

# Delivering Results: 25 Years of the Bangladesh Resident Mission

## ADB Asian Development Bank

SPECIAL SUPPLEMENT



## MESSAGE

I am happy to learn that the Asian Development Bank (ADB) celebrates the Silver Jubilee of its Bangladesh Resident Mission Office in Dhaka. On behalf of the Government of Bangladesh I would like to extend my greetings and best wishes to all members of the Asian Development Bank Resident Mission in Bangladesh. That Bangladesh Resident

Mission was the first field office of ADB symbolizes ADB's commitment to the development of Bangladesh. The role of ADB in supporting our development program highlights the partnership and desire to build on each other's experience. Our greatest challenge continues to be human poverty that blights the lives of millions. We are committed to meet this challenge and ADB is an important partner in meeting this challenge.

We appreciate ADB for its supportive and catalytic role in the development of various economic and social sectors of the economy. I believe that ADB will continue its commitment to support our shared goal of poverty reduction and sustained development.

**Dr. Fakhruddin Ahmed**  
Chief Adviser  
Government of the People's Republic of Bangladesh



## MESSAGE

It gives me much pleasure to congratulate the Asian Development Bank (ADB) as it celebrates 25th Anniversary of its Resident Mission in Bangladesh. Bangladesh joined ADB in 1973 and has emerged as one of the largest borrowers from ADB's concessional arm known as Asian Development Fund (ADF). ADB is playing a major role in

accelerating the pace of economic and social progress of Bangladesh. The Government appreciates ADB's support to a wide range of areas which include poverty alleviation, promotion of inclusive development, ensuring access to education, health, safe drinking water and proper sanitation, infrastructure development and improved governance.

The Government of Bangladesh greatly values ADB's remarkable contribution to our mission to secure equitable prosperity for all our citizens. I am confident that collaboration between ADB and Bangladesh will widen and deepen in the years ahead.

**Dr. A.B. Mirza Md. Azizul Islam**  
Adviser  
Finance, Planning,  
Commerce and Posts &  
Telecommunications  
Government of the People's Republic of Bangladesh



## MESSAGE

It gives me great pleasure to felicitate the Asian Development Bank (ADB) on the occasion of silver jubilee of its Resident Mission in Bangladesh. I would like to sincerely congratulate the Country Director and all the members of Bangladesh Resident Mission of ADB.

Since the establishment of Bangladesh Resident Mission in July 1982, there has been a steady strengthening of working relation between the Government of Bangladesh and the Asian Development Bank.

ADB's 'Country Strategy and Program' for the years 2006-2010 covers major sectors like, energy, transport, education, urban health, governance, urban water supply and sanitation, small and medium enterprises, agribusiness and financial market development. These are well aligned with the Poverty Reduction Strategy of the Bangladesh government. Apart from this, other issues like regional cooperation, gender and environment, disaster management are the areas where ADB is supporting the government. We expect that ADB's support will increase in depth and quality in future. We also hope that its continuous support will help us eradicate poverty and usher in an era of prosperity for our nation.

I am confident that ADB's support towards our development efforts will go from strength to strength in the coming years.

**Md. Aminul Islam Bhuiyan**  
Secretary  
Economic Relations Division  
Government of the People's Republic of Bangladesh



## MESSAGE

I consider it a privilege to be with ADB's Bangladesh Resident Mission (BRM) when it is celebrating its 25th founding anniversary. As the first field office of ADB established in 1982, BRM opened a new era of ADB's cooperation with its developing member countries to improve efficiency, effectiveness and impact of ADB's operations.

The Dhaka office, previously called Bangladesh Resident Office, was set up to provide the primary operational interface between ADB and the Government of Bangladesh. But gradually BRM has grown into a strong mission to provide greater support to ADB's operations in Bangladesh. BRM's role and functions have expanded and developed with ADB itself. To

provide specialized services to the country, BRM has now qualified and experienced staff in project management, programs, economics, governance, gender and development, external relations and results management.

BRM specialists not only participate in all loan and technical assistance processing missions led by ADB's headquarters, but also lead preparation and processing of projects. BRM led preparing the Emergency Flood Damage Rehabilitation Project after serious flooding in 2004. Similarly, after the flooding in 2007, BRM is also leading preparation of a Second Emergency Flood Damage Rehabilitation Project. ADB's portfolio in Bangladesh has been substantially delegated to BRM. This has yielded encouraging results with significant improvement in portfolio performance.

