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**A Report on Export Receipts, Import Payments,
Remittances Inflow and Foreign Direct
Investment Net Inflow of Bangladesh with
SAARC countries**



FY 2023-24

**SAARC Finance Database Cell
Statistics Department
Bangladesh Bank**



A Report on Export Receipts, Import Payments, Remittances Inflow and Foreign Direct Investment Net Inflow with SAARC countries



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A Report on Export Receipts, Import Payments, Remittances Inflow and Foreign Direct Investment Net Inflows of Bangladesh with SAARC countries (2023-2024)

1. Introduction

SAARCFINANCE, a regional network aimed at fostering the exchange of expertise in macroeconomic policy matters among South Asian Association for Regional Cooperation (SAARC) member nations, was inaugurated on September 9, 1998. This initiative, known as the South Asian Association for Regional Cooperation Finance, draws attention to the commitment to sharing macroeconomic policy insights among participating countries in South Asia. Bangladesh Bank established the SAARCFINANCE cell within its Research Department in 1998, followed by the establishment of the SAARCFINANCE Database Unit within the Statistics Department on December 21, 2014. Subsequently, in 2019, this unit was renamed the SAARCFINANCE Database Cell, reflecting the ongoing evolution and expansion of its scope and activities.

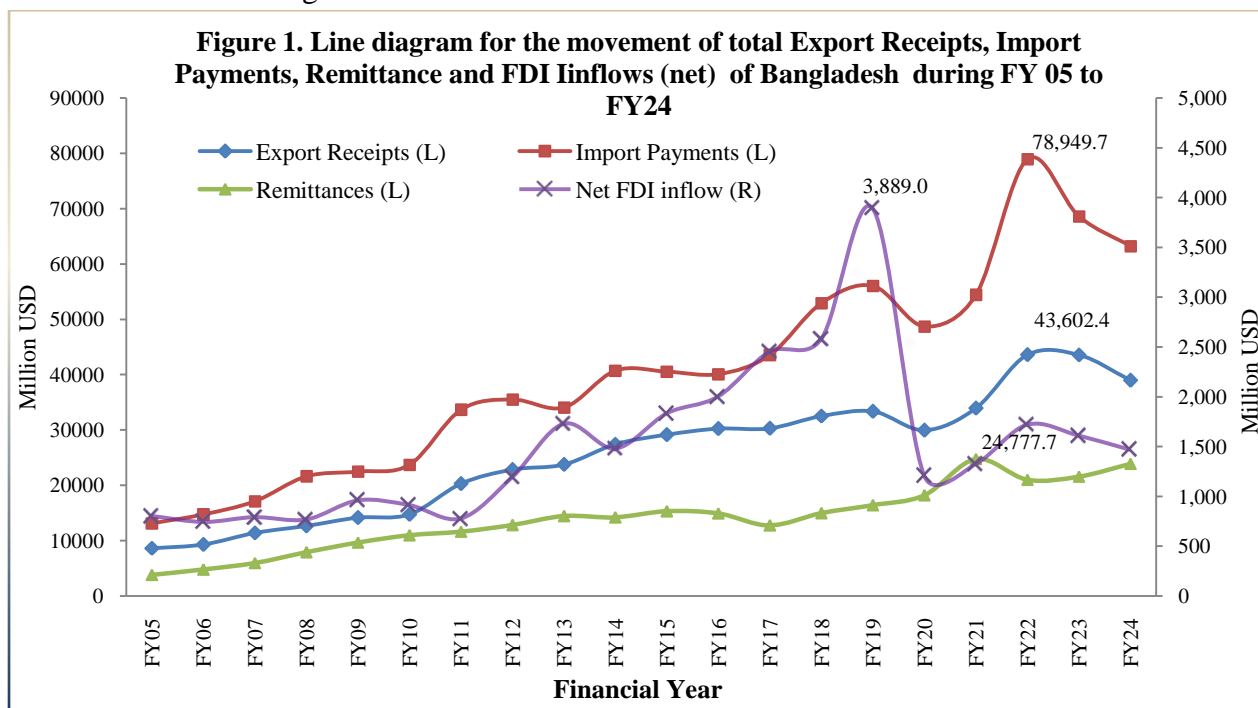
The SAARCFINANCE database cell at Bangladesh Bank diligently collects and compiles a range of economic, social, rate and ratio variables from Bangladesh to continually update the comprehensive SAARCFINANCE database. This database undergoes regular updates, draws from monthly, quarterly and annual data. It encompasses 69 (Economic-40 and ratio/rates-29) monthly variables, 104 (Economic-92 and ratio/rates-12) quarterly variables, and 215 (Economic-137, ratio/rates-48, and socio-economic-30) annual variables covering economic, ratio/rate and socio-economic facets.

This report examines Bangladesh's trade interactions with SAARC member countries, focusing on export receipts (goods only), import payments (goods only), wage earner remittances inflow and foreign direct investment (FDI) net inflow. It begins by providing an overview of Bangladesh's overall export earnings, import payments, remittances and foreign direct investment net inflow situation. Afterwards, it delves into specific details: first, exploring the nuances of export earnings from SAARC countries, followed by an in-depth analysis of Bangladesh's import payments to SAARC nations. The report then focuses on the remittance inflow and foreign direct investment (FDI) net inflow into Bangladesh from SAARC countries. Finally, it culminates with a conclusive summary of the essential findings and insights from the analysis.

2. The overall export earnings, import payments, remittances and Foreign Direct Investment (FDI) net Inflows of Bangladesh

There is a noticeable upward trend in export earnings from FY 2004-05 to FY 2023-24, with minor fluctuations in specific years. A significant leap in export receipts is observed, particularly from FY 2010-11 onwards, reaching a peak in FY 2021-22 at US\$ 43,602.4 million. Similar to export receipts, import payments show an upward trajectory over the years with intermittent fluctuations. Import payments figures notably surge from FY 2010-11 onwards, hitting a high of US\$ 78,949.7 million in FY 2021-22, indicating a substantial increase in import payments over

this period. Remittance depicts a consistent rise from FY 2004-05 to FY 2023-24, though with variations in growth rates across different years. There is a steady increase in remittance inflow into Bangladesh, reaching highest US\$ 24777.71 million in FY 2020-21 and US\$ 23912.22 million in FY 2023-24. Foreign Direct investment net Inflow shows upward trend upto FY 2018-19 and reaching highest US\$ 3889.00 million. This data has been revised as per BPM 6 guideline in FY 2019-20 onward, resulting noticeable drop to US\$ 1206.34 Million. This change is due to exclusion of previously included losses. The earlier data sets included these losses, which contributed to higher values.



Source: Statistics Department, Bangladesh Bank

Figure 1. Diagram for the movement of total Export Receipts, Import Payments, Inward Remittance and FDI net inflow for Bangladesh during FY 2004-05 to FY 2023-24.

FootNote: 1. Alphabet (L) implies scale aligned in Left side and Alphabet (R) implies scale aligned in Right side of the chart.

2. FDI inflow has been calculated including loss till FY 2018-19 but excluding loss afterwards from FY 2019-20 as per BPM 6 guideline.

