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Bangladesh shows impressive human development gains, says global UNDP Report launched today

Report calls for stronger international cooperation in aid, trade and conflict to achieve global development goals

Dhaka, 7 September 2005: The 2005 Human Development Report, launched globally today, reveals that low income is no barrier to progress. "Bangladesh demonstrates that it is possible to sustain strong human development progress across a broad front even at relatively modest levels of income growth," says the report.

Since 1975, Bangladesh has steadily improved life expectancy, education, and the standard of living. Last year, the nation moved into the *medium developed countries category* in the Human Development Index, which ranks 177 countries according to achievements in human development. In 2005, Bangladesh is again ranked among the world's medium developed countries at number 139.

The report notes that Bangladesh's success in human development can be attributed to: active partnerships with civil society, well targeted aid and social programmes that have transferred into human development gains, extended health programmes, and improved health, education and income opportunities for women.

Over the past decade, Vietnam and Bangladesh have both accelerated the pace of child mortality reduction; Bangladesh has overtaken India. Had India matched Bangladesh's rate of reduction in child mortality over the past decade, 732,000 fewer children would die this year. This success, according to the Report, is due to district-level programmes that have integrated child health and maternal health programmes -- including immunization, diarrhea treatment and antenatal care -- into health services delivery.

Under the right conditions aid can advance human development

Under the right conditions, aid can advance human development says the report. "In Bangladesh aid has played a central role in financing school-based meals programmes designed to create incentives for parents to send their children -- especially girls -- to school. These programmes now



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reach more than 2 million children and have led to dramatic increases in school enrolments and progress towards gender parity," says the Report.

A Call to End "Perverse Taxation" from world trade policies

The Report examines the links between global aid, trade and security policies to lift the poorest out of extreme poverty. "The world's highest trade barriers are erected against some of its poorest countries," says the publication. It asserts that donor countries have failed to act on their commitment to a development agenda at the World Trade Organization (WTO).

The effective US import duty for countries like Vietnam and Bangladesh is roughly 10 times higher than for most countries in the European Union. Price distortions from export subsidies also have a direct impact on smaller producers. Between 2002 and 2003, rice grown in the United States at a cost of \$415 a tons was exported at \$275 a tons. Suffering from this "perverse taxation", rival rice exporters such as Thailand and Vietnam have to adjust to this unfair competition.

In addition to facing high barriers in developed countries, developing countries impose high trade barriers with each other. In fact, they impose even higher tariffs on each other's imports than those imposed by industrial countries. Average tariffs on low-and middle-income countries exporting to South Asia are more than 20%, says the Report.

Violent conflict is one of the surest and fastest routes to the bottom of the Human Development Index

The Report concludes that international cooperation must be reshaped in three areas: aid, trade and security. Increased aid without fairer trade rules will not be enough. More effective rules in international trade will count little in countries where violent conflict blocks opportunities to participate.

"Violent conflict is one of the surest and fastest routes to the bottom of the Human Development Index – and one of the strongest indicators for a protracted stay there", the report says. Of the 32 countries at the bottom of the HDI rankings, 22 have experience conflict since 1990, says the Report. Since 1990, developing countries have accounted for more than half of all armed conflicts.

The interactions between poverty and violent conflict in many developing countries is destroying lives on an enormous scale. Failure to build human security by ending this interaction will have global consequences, says the Report.



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"If Bangladesh is to maintain its impressive progress up the human development index, political parties need to seek common ground for effectively addressing issues of human security," UNDP Resident Representative a.i. Larry Maramis said.

"Over the past decade, Bangladesh has been a leading light in improving human development and should seek to lead the way for other countries as the world looks to achieving the Millennium Development Goals," Mr. Maramis said.

The MDGs are a series of eight time-bound goals aimed reducing poverty, hunger, disease, illiteracy, environmental degradation, combating HIV/AIDS and discrimination against women by 2015, and agreed by all UN member states in 2000.

ABOUT THIS REPORT: *Every year since 1990, the UNDP has commissioned the Human Development Report by an independent team of experts to explore major issues of global concern. A worldwide advisory network of leaders in academia, government and civil society contribute data, ideas, and best practices to support the analysis and proposals published in the Report. The concept of Human Development looks beyond per capita income, human resource development, and basic needs as a measure of human progress and also assesses such factors as human freedom, dignity and human agency, that is, the role of people in development. The Human Development Report 2005 argues that development is ultimately "a process of enlarging people's choices," not just raising national incomes.*

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For further information please contact: Ms. Lisa Hiller, via email: lisa.hiller@undp.org, ph: 811 8600, ext. 2043, mob: 011812042, or Mr. Sakil Faizullah via email: sakil.faizullah@undp.org, ph: 811 8600, ext. 2415, mob: 011 812046.