmental and economic shock resilience; 3) combat wildlife poaching and trafficking by improving patrols in protected areas, strengthening law enforcement and prosecution of wildlife crimes, mitigating human-wildlife conflicts, and increasing public awareness of the importance of wildlife conservation; and 4) expand alternative livelihoods to reduce dependence on wildlife habitat. USAID will also engage with youth through its environmental governance, Water Sanitation and Hygiene, and conservation activities that build resilience to harmful actors.

USAID continues to work with other USG agencies, the private sector, and the GoB to improve coordination, surveillance, diagnostic, and response capacity for the prevention, detection, and response to health threats through institutionalization and strengthening of the GoB multisectoral coordination and response mechanism. USAID values and invests in "one health" policies that recognize that human, animal, and environmental well-being are inextricably linked. Mitigating the threat of the pandemic, zoonotic diseases, and antibiotic resistance require a well-coordinated effort across multiple disciplines and sectors, including human and animal health, environment, education, national security, and finance.

The GoB also has ambitious plans to enhance the amount of clean and renewable energy generated in the country. Recently however, considerable investment has focused on thermal power generation. Considering the growing trend of Chinese foreign direct investment (FDI) in the energy sector, USAID will advance more favorable conditions for clean and renewable energy projects able to reach financial closure in an open and transparent marketplace. USAID also strengthens GoB's targets for clean and renewable energy; and works to reduce the influence of concerning actors while increasing opportunities for U.S. technologies and services. Engaging with higher education institutions like the Department of Energy's National Laboratories, USAID intends to leverage their institutional knowledge to enhance the capacity of Bangladeshi higher education institutions to train the next generation of energy specialists,

scientists, thought leaders, and policy makers. The adoption of clean and renewable energy sources across the Indo-Pacific region position Bangladesh to better mitigate future climate-related shocks and stresses.

IR 3.2: Enhanced Ability to Adapt to and Recover from Shocks and Stressors

USAID efforts improve the capacity of local communities and institutions to respond to recurring shocks and stressors and plan for future events. To this effect, USAID emphasizes technical and managerial knowledge; skill-building in key sector institutions (at the union, *upazila*, district, and national levels); activity designs that establish accountability mechanisms to ensure inclusion and participatory processes; and programming in water resource management, emergency preparedness, and agricultural extension. Additionally, USAID continues to prioritize women's empowerment given substantial research indicating the centrality of women's roles to furthering positive development and resilience in Bangladesh.

The USG demonstrated its commitment to reducing global poverty and malnutrition through the passage of the Global Food Security Act of 2016 and the accompanying Bangladesh Country Plan under the 2016 Global Food Security Strategy (GFSS) in 2019. The GFSS builds on the success of the FTF Presidential Initiative in which Bangladesh has been a focus country since 2010. Under IR 3.2, USAID efforts to reduce poverty and malnutrition and improve food security promise to increase household dietary diversity with a focus on nutritionally-vulnerable groups; support inclusive and sustainable agriculture-led EG through a market systems approach; improve water, sanitation, and hygiene practices; and promote the use of nutrition services. Furthermore, USAID prioritizes raising awareness about COVID-19 preparedness and response, such as improved hygiene practices (i.e., handwashing, wearing masks), and helping severely impacted communities cope with COVID-19 related economic shocks through targeted livelihood interventions. USAID plans to broaden and deepen engagement with the Bangladesh Agricultural University to strategically link private sector entities to ensure students are meeting market needs. New networks between U.S. universities and local universities will be further emphasized to help create sustainable solutions to food security and safety. The innovative linkages currently in place with Purdue University, Cornell University, Tufts University, and Mississippi State University will provide useful lessons to further strengthen higher education institutes in Bangladesh.

Finally, understanding and addressing the root causes and drivers of violent extremism are foundational elements in USAID's resilience efforts. The Mission directly engages diverse civil society actors to prevent recruitment by violent extremist organizations and to promote a culture of pluralism, tolerance, and respect for human rights. USAID's development assistance in all sectors helps promote positive alternatives for people vulnerable to radicalization and prevents recruitment. Existing programming also informs USAID of the dynamics behind the growing threat of violent extremism. USAID's development assistance in all sectors help promote positive alternatives for people vulnerable to radicalization and prevent recruitment.

Table 7. Development Objective 3 Assumptions and Risks

Assumptions	Risks
<ul style="list-style-type: none"> ● GoB's commitment to the resilience building agenda, increasing transparent governance, and food security will continue. ● Local level agencies are committed and resourced to perform their responsibilities under the NPA. ● Sustained capacity of host communities affected by the Rohingya refugee crisis, enables them to mitigate and manage the effects of shocks and stressors to public services. 	<ul style="list-style-type: none"> ● The private sector takes advantage of the crisis and bypasses laws and proven best practices (e.g., Breast Milk Substitute Act, unauthorized COVID-19 testing and treatment). ● Security conditions in the Chittagong Hill Tracts worsen and challenge the ability to conduct effective programming. ● Natural disasters or deterioration in security conditions in Cox's Bazar impede USAID programming.