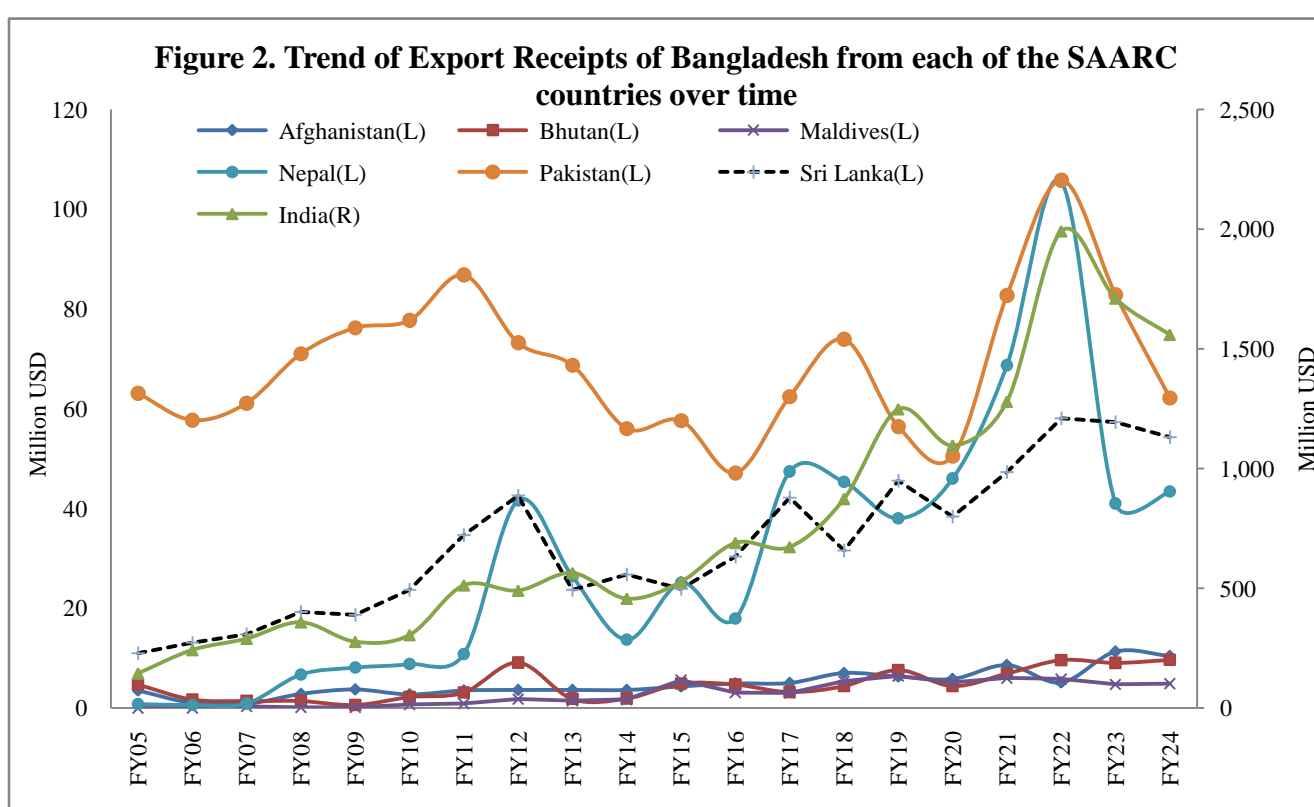
Overall, export receipts and import payments exhibit a general upward trend, demonstrating an expanding trade scenario for Bangladesh. After FY 2021-22 export receipts, import payments and FDI inflows are decreasing continuously although inward remittance remains increasing in order. There is a trade deficit, with import payments consistently surpassing export earnings throughout the observed period. However, inward remittances demonstrate steady growth, indicating a consistent inflow of funds from overseas sources, which is significant for the stability of the country's economy.

In FY 2010-11 and FY 2021-22, export receipts and import payments stand out with notable peaks, suggesting significant economic activities in those years. On the other hand, in FY 2019-20, export receipts, import payments and FDI net inflows fall down considerably due to the COVID-19 pandemic, and after that, they bounced back in FY 2020-21. This data indicates Bangladesh's increasing involvement in international trade and investment, a growing reliance on imports, and a steady rise in inward remittances, collectively shaping its economic landscape.

3. Export receipts from SAARC countries of Bangladesh

Figure 2 illustrates that India stands out as the primary destination for Bangladesh's export receipts within the SAARC region, showing substantial growth over the years. Although export receipts generated from some other countries indicate consistent growth, but export earnings from some other countries show fluctuation possibly influenced by economic factors, trade agreements, or specific industries.

Export receipts from India notably escalated from FY 2004-05 to FY 2023-24, reaching US\$ 1558.99 million in FY 2023-24. Export receipts from Pakistan display oscillation over the years, peaking at US\$ 105.80 million in FY 2021-22. Export earnings from Nepal exhibits an increasing trend with significant growth especially from FY 2010-11 to FY 2021-22, reaching highest in FY 2021-22 at US\$ 105.50 million and then dramatically falling down at US\$ 43.38 million in FY 2023-24.



Source: Statistics Department, Bangladesh Bank

Figure 2. Export receipts trend in million US\$ of Bangladesh from each of the SAARC countries during the period FY 2004-05 to FY 2023-24.

Note: Alphabet (L) implies scale aligned in Left side and Alphabet (R) implies scale aligned in Right side of the chart.

Export receipts of Bangladesh from Sri Lanka have been steadily increasing, which reached US\$ 57.30 million in FY 2022-23. The export earnings from Afghanistan, Bhutan and Maldives experienced a stagnant situation over the period. The details aforementioned description has been illustrated in Figure 2. The corresponding table associated with Figure 2 is given in the following section.

Table 1. Export Receipts of Goods of Bangladesh generated from SAARC region along with global figure respectively during FY 2021-22 to FY 2023-24

(Figure in Million US\$)

Export Receipts (1)	2023-24 (2)	2022-23 (3)	2021-22 (4)	Changes along with growth	
				(2)-(3)	(3)-(4)
A. From SAARC region	1743.8	1915.8	1933.0	-172.0 (-8.98)	-17.2 (-0.89)
B. From all countries	38995.6	43571.7	43602.4	-4576.1 (-10.50)	-30.7 (-0.07)
Share (%) of SAARC with respect to Total Export Receipts	4.47	4.40	4.43		

Source: Statistics Department, Bangladesh Bank.

Note: Figure within parenthesis indicates percentage growth

Table 1 presents figures of export receipts of goods of Bangladesh generated from SAARC countries along with from all countries respectively during the three consecutive financial years from FY 2021-22 to FY 2023-24. Here, movement as well as growth of export receipts of Bangladesh generated from both SAARC region and globally results in decreasing in order although percentage shares of export earnings due for SAARC region out of total export receipts are 4.43, 4.40 and 4.47 respectively in FY 2021-22, FY 2022-23 and FY 2023-24 .

