

SUBMISSION TO THE OFFICE OF THE UNITED NATIONS HIGH COMMISSIONER FOR HUMAN RIGHTS

Call for Inputs: Realization of Economic, Social and Cultural Rights through the Mobilization of Public Resources for Sustainable Development

Human Rights Council Resolution 58/9

Introduction

Noboprobhaat Foundation welcomes the opportunity to contribute to the Office of the United Nations High Commissioner for Human Rights' call for inputs on the realization of economic, social and cultural rights, with a special focus on the mobilization of public resources to finance sustainable development, pursuant to Human Rights Council Resolution 58/9. Noboprobhaat Foundation is a registered non-profit, youth-led organization established in 2018 and dedicated to advancing the rights and empowerment of marginalized communities in Bangladesh, particularly rural gender-diverse youth, indigenous communities and vulnerable women. We are registered with the NGO Affairs Bureau (Registration No. 3591), the Registrar of Joint Stock Companies (RJSC Registration No. S-13930/2022) and the Department of Youth Development (Registration No. Rangpur-187, Rangpur Sadar-34), and are incorporated in Delaware, USA as a Non-Profit Corporation (EIN: 39-5032426).

Our work is grounded in human rights, democracy, gender justice and social inclusion and encompasses economic empowerment, health rights and well-being, access to essential services, and climate justice and resilience. Through sustained engagement with rural and socially excluded communities, we observe how decisions concerning the mobilisation, allocation and use of public resources directly shape whether people can access healthcare, education, social protection, livelihood opportunities and other economic and social rights in practice. This submission draws on recent Government policy and budget documents, official national data, reports of international institutions and community-based observations from Noboprobhaat Foundation's work in Bangladesh to identify both promising reforms and continuing gaps in the mobilisation and equitable use of public resources.

1. Promising practices to align public resource mobilisation with economic, social and cultural rights

Bangladesh has taken several important steps to strengthen the relationship between public finance, social protection and the progressive realisation of economic, social and cultural rights. Among the most significant recent developments is the Strategic Framework of the National Social Security Strategy (NSSS) 2026–2035, which provides a long-term framework for moving towards a more comprehensive, lifecycle-based and shock-responsive social protection system. A particularly important feature is its recognition of social protection as a legitimate entitlement rather than discretionary assistance, accompanied by an emphasis on fair and dignified access, progressive universalisation and improved protection for people experiencing poverty,

vulnerability and social exclusion. The Strategy also envisages progressively increasing genuine social protection expenditure towards 3 per cent of GDP. The Social Security Budget FY2026–27 complements this framework through targeted programmes for groups experiencing structural disadvantage. The Underprivileged People’s Livelihood Development Programme, for example, includes transgender persons, Bede communities and tea labourers among its intended beneficiaries, with Tk 234.62 crore allocated for 2.79 lakh beneficiaries. Importantly, the NSSS recognises that cash transfers alone cannot overcome structural exclusion and identifies the need to address discrimination and improve access to services, education, skills and employment.

Bangladesh has also institutionalised gender-responsive budgeting and poverty-oriented expenditure tracking. In FY2026–27, the Government classifies Tk 540,686 crore as poverty-reducing expenditure, representing 57.64 per cent of total budget expenditure and 7.92 per cent of GDP. These measures are complemented by the Public Financial Management Reform Strategy 2025–2030, which prioritises stronger domestic revenue mobilisation, performance-oriented and gender-responsive budgeting, climate-smart public financial management, and improved financial management in health, education, social protection and local government. Together, these measures provide an important institutional foundation for aligning fiscal policy more closely with equality, non-discrimination and the progressive realisation of economic, social and cultural rights, although their ultimate value depends on whether policy commitments translate into adequate and accessible services in practice.

