

## ADB to provide \$400m budget support by Dec

- A Monitor Desk Report

Date: 17 September, 2024



Dhaka: Adviser to the interim government on the Ministries of Finance and Commerce Dr Salehuddin Ahmed today informed that the Asian Development Bank (ADB) would provide \$400 million to Bangladesh as budget support within this December.

The Finance Adviser told this to reporters after Senior Adviser of ADB Edimon Ginting, Country Director Hoe Yun Jeong and Deputy Country Director Jiangbo Ning met him at his office at Bangladesh Secretariat today. Finance Division Secretary Dr Md Khairuzzaman Mozumder was present, among others, agency reports.

Briefing reporters after the meeting, the Finance Adviser said that the ADB is the 2nd largest multilateral development partner of Bangladesh after the World Bank while the government is thankful to ADB for continuing their support over the years.

“We’ve discussed about reforms in the financial sector as well as in revenue sector and we’ve also discussed about the possibility of support in climate and environment related projects which are very important for us. We also discussed about trade and commerce while we’ll be taking more about what we want,” he said.

He said the ADB would hopefully come forward with other multilateral and bilateral development partners in the coming days.

“In total, we’re zooming in some other short-term measures ...reforms and immediate which are deliverable to the people which is mostly important for us. Secondly, we’ve mid-term and long-term things ...we start the process,” Salehuddin added.

According to Finance Ministry officials, the government has already sent a letter to the ADB seeking \$1 billion in budgetary support for the energy and power sector.

Meanwhile, an International Monetary Fund (IMF) staff mission will arrive in Dhaka on September 24 to hold talks over lending another \$3 billion in addition to the \$4.7 billion it lent to the country in January last year.

In the letter sent to ADB, budgetary support was sought for bringing about reforms in sustainable power and energy.

Focus points mentioned in the letter include - improving sectoral governance, developing conducive policies and regulatory frameworks, improving financial viability and sectoral sustainability, attracting private investment, and preparing and formulating renewable energy procurement plans, the official said.

It also includes preparations for technical studies and pilot projects on smart grid energy storage and demands.

The finance ministry official said they requested \$1 billion for the energy and power sector from the ADB in two tranches of \$500 million each of which the 1st tranche is expected to come in March next year.

Ministry officials said the ADB suggested bringing about reforms in the revenue sector, budgeting, fiscal policy, procurement, logistics, and various other sectors to get the country status graduation-related budgetary support.