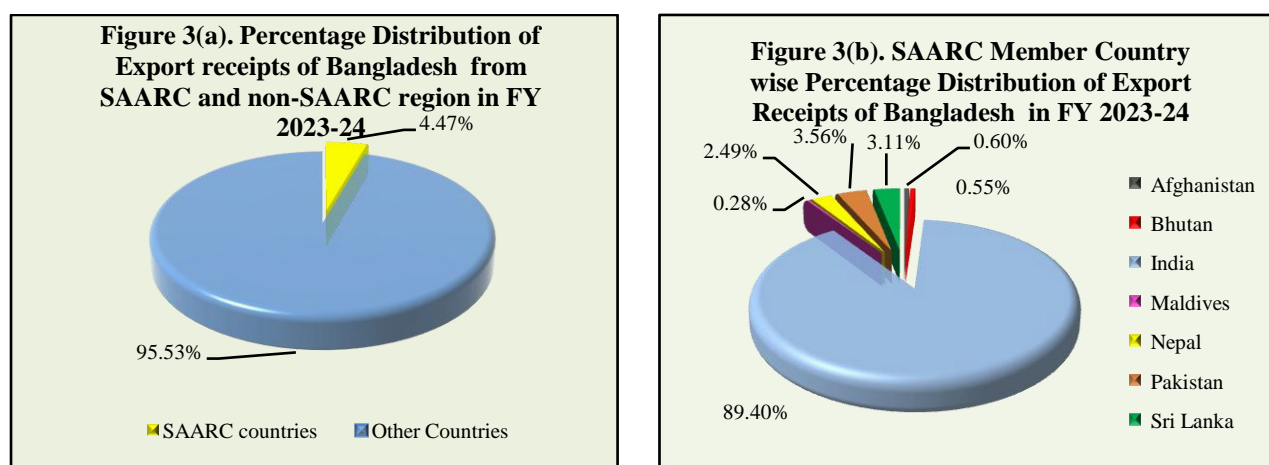


Figure 3. (a) The distribution of export receipts in percentage of Bangladesh due for SAARC and non-SAARC region during FY 2023-24 (b) SAARC member country wise distribution of export receipts in percentage of Bangladesh during FY 2023-24.

In FY 2023-24, total export receipts of goods of Bangladesh from both SAARC and non-SAARC region summed up to US\$ 38995.6 million while for only SAARC region reached at US\$ 1743.8 million. Here, only 4.47% export receipts originated from SAARC region, with the remaining 95.53% from non-SAARC region. Among the SAARC member countries, the percentage distribution of export receipts is as follows: 89.40% from India, 3.56% from Pakistan, 3.11% from Sri Lanka, 2.49% from Nepal, and negligible amounts from the remaining three countries.

Table 2 displays commodity-wise export receipts of Bangladesh from each of the SAARC member countries, including Afghanistan, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka, for FY 2022-23 and FY 2023-24.

The export receipts of Bangladesh from India decreased from USD 1710.62 million in FY 2022-23 to USD 1558.99 million in FY 2023-24, showing a negative growth of 8.86%. Also, exports receipts of Bangladesh from Pakistan decreased from USD 82.85 million in FY 2022-23 to USD 62.14 million in FY 2023-24 which shows a negative growth of 24.99%.

Moreover, exports receipts of Bangladesh from Nepal increased from USD 40.98 million in FY 2022-23 to USD 43.38 million in FY 2023-24 which shows a positive growth of 2.58%. Exports receipts of Bangladesh from Sri Lanka decreased from USD 57.30 million in FY 2022-23 to USD 54.30 million in FY 2023-24, reflecting a negative growth of 5.24%. On the contrary, export receipts of Bangladesh from the remaining SAARC countries such as Afghanistan, Bhutan and Maldives experienced negligible positive growth.

Table 2. Commodity-wise export earnings from each of the SAARC Countries during FY 2022-23 and FY 2023-24.

(Figure in Million US\$)

Countries/Commodities	FY 2022-23		FY 2023-24	
	Amount	Percentage	Amount	Percentage
01. Afghanistan	10.26	100	10.42	100
a. Products of the chemical or allied industries	8.91	86.8	9.94	95.4
b. Textile and textile articles	0.98	8.6	0.10	1
c. Prepared foodstuffs, beverages, spirits, vinegar, tobacco, and manufactured tobacco substitutes	0.32	3.1	0.36	3.5
d. Others	0.15	1.5	0.02	0.1
02. Bhutan	9.05	100	9.64	100
a. Prepared foodstuffs, beverages, spirits, vinegar, tobacco, and manufactured tobacco substitutes	3.89	43	4.18	43.4
b. Textile and textile articles	1.74	19.3	1.78	18.5
c. Mineral products	1.35	14.9	1.39	14.4
d. Product of the chemical or allied industries	0.83	9.2	0.84	8.7
e. Plastic and other articles thereof	0.36	4	0.44	4.6
f. Base metals and articles of base metals	0.29	3.2	0.31	3.2
g. Others	0.59	6.4	0.70	7.3
03. India	1710.62	100	1558.99	100
a. Textile and textile articles	1069.10	62.5	963.39	61.8
b. Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes	110.92	6.5	68.81	4.4

Countries/Commodities	FY 2022-23		FY 2023-24	
	Amount	Percentage	Amount	Percentage
c. Raw hides and skins, leather and articles thereof; saddler and harness; travel goods, handbags and similar	98.32	5.7	96.31	6.2
d. Prepared foodstuffs; beverages, spirits and vinegar; tobacco and manufactured tobacco substitutes	73.51	4.3	59.96	3.8
e. Plastic and rubber articles thereof	61.31	3.6	52.29	3.4
f. Live animals and animal products	61.11	3.6	53.12	3.4
g. Base metals and articles of base metal	50.77	3.0	64.63	4.1
h. Products of the chemical or allied industries	44.04	2.6	46.23	3
i. Footwear, headgear, umbrellas, sun umbrellas, walking sticks, seat-sticks, whips, riding-crops and parts thereof	37.99	2.2	52.77	3.4
j. Mineral products	36.81	2.2	25.97	1.7
k. Machinery and machinery appliances; electrical equipment; parts thereof; sound recorders and	18.17	1.1	9.60	0.6
l. Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard; paper	16.44	1	17.24	1.1
m. Articles of stone, plaster, cement, asbestos, mica or similar materials; ceramic products; glass and glassware	11.96	0.7	7.10	0.5
n. Vehicles, aircraft, vessels and associated transport equipment	3.93	0.2	0.12	0.01
o. Vegetable products	3.18	0.2	30.39	1.9
p. Others	13.09	0.6	11.06	0.69
04. Maldives	4.76	100	4.89	100
a. Prepared foodstuffs; beverages, spirits and vinegar; tobacco and manufactured tobacco substitutes	1.70	35.8	1.58	32.3
b. Vegetable products	1.20	25.1	0.20	4.1
c. Products of the chemical or allied industries	0.71	14.9	0.82	16.8
d. Live animals and animal products	0.64	13.4	0.51	10.4

