



## Govt to seek support from major donors for 2nd PRSP execution

FE Report

The government will open talks with major donors today (Monday), laying out its development plan while seeking key approval for its second anti-poverty document.

The Bangladesh Development Forum (BDF), held after a lapse of almost five years since 2005, is also aimed at securing additional aid to implement the second Poverty Reduction Strategy Paper (PRSP) linked to the five-year development plan.

But anti-globalisation groups have urged the government to reject what they called "destructive" external assistance to salvage the nation from being inundated with huge foreign debt.

Economic Relations Division (ERD) secretary M Musharraf Hossain Bhuiyan said this year's BDF is significant for the new government because it is pursuing a long-term vision.

"This government will have four more years to implement its policies. So this forum is very much relevant to donors," he told this correspondent.

"It's no longer a pledging session. But our purpose is to drive home the message of resource needs," Mr. Bhuiyan had earlier told reporters before the start of the BDF.

The donor group, known as local consultative group (LCG), is a platform of the country's 32 major bilateral and multilateral donors.

Economic relations division secretary and country head of the UK's Department for International Development (DFID) will co-chair the group.

Prime minister Sheikh Hasina is expected to open the forum at the Bangabandhu International Conference Centre in the city.

On the first day of the forum, there will be three sessions, which will focus on development strategies, governance and human development, health and education, energy and power, agriculture, food security and water resources.

Three other sessions-environment and climate change, transport and communications and digital Bangladesh and ICT development-will be held on the concluding day.

Finance minister AMA Muhith will chair the business sessions where ministers and prime minister's advisers will be present as guests of honour.

Besides the forum, a development fair will be held at the BICC premises where some 40 stalls will showcase the country's progress in various sectors.

Apart from the government, there will be stalls from the development partners, NGOs and private sectors.

Chris Austin, country representative of DFID, said the government in collaboration with donors has already crafted a joint cooperation strategy in order to make the aid flow more "efficient and effective."

Mr. Austin said the purpose of the joint strategy is to ensure aid effectiveness, having the flow predictable and aligning aid policies with the country's development policy.

Officials said the government will present the country's second Poverty Reduction Strategy Paper (PRSP) and seek support from major donors and development partners for its

implementation.

India, China, Islamic Development Bank (IDB), Abu Dhabi Fund and Kuwait Fund are taking part in the BDF as observers for the first time since the inception of the development gathering.

Non-government groups said loans and grants from global lenders including the World Bank and the Asian Development Bank are "destructive" for the country, alleging that the multilateral lenders take away more than what they appropriate in loans.

Voices for Interactive Choice and Empowerment (VOICE) Rights based research group VOICE (and civil society alliance Aid Accountability Group jointly organised the press conference.

Ahmed Swapan Mahmud, of VOICE, said the World Bank and IMF are mainly responsible for dismantling price controls and doing away with price support for food, transportation, health and education sectors.

The last Paris consortium meeting was held in March 2002 before it was re-branded as the Bangladesh Development Forum, held in May 2003.

UNB adds: "The main objectives of the forum will be to seek endorsement on the strategy paper. We will also submit our sectoral plans where we will get their opinions and suggestions," said finance minister AMA Muhith.

He was addressing the launching ceremony of 'Steps Towards Change: National Strategy for Accelerated Poverty Reduction II (Revised) FY: 2009-11' in the NEC conference room.

Citing an example of importance of taking loans, he said that the government would not only take loan but also expand the borrowings.

"We are not living in an isolated island. Whatever plans we take-long-term, mid-term and three-year-we have to set our strategy and take up activities considering the global situation," said the finance minister.

He noted the world economy is highly integrated and "we have to look which is acceptable globally as we are not living in an isolated island".

He said that there would be no conflict between the donor-driven strategy and the sovereign policy of the country in the fast-changing global affairs.

"The theme of sovereignty has changed a lot in a globalised world. There is no sovereignty in trade, commerce or even in the environment. We will have to create such a situation wherein everybody could participate."

He said that the Aid Group was first formed in October 1974 with the World Bank as chairman. The objective of the Aid Group was to assist government in development activities.

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