BRM adds value to ADB's Bangladesh operations through close dialogue with the government and other stakeholders, including civil society, private sector, academia and other development partners to foster reforms with local ownership and ensure development effectiveness. BRM plays a key role in coordination with other development partners including chairing the subgroups for energy, transport and the urban sectors in the local consultative group. BRM is also

As a development partner of Bangladesh, the Asian Development Bank (ADB) is assisting the Government in socio-economic development. ADB shares with the Government of Bangladesh a common vision underlying theme of which is a poverty-free Bangladesh. To facilitate the partnership, ADB established its first field office in Bangladesh in 1982. Growing steadily over the years, the Bangladesh Resident Mission (BRM) is now among ADB's larger field offices with 52 staff and the highest level of portfolio delegation among all ADB resident missions.

BRM undertakes country programming and policy dialogue, administers the ongoing portfolio of loans and technical assistance projects, manages disbursements, and processes new loans and technical assistance. BRM also plays a lead role in supporting a coordinated response to the Government's initiatives in the transport, energy, education, and urban sectors, as chair of several subgroups under the Local Consultative Group donor coordination forum. BRM regularly consults with key national stakeholder groups, to exchange views on current development issues and briefs them on ADB's operations. These include representatives of the private sector; civil society and NGOs; and academia, research institutions, and think-tanks. Among its widely regarded publications is the Bangladesh Quarterly Economic Update. BRM's external relations unit oversees implementing ADB's public communications policy in Bangladesh, disseminating information on ADB operational activities to the public.

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Asian Development Bank Bangladesh Resident Mission Office Building

## Bangladesh and the Asian Development Bank

ADB's current country strategy and program (CSP) aims to assist Bangladesh in addressing critical constraints to broad-based economic growth, social development, and good governance. Specifically, the strategy is built on (i) improving the investment climate for private sector-led growth and employment, (ii) advancing the social development agenda to empower the poor so that all benefit from growth, and (iii) addressing key governance issues on a sector and thematic basis as a crosscutting enabler.

Cumulative public sector lending to Bangladesh by the end of 2006 amounted to about \$8.3 billion for 176 loans, and technical assistance grants amounted to \$170.95 million for 318 projects in key sectors including energy, transport, social infrastructure, and agriculture and natural resources. ADB has also supported eight private sector projects worth \$242.18 million, including the Meghnath Power Project, the first build-own-operate power project in the country, and GrameenPhone, which substantially expanded rural access to mobile phone services.

ADB has assisted Bangladesh in improving transportation infrastructure. This includes support for the Jamuna Multipurpose Bridge, Jamuna Bridge Railway Link,

Chittagong Port, and key sections of the country's national road transport network.

At Chittagong Port, ADB is providing investment funds and technical assistance to develop the infrastructure and introduce modern automated systems for better management and improved governance in the port and the Customs House of Chittagong. ADB is partnering with the World Bank and the Government of Japan to improve the performance of the railway sector in Bangladesh by implementing policy, organizational, and capacity building reforms to make Bangladesh Railway more commercially focused and to improve governance and accountability; and providing investment for infrastructure and rolling stock capacity improvement in commercially important corridors.

ADB has been supporting the Government to achieve its goal of providing reliable electricity to the entire country by 2020, focusing on transmission, distribution, and peaking power plants and carrying out specific reforms to improve efficiency. Since Bangladesh joined ADB in 1973, the power sector has received about \$1.7 billion to improve the capacity and quality of power supply and another 23 technical assistance grants, totaling about \$14.6 million. ADB is now providing technical assistance to help the Government in tendering out two new large independent power plants (IPPs) for private sector investors. Transparent bidding processes to accelerate the implementation of new and prospective power generation projects is a critical issue. ADB has also helped Bangladesh develop major gas fields (Titus, Gajaganj, and Bakhrabad), gas transmission systems, and most gas distribution networks across the eastern part of the country, with over \$676 million in loans and \$5 million in technical assistance grants since 1975.

ADB has played a lead role in improving the education sector in Bangladesh, encompassing primary, secondary, nonformal, and distance education. Since 1990, ADB has assisted in constructing primary schools, improving teachers' education, and providing students with free educational materials, through two primary education sector projects. The Government of Bangladesh is now implementing the Second Primary Education Development Program (PEDP-II) under a sector-wide approach supported by 11 development partners, with ADB as the lead development partner. Launched in September 2004, PEDP-II aims to provide quality primary education to all eligible children in the country and contribute to sustainable socio-economic development and equity as envisaged in the Millennium

Development Goals.