2. Domestic mobilisation of maximum available public resources

Bangladesh continues to face a significant structural constraint in mobilising sufficient domestic resources for economic, social and cultural rights. Tax revenue fell to approximately 6.9 per cent of GDP in FY2024–25, leaving limited fiscal space for sustained investment in health, education, social protection and other essential services. The Government has recognised this challenge and, through the FY2026–27 budget and wider fiscal reforms, is seeking to reduce tax exemptions and revenue leakages, rationalise the VAT structure, modernise tax administration, expand digital systems and improve compliance. The mandatory use of the A-Challan system is intended to improve the direct transfer of collected revenue to the Treasury, while reforms to non-tax and non-NBR revenue management seek to identify additional revenue sources and strengthen transparency and reporting.

Tax expenditure warrants particular scrutiny. The National Board of Revenue’s Direct Tax Expenditure Report 2022–2023, published in 2026, estimates Tk 107,132 crore in foregone direct-tax revenue arising from exemptions, rebates and preferential tax treatment, equivalent to 2.39 per cent of GDP and approximately 99 per cent of direct-tax collection in that year. Some tax expenditures serve legitimate social or economic purposes and should not automatically be removed, but their scale requires regular and transparent assessment of who benefits, whether individual exemptions continue to serve a justified public purpose, and whether reform could release additional resources for rights-related expenditure. The composition of taxation is also

relevant: continued heavy reliance on indirect taxation can place a disproportionate burden on households with limited disposable income if essential consumption is not adequately protected. A rights-based approach to domestic resource mobilisation should therefore combine stronger compliance and administration with more equitable direct taxation, effective taxation according to ability to pay, rationalisation of unjustified tax privileges and protection of essential consumption. Additional fiscal space should translate into progressively greater investment in economic and social rights rather than revenue mobilisation being treated as an end in itself.

3. Mobilisation and use of international public resources

International public finance remains an important complement to Bangladesh's limited domestic fiscal resources. According to the Economic Relations Division, Bangladesh secured approximately US\$8.38 billion in foreign assistance commitments and received US\$9.32 billion in disbursements in FY2024–25. The composition of these flows was heavily loan-based: approximately US\$8.45 billion of disbursements consisted of loans, compared with US\$0.87 billion in grants, while budget support accounted for approximately US\$3.44 billion. Bangladesh has also benefited from multilateral financial mechanisms beyond conventional development assistance. Under the IMF's 2021 general allocation of Special Drawing Rights, Bangladesh received approximately SDR 1.022 billion, increasing its cumulative SDR allocation to approximately SDR 1.533 billion. Such mechanisms demonstrate the capacity of international financial cooperation to strengthen fiscal and external resilience during periods of economic stress.

The human-rights contribution of international finance nevertheless depends on its terms, use and long-term fiscal consequences. Bangladesh Bank reported outstanding official external debt of approximately US\$74.34 billion at the end of FY2024–25, equivalent to 16.10 per cent of GDP, while official external debt repayments and debt-service obligations reached approximately US\$4.09 billion during the year. Although public debt remains assessed as manageable, increasing debt-service obligations reinforce the importance of concessional financing, careful project selection and transparent assessment of long-term fiscal and social returns so that borrowing does not progressively constrain resources available for essential services. This is particularly relevant as Bangladesh remains scheduled to graduate from the Least Developed Country category on 24 November 2026. The Government has requested an extension of the preparatory period, and the UN Committee for Development Policy concluded that an extension by the General Assembly would be appropriate subject to progress on domestic reforms; as of October 2026, the scheduled graduation date remains unchanged. During this transition, Bangladesh and its international partners should seek to preserve affordable development finance, protect essential social expenditure and integrate external resources more fully into national budgeting, reporting and accountability systems.

4. Economic, social and cultural rights in budgetary and fiscal decision-making

Bangladesh's budget framework increasingly incorporates economic and social priorities through sectoral allocations, social protection budgeting, gender-responsive budgeting, poverty-oriented expenditure classifications and medium-term planning. The FY2026–27 budget allocates Tk 136,606 crore to education, equivalent to approximately 2 per cent of GDP, while the Annual Development Programme allocates Tk 35,535.5 crore to health, representing 11.84 per cent of the ADP, alongside investment in housing, water resources and local government. The Government has also indicated a longer-term intention to increase education expenditure further. Such allocations and expenditure classifications provide an important basis for assessing whether public spending responds to poverty, inequality and the progressive realisation of rights rather than focusing only on aggregate expenditure.

