

# The World Bank



## **PRSP Implementation Forum, November 15-17, 2005 Concluding Press Statement by Mr. Praful C. Patel, Vice President for South Asia, The World Bank**

I am delighted to have attended the Government of Bangladesh's PRSP Implementation Forum. I would like to take this opportunity to congratulate Minister Saifur Rahman on chairing such a successful Forum. This Forum marks an important occasion, the first meeting of its kind organized and led by Government. The Forum demonstrates the Government's strong ownership and commitment towards PRSP implementation. It signals an important step towards greater country ownership, country leadership and harmonization. As a Development Partner, we warmly welcome this country-led process. We fully endorse the Government's PRSP and remain committed to focusing our support on the implementation of the PRSP development agenda.

Implementing the PRSP will not be easy. Development Partners share serious concerns about PRSP implementation, particularly about maintaining reform momentum given the limited time before elections. There are many risks associated with implementation. To minimize these risks, we have agreed during the Forum on a concrete set of actions to be completed over the next 12 months. We have agreed on monitoring and performance indicators for the "deliverables", and regular implementation reviews. We welcome the Government's commitment to take the lead on this implementation action plan over the next months. We welcome the agreement to pursue a finite number of key deliverables. We stand ready to support Government in every way we can to these successful outcomes. We also welcome the commitment for this Forum to meet annually to review progress, under Government leadership.

The second critical risk to implementation is weak governance. The threats and challenges of weak governance have been a recurring theme throughout the Forum sessions, in interventions from both the Government and Development Partner side. I am encouraged to see that Government fully recognizes the need to address governance issues head-on and has placed them at the centre of its implementation action plan. But progress here will be difficult, particularly for those reforms that will have significant political impact.

Now that the PRSP has been approved, the World Bank will rapidly finalize our Country Assistance Strategy, which puts governance at the centre stage, and supports governance reforms with the panoply of Bank instruments. I would like to highlight here three of the eleven implementation actions points that have been jointly agreed with Government, and which will require substantive progress over the next few weeks and months. The first is **procurement reform**. Procurement is one of the weak links in governance, where most leakage occurs and where the most blatant corruption may take place. Government's draft

Procurement Law – soon to be presented to Parliament - establishes a good framework, but implementation will be key. We see procurement law as going a long way to solving the problems which are plaguing the power sector, many of which are procurement related. The second action is “bringing Government closer to the People”. Government has demonstrated its commitment to improving local governance and service delivery by agreeing to increase **block grants to UP** level and broaden their functions by the end of the fiscal year. The third action is an agreement by Government and Development Partners to establish a **joint-committee to be chaired by ERD** which will prepare a **joint implementation plan** by December.

Government has a unique window of opportunity over the next 12 months to jump start the PRSP’s ambitious policy reform agenda – to lead Bangladesh towards sustained higher growth and poverty reduction. I hope Government will seize this opportunity, so that we, as Development Partners, can provide our full support.

Once again, I would like to congratulate Government and our partners on such a constructive and successful Forum. I would like to congratulate Government for taking leadership of the aid coordination process going forward, and we stand ready to support ERD as it takes on these new responsibilities. I would also like to congratulate Government on including representatives of civil society in the proceedings. I regret only that it is not yet a bipartisan forum. We have stressed many times that the PRSP must have national ownership, and that its implementation needs the support of both major political parties. To quote Prime Minister Khaleda Zia’s message to SAARC delegate: “we must put economics above politics” The two parties need to work together on implementing the PRSP, and ring-fence key development priorities from political agendas. The next PRSP Forum needs to become a truly national Forum, where different parts of the political spectrum, as well as partners, work together to unlock Bangladesh’s potential.

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**Contacts:**

Rehnuma Amin (8802) 815-9015, Ext 4136

E-mail: **ramin1@worldbank.org**

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