The ADB-assisted health sector projects improved selected district hospitals, teaching hospitals, nursing institutions, family planning, and health services and supported urban primary health care provision by contracting out services to NGOs in six city corporations and five municipalities.

ADB has supported Bangladesh in policy reforms and innovative interventions for increasing food grain production, diversifying crops, and developing the livestock and fisheries sectors. ADB has also assisted in conserving the environment, creating irrigation systems, fostering small-scale water resources, strengthening flood protection, and providing the rural people easier access to markets. ADB's water sector assistance has contributed to the establishment of policy and institutional frameworks for decentralized, participatory water management. ADB's interventions have contributed to agricultural and rural growth, stronger market orientation, and increased farmers' access to irrigation water. Over the past decade, ADB has focused in the financial sector on the development and reform of the capital markets and provision of finance to small and medium enterprises.

ADB, as one of the major development partners, has made good governance one of the strategic priorities in its assistance to Bangladesh, focusing on catalytic projects to address critical constraints to core governance, including continued support for effective functioning of the anticorruption commission; developing a national integrity strategy and corruption prevention measures in line ministries and agencies; judicial reforms with a focus on performance, transparency, and accountability; and building governance management capacity in cooperation with other development partners.

ADB intends to collaborate with DFID, World Bank, Danish International Development Assistance (Danida), and the Government of Japan to support a medium-term program of policy and institutional reforms, capacity building and investments required to delivering improved water supply, and sewerage and drainage services on a sustainable basis in the major metropolitan cities of Dhaka and Chittagong.

ADB has helped Bangladesh quickly recover from the devastation caused by recurring natural disasters through eight emergency rehabilitation projects following the floods in 1988, 1998, 2000, 2004, and the cyclone of 1991. ADB may consider providing an emergency assistance loan in response to the 2007 floods, based on a flood damage rehabilitation needs assessment.

ment jointly undertaken with the Government and the World Bank.

ADB is assisting Bangladesh to participate actively in subregional cooperation initiatives. This is done through regional technical assistance and knowledge products aimed at building the capacity to respond to cross-border challenges (such as trafficking and disaster management), and by establishing an integrated subregional transport and energy network to enhance Bangladesh's position as a transport and transshipment hub.

ADB-supported projects contribute significantly to narrowing gender gaps by ensuring that women participate in project and program activities; influence decisions concerning the selection, management, and maintenance of project outputs and benefits; and foster wage parity.

ADB considers private sector development crucial to economic growth, employment creation, and poverty reduction in the Asia and Pacific region. In Bangladesh, ADB has financed private sector projects in power, mobile telephone, textile, cement, capital market, and leasing sectors.

To help sustain development impacts, ADB is also assisting the Government in building capacity to introduce results-based project monitoring and evaluation systems.



## MESSAGE

The opening of ADB's Bangladesh Resident Mission in Dhaka 25 years ago was a landmark in the history of ADB. With the establishment of its first office outside its headquarters in Manila, Philippines, ADB launched a new era of stronger partnership with the Government and people of Bangladesh, other national stakeholders and partner institutions in our mutual quest to foster the country's economic and social development. The success of the Bangladesh Resident Mission was instrumental to the decision to open more field offices around the region.

Over the years, Bangladesh has become one of our largest clients. Reflecting this, the Dhaka office has grown to become one of our larger missions, with 52 staff members aided by a team of con-

sultants providing specialized services. The office has been delegated an increasing level of responsibility in portfolio management, country programming, economic, thematic and sector works, policy dialogue with the government and coordination with other development partners.

As we celebrate the 25th anniversary of the opening of the Resident Mission, we can look back with ample satisfaction on the progress we have made together. Although the country's challenges remain significant, Bangladesh has taken remarkable strides in its development agenda. We at ADB stand ready to support Bangladesh in building infrastructure, supporting social services and improving governance for faster economic growth and poverty reduction.

We can also look forward to continuing our assistance and partnership to help Bangladesh unlock its full potential. It is our sincere hope to see this land of great promise achieve the Millennium Development Goals and make the transition to a middle-income country. Working together, we can create a brighter future a future of decreasing poverty and growing opportunity for future generations.

