

## BANGLADESH

A.B. MIRZA MD. AZIZUL ISLAM, Governor and Head of Delegation

I am delighted to have the privilege of addressing the 41st Annual Meeting of the Board of Governors of the Asian Development Bank (ADB) in this beautiful capital of Spain. I would like to express my sincere appreciation to the Government of Spain and the ADB Secretariat for their warm hospitality and excellent arrangements for the meeting. I would also like to put on record the appreciation of my Government to ADB for being a responsive and responsible development partner of Bangladesh over many years.

While expressing satisfaction at the finalization of ADB's long-term strategic framework 2008–2020 (Strategy 2020), I should like to stress that a strategy is only as good as its implementation. I hope that the member countries and ADB secretariat will pool their efforts to mobilize resources for effective implementation of the framework. In this context, it should be emphasized that in most developing countries private-sector-led development cannot proceed smoothly without adequate complementary public investments for the provision of a wide range of utilities and public goods. The role of the public sector, therefore, should not be de-emphasized.

The successful completion of the Asian Development Fund (ADF) is welcome, but the limited donor contribution is a source of disappointment.

We have reservations about the performance-based allocation. Inadequate or no attention is paid to the incidence of poverty and the size of population and high weight given to governance, the measurement of which is subjective and possibly arbitrary. These are areas of concern. The greatly reduced ceiling will affect the on-going development efforts of the “blend” countries like Bangladesh, which are eligible for funding from both the ADF and ordinary capital resources (OCR). I would request ADB to revisit the performance-based allocation criteria. I would also urge ADB to pay greater attention to the heightened need for adaptation and mitigation measures against natural disasters caused by the global climate change and to allocate adequate resources for this purpose.

Let me say a few words about Bangladesh. You are probably aware that the present Government, while remaining focused on holding a credible election free from the influence of black money and muscle power, has implemented wide-ranging institutional and policy reforms. These reforms straddle diverse areas of political, administrative and economic governance. The country is on track to achieve a number of Millennium Development Goals. However, these achievements, resulting from years of painstaking efforts, by both private and public sectors, as well as future progress are presently under threat. Two consecutive severe floods and a devastating cyclone last year have affected food production and growth performance. The

increase in international prices of food, oil and non-oil commodities is exerting a negative impact on both external sector and fiscal balance. In particular, the dramatic increase in the price of food grains poses a serious risk of regression from our hitherto satisfactory progress in poverty alleviation. It is time for the international community to mount concrete actions to provide support to net food-importing countries such as Bangladesh.

Let me conclude by expressing optimism that ADB will remain our valuable partner in accelerating the process of equitable and inclusive development.