Allocation, however, does not by itself establish equitable enjoyment of rights. Effective assessment also requires examination of budget execution, geographic distribution, accessibility, service quality and outcomes. This is evident in water, sanitation and hygiene financing: post-budget analysis of the FY2026–27 WASH Annual Development Programme identified Tk 13,618 crore in development allocation, while approximately 72 per cent of WASH ADP resources were directed to urban areas. Rural, char, haor and other hard-to-reach and climate-vulnerable communities continue to face significant service gaps despite often having greater needs. Noboprobhaat's community-based work similarly indicates that formal availability of public programmes does not necessarily translate into effective access where distance, cost, discrimination, limited information or administrative barriers persist. Rights-based budgeting therefore requires systematic and disaggregated monitoring of actual expenditure and outcomes at both national and local levels, enabling authorities to identify who benefits, where inequalities persist and whether resources reach populations facing the greatest barriers to essential services.

5. Transparency, participation and accountability in public resource decisions

Bangladesh has taken recent steps to improve the transparency and accessibility of public financial management. During preparation of the FY2026–27 national budget, the Finance Division provided an online mechanism through which citizens could submit opinions and recommendations, while the FY2026–27 Citizens Budget sought to present key fiscal information in a more accessible form. Digital public financial management infrastructure has also expanded substantially: as of June 2026, iBAS++ covered 108,598 government offices, supporting budget preparation, execution, accounting and financial reporting.

Important limitations nevertheless remain. The Public Financial Management Reform Strategy 2025–2030 recognises that fiscal and procurement information remains dispersed across different platforms, disclosure practices are not consistent across public institutions, citizen-friendly reporting remains limited, and citizens and civil society do not always have timely access to information necessary for effective scrutiny. The Strategy accordingly proposes stronger open fiscal data, citizen-oriented reporting, feedback mechanisms and participatory budgeting. These

reforms should enable participation to extend beyond one-time opportunities to submit comments and allow rights-holders and affected communities to engage meaningfully in priority-setting, budget formulation, implementation, expenditure monitoring and evaluation. Public authorities should also provide feedback on how consultation influences decisions. Accessible participation at national and local levels is particularly important for rural communities and groups that remain underrepresented in formal decision-making, while timely fiscal information, grievance mechanisms and community monitoring can help convert transparency into effective accountability.

6. Key challenges in mobilising and using public resources effectively, equitably and transparently

The central challenge for Bangladesh is not simply to increase public revenue or expenditure, but to ensure that sufficient resources are mobilised fairly and converted into measurable improvements in economic, social and cultural rights. Weak domestic revenue mobilisation constrains fiscal space, while inflation, subsidy pressures, financial-sector vulnerabilities and increasing debt-service obligations create competing demands on available resources. At the expenditure level, fragmented programmes, exclusion and targeting errors, inadequate benefit levels, geographic disparities and uneven implementation can prevent intended beneficiaries from receiving effective support. These challenges are compounded when fiscal information is fragmented, participation is limited or available data cannot adequately show how particular population groups experience the effects of fiscal decisions.

Bangladesh should therefore pursue progressive domestic revenue mobilisation while systematically reviewing tax expenditures, protecting essential consumption and strengthening tax administration and compliance. Fiscal consolidation should protect minimum essential levels of economic and social rights and avoid reversing progress already achieved. On the expenditure side, priority should be given to protecting and progressively expanding effective investment in health, education, social protection, water, sanitation and other essential services, while improving local-level allocation and monitoring actual expenditure and outcomes through sufficiently disaggregated data. External financing should be used prudently and, where possible, on concessional terms that preserve future fiscal space. Finally, affected communities and civil society should have meaningful opportunities to participate throughout the budget cycle and to scrutinise whether public resources reach those experiencing poverty, discrimination and structural exclusion. Applying these measures consistently would help translate the obligation to use the maximum available resources from a fiscal principle into demonstrable and equitable improvements in the enjoyment of economic, social and cultural rights.

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