Countries/Commodities	FY 2022-23		FY 2023-24	
	Amount	Percentage	Amount	Percentage
e. Textiles & textile articles	0.30	6.7	0.40	8.2
f. Others	0.20	4.1	1.34	27.4
05. Nepal	40.98	100	43.38	100
a. Prepared foodstuffs; beverages, spirits and vinegar; tobacco and manufactured tobacco substitutes	15.25	37.2	6.22	14.3
b. Textile and textile articles	10.88	26.5	16.30	37.6
c. Vehicles, aircrafts, vessels, and associated transport equipments	0.0	0.0	10.0	23.1
d. Products of the chemical or allied industries	5.68	13.9	4.57	10.5
e. Machinery and machinery appliances; electrical equipment; parts thereof; sound recorders and	4.12	10	2.84	6.5
f. Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard; paper	1.88	4.6	1.79	4.1
g. Vegetable products	1.22	3.0	0.20	0.5
h. Plastic and rubber articles thereof	0.44	1.1	0.22	0.5
i. Mineral products	0.37	0.9	0.31	0.7
j. Others	1.15	2.8	0.97	2.2
06. Pakistan	82.85	100	62.14	100
a. Textile and textile articles	61.44	74.2	36.71	59.1
b. Products of the chemical or allied industries	11.26	13.6	15.09	24.3
c. Prepared foodstuffs; beverages, spirits and vinegar; tobacco and manufactured tobacco substitutes	3.88	4.7	3.92	6.3
d. Plastic and rubber articles thereof	1.42	1.7	1.36	2.6
e. Machinery and machinery appliances; electrical equipment; parts thereof; sound recorders and	1.03	1.2	0.89	1.4
f. Vegetable products	0.87	1.1	0.90	1.4
g. Base metals and articles of base metal	0.62	0.7	0.05	0

Countries/Commodities	FY 2022-23		FY 2023-24	
	Amount	Percentage	Amount	Percentage
h. Footwear, headgear, umbrellas, sun umbrellas, walking sticks, seat-sticks, whips, riding-crops and parts thereof	0.50	0.7	0.33	0.5
i. Others	1.80	2.1	2.89	4.7
07. Sri Lanka	57.3	100	54.3	100
a. Products of the chemical or allied industries	25.76	45	25.04	46.1
b. Textile and textile articles	21.78	38	23.71	43.7
c. Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard; paper	3.11	5.4	1.14	2.1
d. Vegetable products	2.36	4.1	0.46	0.8
e. Plastic and rubber articles thereof	1.28	2.2	1.93	3.6
f. Prepared foodstuffs; beverages, spirits and vinegar; tobacco and manufactured tobacco substitutes	1.26	2.2	1.17	2.2
g. Machinery and machinery appliances; electrical equipment; parts thereof; sound recorders and	0.85	1.5	0.16	0.3
h. Footwear, headgear, umbrellas, sun umbrellas, walking sticks, seat-sticks, whips, riding-crops and parts thereof	0.43	0.7	0.26	0.5

Source: Statistics Department, Bangladesh Bank

Table 2 presents commodity-wise export receipts of Bangladesh along with percentage from each of the SAARC member countries during FY 2022-23 and FY 2023-24. Regarding the export destination pattern, the India was the buyer among the SAARC countries who bought goods worth US\$ 1558.99 million during the year under review as compared to US\$ 1710.62 million in the previous year 2022-23. Pakistan was the second largest buyer of Bangladeshi goods among the SAARC countries, which amounted to US\$ 62.14 million during the year under review as compared to US\$ 82.85 million in year 2022-23. The other trading partners among SAARC region was the Sri Lanka, Nepal, Afghanistan, Bhutan and Maldives followed by descending order of magnitude of export receipts of Bangladesh and accounted for US\$ 54.30 million, US\$ 43.38 million, US\$ 10.42 million, US\$ 9.64 million, US\$ 4.89 million respectively in year 2023-24.

4. Import payments from Bangladesh to SAARC countries

Table 3 presents figures of import payments of goods from Bangladesh to SAARC countries along with global total respectively during the three consecutive financial years from FY 2021-22 to FY 2023-24. Here, movement as well as growth of import payments from Bangladesh to both SAARC region and globally results in decreasing in order of magnitude although percentage shares of import payments due for SAARC region out of global total import payments are 18.91, 15.07 and 15.44 respectively in FY 2021-22, FY 2022-23 and FY 2023-24.

Table 3. Import Payments of Goods of Bangladesh to SAARC region along with all countries respectively during FY 2021-22 to FY 2023-24.

(Figure in Million US\$)

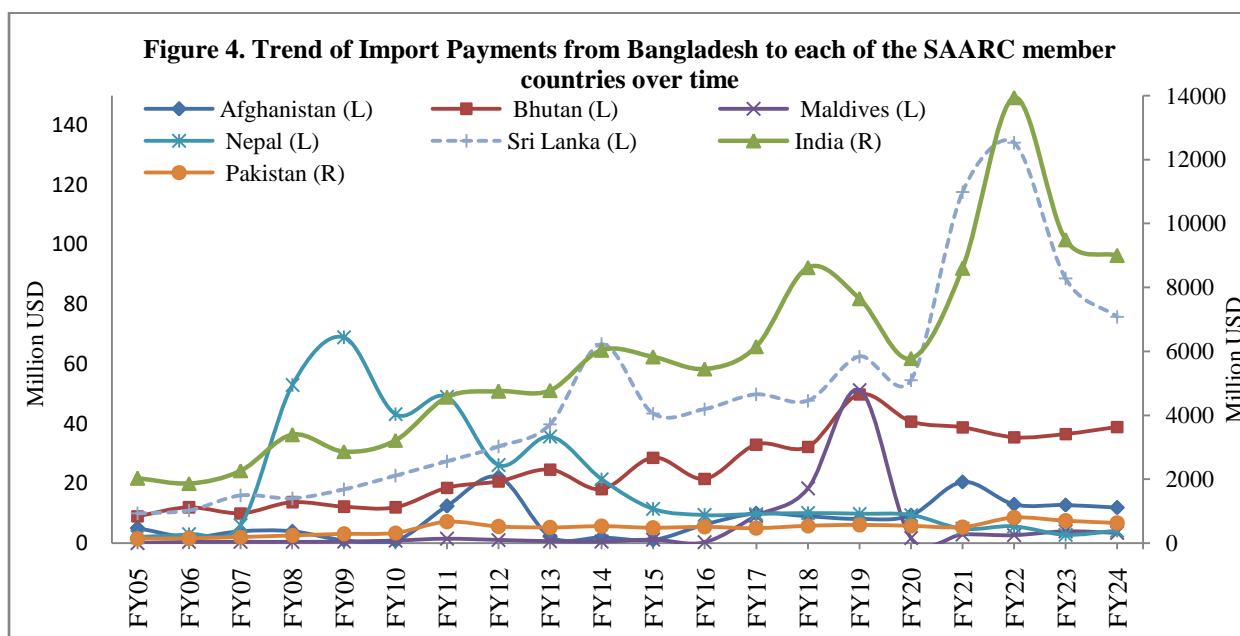
Import Payments (1)	2023-24 (2)	2022-23 (3)	2021-22 (4)	Changes along with growth	
				(2)-(3)	(3)-(4)
A. To SAARC region	9762.5	10336.0	14932.8	-573.5 (-5.55)	-4596.8 (-30.38)
B. To all countries	63226.1	68600.8	78949.7	-5374.7 (-7.83)	-10348.9 (-13.10)
Share (%) of SAARC with respect to Total Import Payments	15.44	15.07	18.91		

Source: Statistics Department, Bangladesh Bank.