MONITORING, EVALUATION AND LEARNING

USAID's approach to monitoring, evaluation and learning (MEL) in this CDCS is grounded in principles of evidence-based decision-making and adaptive management. USAID builds on its robust performance monitoring system; integrates digital tools; strengthens implementing partner capacity for data collection, analysis, and reporting; conducts high-quality performance and impact evaluations; and analyzes data from multiple sources to support learning and build the evidence base, including for integrated programming. USAID supports MEL through use of the Geographic Information System and applies sound performance management tools to learn and adjust programs in pursuit of J2SR. USAID integrates gender, youth, and people with disabilities into its MEL systems including the Performance Management Plan (PMP), Project and Activity MEL plans, and evaluation designs.

The development context in Bangladesh requires flexible MEL practices. In June 2020, USAID commissioned a sectoral analysis of COVID-19 impacts in Bangladesh, and in August 2020 completed a Private Sector Assessment: Exploring Market and Investment Opportunities that examined COVID-19 impacts on tourism, light engineering, ICT and outsourcing, telecommunications, automotives, and agribusiness. This CDCS reflects that analysis and USAID's current understanding of the extent and potential duration of changes in the operating environment, as well as emerging impacts on planned results. The study helped capture learnings and establish a baseline for future work. The Mission continues to monitor the pandemic's impact and will conduct a structured review of the validity of the DO development hypotheses, assumptions, and risks considering COVID-19 at the end of Year One. Throughout the CDCS, USAID utilizes portfolio reviews, evaluations, mid-course CDCS stocktaking, and other Agency-mandated COVID-19 reviews to make needed adjustments.

Performance Management Plan

Upon CDCS approval, USAID will develop its PMP. To effect change in geographic locations, such as Zones of Influence and Zones of Resilience, the Mission applies MEL tools to test potential changes in development context, harness locally appropriate solutions, pilot best practices, and scale successful initiatives. The PMP will refine illustrative learning questions, link them to DO risks and assumptions, and outline MEL efforts to generate the data and information needed to help answer each learning question. The PMP will also focus on designing and requiring more innovative MEL procedures in the context of integration, such as joint monitoring and site visits, interdisciplinary evaluation teams, more robust learning activities and events involving staff and stakeholders to examine integrated programming, and more intentional communication with partners about the Mission's integrated approach.

The Mission will use the Development Information System platform as its key knowledge management tool to input, analyze, and review its data and increase utilization of monitoring data. The Mission’s key learning priorities will be tied to its strategic principles and approaches:

- Aligns with the USG’s objectives in the Indo-Pacific and J2SR.
- Capitalizes on integration of good governance and PSE to drive impact across technical sectors.
- Maximizes opportunities to advance self-reliance and build host country ownership.
- Is strategic in anticipating and mitigating the secondary impacts of COVID-19.

In the PMP, USAID will further define the specific planned MEL approaches including evaluations, assessments, indicators, and partner workshops to identify and inform learning questions for agency learning priorities articulated in the Self-Reliance Learning Agenda (SRLA).

Learning Questions

USAID will develop a Collaboration, Learning, and Adapting plan to inform the Agency’s SRLA and guide the Mission’s MEL processes and efforts. Preliminary learning agenda questions include:

Table 8. Learning Questions

- 1 Are we investing in the correct processes and interventions at the right levels of the governance system to promote transparency, accountability, and integrity?
- 2 What gaps and constraints remain in Bangladeshi policy and institutional frameworks that are key to accelerate private sector growth and create an inclusive society and economy?
- 3 What key constraints inhibit Bangladeshi society at all levels from advancing self-reliance to mitigate, adapt, and recover from various natural and man-made shocks and stressors?
- 4 What are the most important lessons learned from the COVID-19 pandemic to enhance Bangladesh’s self-reliance to prepare for and manage such crises? How can USAID and other development partners support Bangladesh?

The Mission is including two additional learning questions to query the programmatic and organizational implications of integration, as follows:

Table 9. Integration Learning Questions

- 5 participation in, and commitment to, local ownership of the country’s development and self-reliance?
- 6 Which behaviors, systems, and incentives in the Mission were most helpful in operationalizing integration, and how can the Mission accelerate and scale these over the life of the CDCS?

Key learning priorities focus on PSE and the New Partnerships Initiative (NPI). The Mission plans to evaluate its recent engagement with the private sector to determine what worked, what did not work, lessons learned, and what should be done differently.

USAID continues to monitor and evaluate its efforts to develop the capacity of GoB entities, local CSOs, small businesses, and Bangladeshi individuals in line with the NPI framework and focus on strengthening local systems. USAID will identify NPI opportunities during the design process. As part of its commitment to capacity building, USAID will identify and strengthen local organizations that have the technical skills, local stakeholder trust, and management capacity to program USG funds.

Finally, there are a host of indices and indicators that the Mission will employ to monitor results, including but not limited to the Government Effectiveness Index Score, Universal Health Coverage Implementation Score, and “Number of human rights defenders and organizations supported.”

ANNEX

Journey to Self-Reliance Bangladesh Country Roadmap

Journey to Self-Reliance Bangladesh Country Roadmap (FY 2020)