**Haruhiko Kuroda**  
President  
Asian Development Bank



## MESSAGE

This month marks the 25th anniversary of the opening of ADB's first field office, its Resident Mission in Dhaka, which is indeed a milestone event.

Bangladesh joined ADB in 1973 and the Resident Mission in Dhaka was opened on 22 July 1982. Dhaka was chosen for the first Resident Mission to enhance effectiveness of ADB's assistance in Bangladesh. The concept proved so successful that it has been replicated. ADB now has 19 Resident Missions throughout Asia.

The Resident Mission has helped ADB strengthen its links with the Government and other development partners at the country level and provided better strategic support to the country program. The Bangladesh Resident Mission itself has grown over the years, both in size and in responsibility.

Bangladesh is one of the largest borrowers of concessional loans from ADB's Asian Development Fund resources. As of 31 December 2006, cumulative

public sector lending to Bangladesh amounted to \$8.3 billion for 176 loans, and technical assistance grants totaled \$170.95 million for 318 projects. ADB has also supported eight private sector projects in Bangladesh worth \$242.18 million. ADB has assisted Bangladesh in promoting investment in key sectors, including energy, transport, social infrastructure, and agriculture and natural resources.

Through its policy dialogue with the Government, ADB has supported reforms in the energy, transport, and education sectors. ADB policy dialogue on governance has focused on reducing corruption, improving financial management, and building institutional capacity.

ADB's current Country Strategy and Program (2006-2010) for Bangladesh was developed as a landmark harmonization initiative jointly with the Department of International Development (DFID) of the United Kingdom, the Government of Japan, and the World Bank, and is aligned with the Government's national poverty reduction strategy. It focuses on improving the investment climate for private sector-led growth, advancing the social development agenda and improving governance.

On the occasion of the Resident Mission's 25th anniversary, I am happy to reaffirm ADB's continuing support to Bangladesh's development agenda.

**Lijun Jin**  
Vice President (Operations I)  
Asian Development Bank



## MESSAGE

It gives me great pleasure to join in commemorating the Asian Development Bank's Bangladesh Resident Mission's (BRM) 25th anniversary. This deserves a special celebration, as it marks ADB's quarter century of closer cooperation with the Government and the people of Bangladesh. As ADB's first field office, BRM proved the effectiveness of the resident mission concept, carrying out a high level of responsibilities delegated from ADB headquarters to better assist in socio-economic development and poverty reduction in our host country. The success of BRM as the pilot field office ultimately paved the way for establishing more resident missions across the region.

I am pleased to note that BRM

has been instrumental in strengthening ADB's ties with the Government and national stakeholders, better coordinating ADB's efforts with other development partners, and providing stronger support to program implementation in Bangladesh. Since 1973 when Bangladesh became a member, ADB has assisted Bangladesh in its efforts to build infrastructure, develop its human resources, strengthen the private sector, and improve governance. We have added our efforts to those of the Government, other development partners and civil society to create development opportunities for the poor, especially women, and to promote the education of girls and boys. ADB has quickly stepped forward to provide emergency support to help Bangladesh recover from the devastation caused by recurring natural disasters, such as the cyclone of 1991 and floods in 1988, 1998, 2000, and 2004. We are now preparing rehabilitation assistance in response to the 2007 floods. Bangladesh has become one of the largest borrowers of concessional ADB loans from the Asian Development Fund.

Aligned with the Government's national poverty reduction strategy, ADB's Country

Strategy and Program for Bangladesh for 2006-2010 was developed jointly with DFID, World Bank and Government of Japan, with a sharpened focus on results. ADB is now focusing on energy, transport, integrated urban development, education and good governance. Jointly with other development partners (DPs), ADB assisted Bangladesh in constructing the Jamuna Bridge that contributed to lifting over 1 million people out of poverty. Collaborating with other DPs, ADB is now assisting the Government in reforming and improving the railway; improving water supply in Dhaka and Chittagong through policy and institutional reforms and capacity building; and supporting the Government's initiatives to improve governance including developing a national integrity strategy. ADB is also assisting the Government in promoting regional cooperation, and fostering private sector development.

As we move forward, I am pleased to reaffirm ADB's commitment to help Bangladesh unlock its potential for economic and social development.

**Kunio Senga**  
Director General  
South Asia Department  
Asian Development Bank