Note: Figure within parenthesis indicates percentage growth

Figure 4 highlights the overall movement of import payments of Bangladesh due for SAARC countries showing fluctuations across during the period FY 2004-05 to FY 2023-24. Import payments from Bangladesh to India fluctuated significantly from FY 2004-05 to FY 2023-24, reaching a maximum of USD 13,940.12 million in FY 2021-22, and then decreased to USD 9000.10 million in FY 2023-24. On the contrary, overall import payments from Bangladesh to Pakistan remains stagnant over the period of study reaching a maximum of USD 801.02 million in FY 2021-22 and then decreased to USD 627.80 million in FY 2023-24. Import payments from Bangladesh to Sri Lanka demonstrates clearly an upward trend, reaching a maximum of USD 134.24 million in FY 2021-22 and then decreased to USD 75.90 million in FY 2023-24. In a nut shell, Bangladesh purchased maximum amount of goods from its partner countries within the SAARC region in FY 2021-22 as compared to the other time period.

However, import payments from Bangladesh to Nepal exhibited clearly a downward trend during the period under review, whereas import payments from Bangladesh to Bhutan showed slightly an upward trend during the entire period under review. It is noticeable that import payments from Bangladesh to Afghanistan and Maldives showed almost a flat line during the entire period of study.

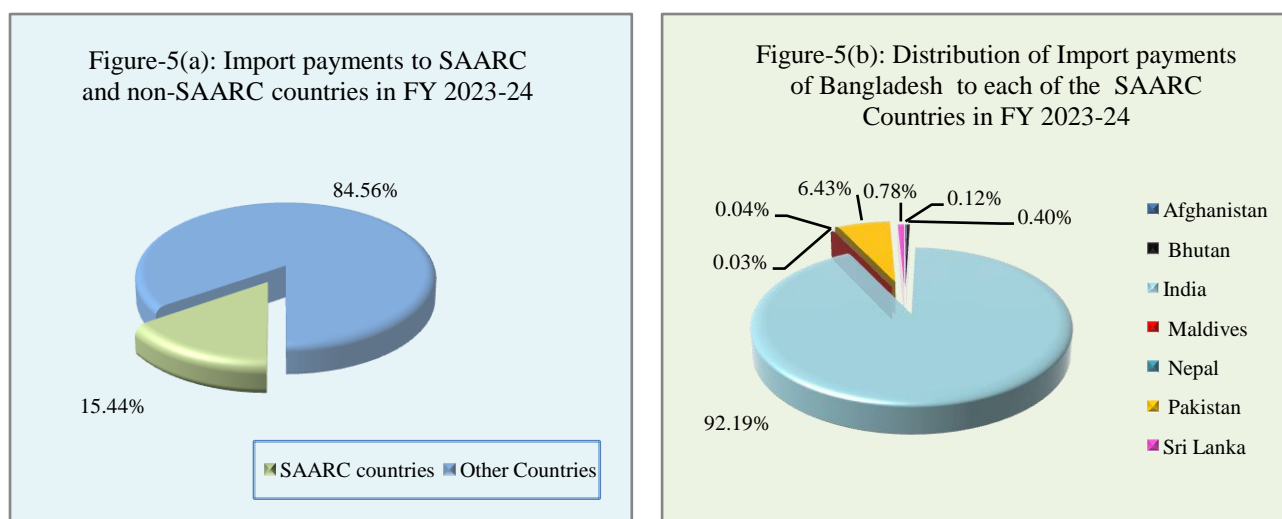


Source: Statistics Department, Bangladesh Bank

Figure 4. Import payments trend presented in million US\$ from Bangladesh to each of the SAARC countries during the period FY2004-05 to FY2023-24.

Bangladesh has seen remarkable growth in its export earnings, witnessing substantial peaks in FY 2010-11 and FY 2023-24, notably driven by increased trade activities. The country's reliance on imports has grown steadily, resulting in a persistent trade deficit, albeit balanced by the steady inflow of remittances, which play a pivotal role in stabilizing the economy.

In FY 2023-24, total import payments from Bangladesh to all its partner countries around the world, including EPZ imports, stood at USD 63226.1 million (Table 3). However, only 15.44% out of the total import payments were directed towards SAARC region, with the remaining 84.56% allocated for countries within the non-SAARC region. Within the SAARC region, the distribution of import payments from Bangladesh is as follows: 92.19% to India, 6.43% to Pakistan, and the rest to the remaining five SAARC member countries.



Source: Statistics Department, Bangladesh Bank

Figure 5: (a) The distribution of import payments in percentage of Bangladesh due for SAARC and non-SAARC region during FY 2023-24 **(b)** SAARC member country wise distribution of import payments in percentage from Bangladesh during FY 2023-24.

Table 4 illustrates a comparative analysis of the import payments due for various commodities from SAARC countries to Bangladesh for the fiscal years FY 2022-23 and FY 2023-24. The total import payments decreased from USD 10,335.98 million in FY 2022-23 to USD 9762.50 million in FY 2023-24, reflecting a decline of approximately 5.6% in total import payments during the period. More specifically, import payments to India decreased significantly from USD 9492.45 million in FY 2022-23 to USD 9000.15 million in FY 2023-24, indicating a substantial decline of approximately 5.2%. In addition, in terms of amount of import payments to Pakistan the value decreased from USD 698.65 million to USD 627.78 million, reflecting a decrease of around 10.1% in FY 2023-24 over FY 2022-23. The remaining SAARC countries' share of import payments is considerably small and negligible which shows a mixed trend during that period.

The data suggests a notable shift in import payments dynamics, with Bangladesh importing less from its neighboring SAARC countries. Various factors, including economic conditions, trade policies, or other geopolitical considerations may be considered to influence this situation.

Table 4. Commodity-wise import payments from Bangladesh to each of the SAARC Countries during FY 2022-23 and FY 2023-24.

Country / Commodities	Amount in million US\$			
	FY 2022-23		FY 2023-24	
	Amount	Percentage	Amount	Percentage
Afghanistan	12.80	100.0	11.95	100.0
a) Vegetable Products	12.69	99.1	11.88	99.4
b) Others	0.11	0.9	0.07	0.6
Bhutan	36.63	100.0	38.99	100.0
a) Vegetable Products	19.02	51.9	14.78	37.9
b) Mineral Products	15.91	43.4	22.38	57.4
c) Beverages, Spirits and vinegar; Tobacco and tobacco substitutes	1.52	4.1	1.44	3.7
d) Others	0.18	0.5	0.39	1.00
India	9492.45	100.0	9000.15	100.0
a) Textiles & Textile Articles	2237.74	23.6	2699.61	30.0
b) Vegetable Products	1689.55	17.8	956.21	10.6
c) Beverages, Spirits and vinegar; Tobacco and tobacco substitutes	1095.58	11.5	816.36	9.1
d) Products of the Chemical or Allied Industries	1036.97	10.9	1046.95	11.6
e) Mineral Products	804.24	8.5	1186.59	13.2
f) Machinery and mechanical appliances	758.72	8.0	612.49	6.8
g) Base Metals & Articles of Base Metal	688.58	7.3	687.74	7.6
h) Vehicles, Aircraft, Vessels and Associated	486.12	5.1	388.28	4.3
i) Plastics & Rubber Articles	372.1	3.9	340.32	3.8
j) Pulp of wood or of other fibrous cellulosic material	107.66	1.1	80.56	0.9
k) Live Animals and Animal Products	66.00	0.7	59.00	0.7
l) Others	149.19	1.6	126.04	1.4
Maldives	3.97	100.0	3.47	100.0
a) Live Animals and Animal Products	2.01	50.6	0.23	6.6
b) Beverages, Spirits and vinegar; Tobacco and tobacco substitutes	1.74	43.8	3.20	92.2
c) Others	0.22	5.5	0.04	1.2
Nepal	2.78	100.0	4.23	100.0
a) Vegetable Products	2.47	88.8	2.02	47.8
b) Beverages, Spirits and vinegar; Tobacco and tobacco substitutes	0.18	6.5	0.81	19.1
c) Products of the chemical or allied industries	0.03	1.1	1.36	32.2
d) Others	0.10	3.6	0.04	0.9

Amount in million US\$

Country / Commodities	FY 2022-23		FY 2023-24	
	Amount	Percentage	Amount	Percentage
Pakistan	698.65	100.0	627.78	100.0
a) Textiles & Textile Articles	594.41	85.1	499.90	78.6
b) Mineral Products	32.91	4.7	49.10	7.8
c) Products of the Chemical or Allied Industries	26.82	3.8	34.48	5.5
d) Raw Hides and Skins, Leather and allied products	9.21	1.3	6.73	1.1
e) Others	35.3	5.1	37.57	6.0
Sri Lanka	88.70	100.0	75.93	100.0
a) Textiles & Textile Articles	35.85	40.4	32.52	42.8
b) Base Metals & Articles of Base Metal	12.74	14.4	8.51	11.2
c) Pulp of wood or of other fibrous cellulosic material	12.25	13.8	8.90	11.7
d) Products of the Chemical or Allied Industries	9.59	10.8	10.93	14.4
e) Plastics & Rubber Articles	5.44	6.1	4.72	6.2
f) Mineral Products	4.69	5.3	1.78	2.3
g) Beverages, Spirits and vinegar; Tobacco and tobacco substitutes	2.53	2.9	3.45	4.5
h) Vegetable Products	2.24	2.5	2.02	2.7
i) Machinery and mechanical appliances	1.99	2.2	2.25	3.0
j) Others	1.38	1.6	0.85	1.1
Grand total	10335.98		9762.50	

Source: Statistics Department, Bangladesh Bank.

5. Remittance inflow from SAARC countries to Bangladesh

Bangladesh is one of the salient countries in the South East Asian region which earns a great deal of wage earners remittances every year. Although the vast amount of the remittances we are earning from the Middle East, the European Union, and North American region, nevertheless the remittance inflow from SAARC countries is negligible as compared to the overall remittance inflow in Bangladesh. The percentage of remittance inflow from SAARC region out of the total remittance inflow in Bangladesh is approximately less than 1%. In FY 2023-24, the total remittance inflow in Bangladesh is US\$ 23912.22 million while for SAARC countries it is only US\$ 82.98 million. The entire scenario of remittance inflow from SAARC countries is depicted in Figure 6 (a) and 6(b) in the following section.

Within SAARC region, the maximum proportion of remittances comes from the Maldives and which is 68.6%, while it is only 23.1% from India, and 5.3% from Bhutan. Remittance inflows from other SAARC countries are considerably negligible. Remittance inflows from the Maldives, India, Bhutan and Afghanistan chronologically from largest to lowest have been increased in FY 2023-24 as compared to FY 2022-23.

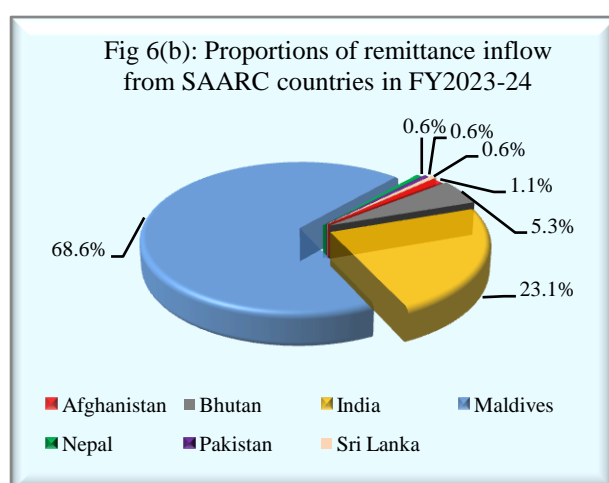
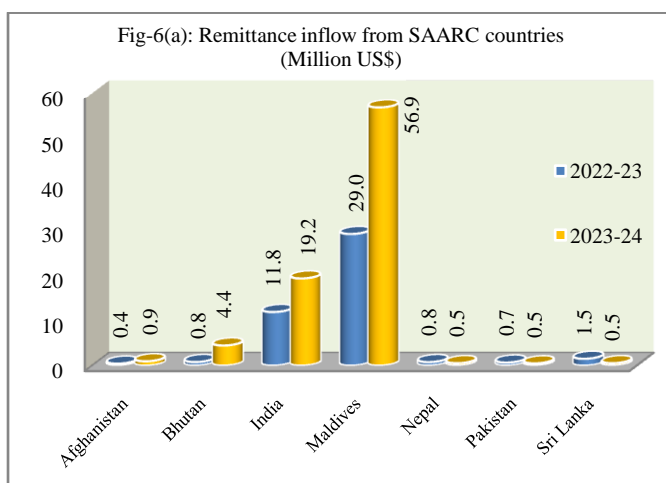


Figure 6: Remittances inflow from SAARC countries to Bangladesh.

Source: Statistics Department, Bangladesh Bank.

6. Foreign Direct Investment (FDI) net inflow from SAARC countries to Bangladesh

Table 5 presents figures of Foreign Direct Investment (FDI) net inflow into Bangladesh from SAARC region along with global respectively during the three consecutive financial years from FY 2021-22 to FY 2023-24. Here, although amount of FDI net inflow into Bangladesh from SAARC region surges up in FY 2023-24 and which is USD 238.3 million as compared to FY 2022-23 however overall amount of FDI net inflow into Bangladesh from all countries including SAARC region deteriorates in FY 2023-24 as compared to previous year. In addition, the growth of FDI net inflow into Bangladesh from globally has been decreased consecutively from FY 2021-22 to FY 2023-24 but the growth of FDI net inflow into Bangladesh from SAARC region has been counted more than double in FY 2023-24 as compared to just preceding year. Moreover, the share of FDI net inflow applicable for SAARC region out of the overall FDI net inflow from all countries has been risen up in FY 2023-24 but decreased in FY 2022-23 as compared to their preceding year respectively.

Table 5. Foreign Direct Investment (FDI) inflow from SAARC region to Bangladesh along with all countries respectively during FY 2021-22 to FY 2023-24.

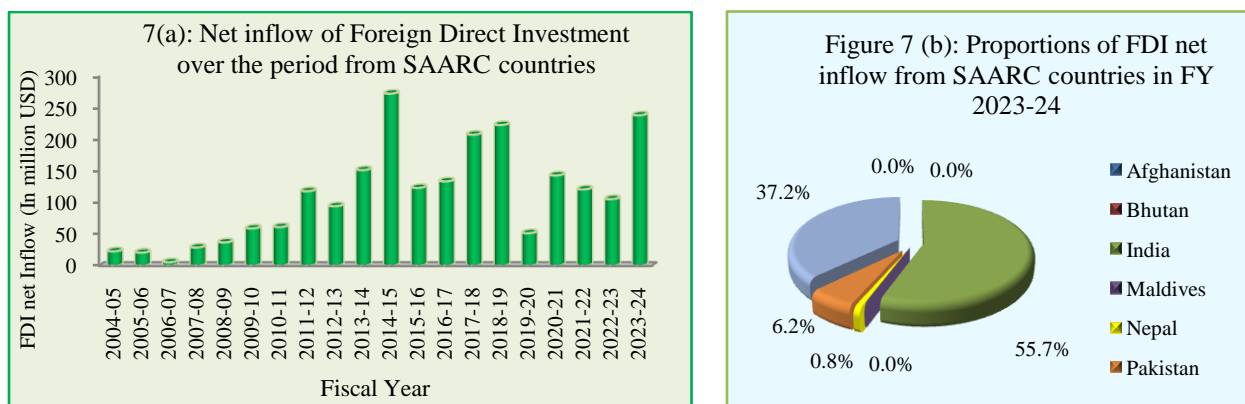
(Figure in Million US\$)

FDI net inflow (1)	2023-24 (2)	2022-23 (3)	2021-22 (4)	Changes along with growth	
				(2)-(3)	(3)-(4)
A. From SAARC region	238.3	105.7	121.2	132.6 (125.4)	-15.5 (-12.8)
B. From all countries	1468.2	1609.8	1721.1	-141.6 (-8.8)	-111.3 (-6.5)
Share (%) of SAARC with respect to Total FDI	16.2	6.6	7.0		

Source: Statistics Department, Bangladesh Bank.

Note: Figure within parenthesis indicates percentage growth

Figure 7 (a) and 7 (b) presents bar diagram of net FDI inflow into Bangladesh from SAARC region as well as pie chart using the distribution of net FDI inflow from each of the SAARC countries individually into Bangladesh. It is important to note that net FDI inflow has been calculated including loss till FY 2018-19 but excluding loss afterwards from FY 2019-20 as per BPM 6 guideline. According to Figure 7 (b), the amount of FDI inflow in descending order of magnitude is accounted for by India, Sri Lanka and Pakistan are USD 132.8 million (55.7%), USD 88.7 million (37.2%) and USD 14.8 million (6.2%) respectively.



Source: Statistics Department, Bangladesh Bank.

Figure 7: (a) Net inflow of Foreign Direct Investment (FDI) inflow from SAARC region to Bangladesh over the period under study (b). The distribution of net FDI inflow to Bangladesh in percentage from each of the SAARC member countries in FY 2023-24.

7. Discussion

This report has been organized into several sections aiming to discuss about some key indicators of external sector of Bangladesh with respect to SAARC region such as export receipts, import payments, wage earners remittance and net inflow of Foreign Direct Investment. First of all, section 1 presents some introductory discussion about the activities of SAARC Finance Database Cell. Secondly, section 2 discussed about the overall export earnings, import payments and remittances of Bangladesh. Here, we noticed that export earnings, import payments as well as remittance inflow to Bangladesh are increasing in order (i.e., upward trend) over the period of time. Thirdly, section 3 discussed about the year wise export earnings of Bangladesh from each of the individual country under SAARC region over the period of time. Here, it is noticeable that India is a largest country of destination of Bangladeshi goods among all the countries under SAARC region. Moreover, after India, the second, third and fourth largest countries of destination of Bangladeshi goods are Pakistan, Nepal and Sri Lanka within SAARC region. On the contrary, the export earnings of Bangladesh from Afghanistan, Bhutan and Maldives experienced a stagnant situation over the period of time. The detail scenario has been presented in Figure 2. Export earnings of Bangladesh from both SAARC region as well as all countries of the world experienced negative growth rate during the FY 2021-22 to FY 2023-24. In addition, the percentage shares of export earnings due for SAARC region out of total global export receipts are 4.47, 4.40 and 4.43 respectively in FY 2021-22, FY 2022-23 and FY 2023-24. Table 2 presented commodity-wise export earnings along with percentage from each of the SAARC countries during FY 2022-23 and FY 2023-24. It is important to mention that Bangladesh

exports a limited number of goods within SAARC region. Thus, the authority like Export Promotion Bureau and Bangladesh Bank should take effective initiative to boost up the export earnings from SAARC region by selling diversified Bangladeshi goods. The authority should review the main obstacles against the way of selling diversified Bangladeshi goods to SAARC countries and mitigate the obstacles aiming to delineate the trade deficit. However, section 4 discussed import payments from Bangladesh to SAARC countries. The respective authority should take appropriate policy to reduce the amount of imported goods from SAARC countries by raising indigenous production of such goods to meet up the demand of people of Bangladesh. As like section 3, the details of import payments from Bangladesh to SAARC countries are given in Figure 4 and in Table 3 and 4. Similarly, Section 5 and 6 presented remittance inflow and Foreign Direct Investment inflow in Bangladesh from SAARC countries respectively.

8. Conclusion

In conclusion, while Bangladesh exhibits positive economic growth and trade expansion, there is room for further exploration of opportunities and mitigation of challenges, especially within the SAARC region. Strengthening regional cooperation and addressing trade imbalances will be essential for sustainable economic development. In essence we do believe, this review will be helpful and fruitful for all stakeholders associated it such as policy maker, researcher, business analyst, and general user.

9. References:

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(<https://www.bb.org.bd/en/index.php/publication/publicctn/1/30>)

Time Series Data of Bangladesh with SAARC Countries

(Figure in Million USD)

Countries	FY 05	FY 06	FY 07	FY08	FY 09	FY 10	FY 11
A. Exports Receipts	8654.5	9332.3	11433.9	12685.40	14170.70	14763.80	20313.80
Of which SAARC region	227.30	316.10	368.70	459.40	384.00	420.40	652.30
Afghanistan	3.50	1.00	0.80	2.80	3.70	2.70	3.50
Bhutan	4.70	1.70	1.40	1.40	0.60	2.20	3.10
India	144.20	242.00	289.40	358.10	276.60	304.60	512.50
Maldives	0	0	0.30	0.10	0.10	0.70	0.90
Nepal	0.80	0.60	0.90	6.70	8.10	8.80	10.80
Pakistan	63.10	57.70	61.10	71.00	76.20	77.70	86.80
Sri Lanka	11.00	13.10	14.80	19.30	18.70	23.70	34.70
B. Import Payments	13146.8	14746.4	17156.8	21,629.00	22,507.10	23,738.40	33,657.50
Of which SAARC region	2196.00	2046.40	2499.40	3,718.10	3,256.10	3,620.70	5,349.60
Afghanistan	5.00	2.00	4.00	4.00	1.00	0.80	12.40
Bhutan	9.00	12.00	10.00	13.70	12.20	12.00	18.60
India	2,030.00	1,868.00	2,268.00	3,393.00	2,867.40	3,217.20	4,571.30
Maldives	--	0.40	0.40	0.40	0.50	0.90	1.50
Nepal	2.00	3.00	6.00	53.00	69.00	43.20	49.00
Pakistan	140.00	150.00	195.00	239.00	288.00	324.00	669.30
Sri Lanka	10.00	11.00	16.00	15.00	18.00	22.60	27.50
C. Foreign Direct Investments Inflow (net)	803.78	744.61	792.74	768.69	960.59	913.02	779.04
Of which SAARC region	23.08	20.98	5.62	29.10	37.17	59.22	61.41
Afghanistan	0	0	0	0.0	0.0	0.0	0.0
Bhutan	0	0	0	0.0	0.0	0.0	0.0
India	0.95	5.79	2.51	8.67	5.67	38.95	20.71
Maldives	0	0	0	0.0	0.0	0.0	0.0
Nepal	0.07	0	0	0.0	0.0	0.0	0.03
Pakistan	18.05	11.20	2.25	14.22	22.96	13.14	24.59
Sri Lanka	4.01	3.99	0.86	6.21	8.54	7.13	16.08
D. Remittance Inflow	3848.29	4802.41	5998.47	7,914.78	9,689.26	10,987.40	11,650.32
Of which SAARC region	--	--	--	--	--	--	--
Afghanistan	--	--	--	--	--	--	--
Bhutan	--	--	--	--	--	--	--
India	--	--	--	--	--	--	--
Maldives	--	--	--	--	--	--	--
Nepal	--	--	--	--	--	--	--
Pakistan	--	--	--	--	--	--	--
Sri Lanka	--	--	--	--	--	--	--

Source: Statistics Department, Bangladesh Bank

Time Series Data of Bangladesh with SAARC Countries

(Figure in Million USD)

Countries	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18
A. Exports Receipts	22843.50	23757.60	27454.30	29157.30	30256.00	30289.00	32537.00
Of which SAARC region	662.30	689.70	560.30	648.60	797.70	835.60	1040.90
Afghanistan	3.60	3.60	3.60	4.30	4.90	5.00	7.00
Bhutan	9.10	1.80	1.90	4.90	4.70	3.20	4.40
India	490.40	564.00	456.60	527.20	689.60	672.40	873.30
Maldives	1.80	1.50	1.70	5.60	3.10	3.00	5.40
Nepal	41.60	26.40	13.70	25.10	17.90	47.40	45.30
Pakistan	73.20	68.70	56.00	57.60	47.10	62.40	73.90
Sri Lanka	42.60	23.70	26.80	23.90	30.40	42.20	31.60
B. Import Payments	35,516.30	34,083.60	40,731.90	40,579.30	40,097.40	43,540.80	52,939.60
Of which SAARC region	5,376.40	5,369.60	6,674.10	6,395.30	6,042.90	6,725.50	9,284.20
Afghanistan	22.10	2.30	1.90	1.10	6.20	10.00	9.00
Bhutan	20.70	24.70	18.10	28.70	21.60	33.10	32.30
India	4,756.80	4,776.80	6,035.50	5,827.50	5,452.90	6,146.20	8,621.40
Maldives	1.10	0.70	0.50	1.20	0.30	9.10	18.30
Nepal	26.20	35.70	21.50	11.50	9.40	9.80	10.10
Pakistan	517.10	489.60	529.90	481.80	507.50	467.40	545.30
Sri Lanka	32.40	39.80	66.70	43.50	45.00	49.90	47.80
C. Foreign Direct Investments	1,194.88	1,730.63	1,480.34	1,833.87	2,003.53	2,454.81	2,580.44
Of which SAARC region	118.22	94.42	151.60	272.61	123.42	133.74	207.69
Afghanistan	0.0	0.0	0.0	0.0	0.04	0.0	0.0
Bhutan	0.0	0.0	0.0	0.0	0.0	0.0	0.0
India	27.88	42.09	56.89	82.79	88.00	95.41	125.28
Maldives	0.0	0.0	0.0	-0.25	0.14	0.09	0.0
Nepal	0.0	0.0	0.0	-0.01	0.01	0.0	0.0
Pakistan	63.19	27.37	39.30	120.75	19.22	13.39	10.44
Sri Lanka	27.15	24.96	55.41	69.33	16.01	24.85	71.97
D. Remittance Inflow	12,843.43	14,461.14	14,228.26	15,316.91	14,931.18	12,769.45	14,981.69
Of which SAARC region	--	--	--	--	--	--	--
Afghanistan	--	--	--	--	--	--	--
Bhutan	--	--	--	--	--	--	--
India	--	--	--	--	--	--	--
Maldives	--	--	--	--	--	--	--
Nepal	--	--	--	--	--	--	--
Pakistan	--	--	--	--	--	--	--
Sri Lanka	--	--	--	--	--	--	--

Source: Statistics Department, Bangladesh Bank

Time Series Data of Bangladesh with SAARC Countries

(Figure in Million USD)

Countries	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24
A. Exports Receipts	33374.00	29965.00	33969.00	43602.40	43571.70	38995.65
Of which SAARC region	1408.40	1246.60	1499.90	2281.30	1916.87	1743.75
Afghanistan	6.30	5.80	8.60	5.10	10.26	10.42
Bhutan	7.60	4.40	6.90	9.60	9.05	9.64
India	1,248.10	1,096.40	1,279.70	1,991.40	1,710.62	1,558.99
Maldives	6.40	5.10	6.00	5.80	4.76	4.89
Nepal	38.00	46.00	68.70	105.50	40.98	43.38
Pakistan	56.40	50.50	82.70	105.80	82.85	62.14
Sri Lanka	45.60	38.40	47.30	58.10	57.30	54.30
B. Import Payments	56,060.80	48,699.90	54,402.60	78,949.70	68,600.80	63,226.20
Of which SAARC region	8,398.60	6,433.30	9,284.99	14,931.54	10,335.98	9,762.30
Afghanistan	8.10	9.30	20.52	13.00	12.80	11.95
Bhutan	49.90	40.80	38.83	35.51	36.62	39.00
India	7,647.50	5,773.50	8,597.64	13,939.48	9,492.44	9,000.15
Maldives	51.30	1.70	2.95	2.66	3.98	3.47
Nepal	9.90	9.50	4.81	5.63	2.78	4.23
Pakistan	569.30	543.90	502.50	801.02	698.66	627.78
Sri Lanka	62.60	54.60	117.72	134.24	88.70	75.93
C. Foreign Direct Investments inflow (net)	3,888.99	1,206.34	1,327.58	1,721.09	1,609.77	1,468.17
Of which SAARC region	223.00	51.72	143.18	121.17	105.66	238.29
Afghanistan	0.0	0.0	-0.01	0.0	0.0	0.0
Bhutan	0.0	0.0	0.0	0.0	0.0	0.0
India	113.70	97.40	118.68	57.09	72.34	132.83
Maldives	0.0	0.0	0.0	0.0	0.0	0.0
Nepal	0.10	0.07	0.42	0.13	0.34	2.01
Pakistan	18.36	7.72	11.32	6.97	12.04	14.78
Sri Lanka	90.84	-53.47	12.77	56.98	20.94	88.67
D. Remittance Inflow	16,419.63	18,205.01	24,777.71	21,031.68	21,610.73	23,912.22
Of which SAARC region	--	--	--	37.16	44.90	82.98
Afghanistan	--	--	--	0.59	0.42	0.94
Bhutan	--	--	--	1.18	0.77	4.42
India	--	--	--	11.16	11.80	19.20
Maldives	--	--	--	21.60	29.00	56.90
Nepal	--	--	--	0.63	0.76	0.52
Pakistan	--	--	--	0.67	0.66	0.48
Sri Lanka	--	--	--	1.33	1.49	0.52

Source: Statistics Department, Bangladesh Bank