

# ASIAN DEVELOPMENT BANK MEMBER FACT SHEET

## Bangladesh: 2018 Committed Loans, Grants, and Technical Assistance (\$ million)

Loans		Technical Assistance	Grants	Total
Sovereign	Nonsovereign			
2,045.00	-	16.52	136.44	2,197.96

- = nil.

Notes: Commitment is the financing approved by the ADB Board of Directors or Management for which the investment agreement has been signed by the borrower, recipient, or the investee company and ADB.

Grants and technical assistance include ADB-administered cofinancing.

## Bangladesh: Cumulative Lending, Grant, and Technical Assistance Commitments<sup>a, b, c</sup>

Sector	No.	Total Amount (\$ million) <sup>d</sup>	% <sup>d</sup>
Agriculture, Natural Resources, and Rural Development	181	2,359.43	10.28
Education	76	3,117.65	13.59
Energy	115	5,823.22	25.38
Finance	68	1,911.41	8.33
Health	31	388.76	1.69
Industry and Trade	33	509.21	2.22
Information and Communication Technology	1	2.86	0.01
Multisector	17	792.51	3.45
Public Sector Management	52	949.08	4.14
Transport	117	5,075.96	22.12
Water and Other Urban Infrastructure and Services	64	2,014.60	8.78
<b>Total</b>	<b>755</b>	<b>22,944.68</b>	<b>100.00</b>

<sup>a</sup> Grants and technical assistance include ADB-administered cofinancing.

<sup>b</sup> Includes sovereign and nonsovereign loans and technical assistance.

<sup>c</sup> Using primary sector in reporting of commitments.

<sup>d</sup> Numbers may not sum precisely because of rounding.

## Bangladesh: Ordinary Capital Resources Nonsovereign Commitments by Product, 2007–2018

No. of Transactions Signed	Amount (\$ million)
Loans	141.10
Equity Investments	60.00
Guarantees	-
<b>Total</b>	<b>201.10</b>

- = nil.

ADB is a leading multilateral development partner of Bangladesh in the energy, transport, and education sectors.

## BANGLADESH

Bangladesh has more than halved its incidence of poverty over the past 25 years. The country gained lower-middle income status in 2015 and met the criteria to graduate from least developed country status in March 2018. Its economic growth has been robust over the past decade and reached 7.9% in the fiscal year that ended on 30 June 2018—the highest rate of economic expansion in the country's history (for the second year running).

The Asian Development Bank (ADB) has been a development partner of Bangladesh since 1973 and established its first field office in Dhaka in 1982. Since 1973, ADB has committed a total of \$22.9 billion for 282 loans, \$269.18 million for 429 technical assistance projects, and \$931.5 million for 44 grant projects. The country is a major recipient of ADB concessional resources. In 2018, ADB committed its highest level of support to Bangladesh yet, with eight sovereign projects totaling \$2.1 billion in loans and grants, \$16.5 million in technical assistance, and \$1.9 billion mobilized in cofinancing.

Cumulative loan and grant disbursements to Bangladesh amount

to \$14.16 billion. These were financed by regular and concessional ordinary capital resources, the Asian Development Fund, and other special funds.

### ADB-SUPPORTED PROJECTS AND PROGRAMS

ADB is currently supporting Bangladesh under the country partnership strategy, 2016–2020, which aligns with the Government of Bangladesh's Seventh Five Year Plan (2016–2020) and ADB's Strategy 2030.

In 2018, the Government of Bangladesh requested ADB assistance to manage and mitigate the emergency situation that arose after more than 700,000 people migrated across the border to Bangladesh and took shelter in camps in Cox's Bazar. ADB approved an



emergency grant of \$100 million within just 8 weeks of the request. The funding is helping develop basic infrastructure and services in 32 camps, focusing on water supply and sanitation, access to power, and improved roads.

ADB continued to play a lead role in supporting Bangladesh's education system, providing \$500 million for the [Fourth Primary Education Development Program](#). By improving quality, equity, access, and retention, the program is expected to benefit 18.6 million students, train about 340,000 teachers, and improve over 65,000 government schools. ADB also committed \$225 million for the [Secondary Education Sector Investment Program \(Tranche 3\)](#), which will develop a competency-based curriculum, promote the use of information and communication technology in teaching, strengthen classroom assessment, and reform the national examination system.

Under the [Urban Primary Health Care Services Delivery Project](#), ADB committed \$110 million in additional financing to improve services for the urban poor through public-private

partnerships. The project will build 32 additional reproductive and primary health care centers, while ensuring sustainability of health services through a series of management, institutional, and staffing reforms.

In support of Bangladesh's national target of "electricity for all" by 2021, ADB committed \$500 million for an 800-megawatt Combined Cycle Power Plant in Khulna. It will be the country's first power plant with advanced zero-liquid discharge technology, supplying electricity to about 300,000 people. Meanwhile, the \$350 million [Southwest Transmission Grid Expansion Project](#) will build around 270 kilometers of transmission lines, substations, and transformers, with high-tech solutions for energy efficiency. ADB also invested additional grant financing of \$25.4 million for the [Power System Efficiency Improvement Project](#), which will install over 2,000 off-grid, solar-powered irrigation pumps across the country and avoid at least 17,261 tons of carbon dioxide emissions annually.

In the transport sector, ADB committed a \$360 million loan for the Railway

Rolling Stock Operations Improvement Project. The project will modernize Bangladesh Railway by procuring locomotives, luggage vans, and wagons for freight trains. By introducing new technology, the investment will help generate more revenue and improve the operational capacity of the country's rail systems.

## NONSOVEREIGN OPERATIONS

As a catalyst for private investments, ADB provides financial assistance to nonsovereign projects and financial intermediaries. Total commitments from ADB's own funds (in equity and direct loans) in 2018 amounted to \$3.14 billion for 32 transactions in economic and social infrastructure, the finance sector, and agribusiness. ADB also actively mobilizes cofinancing from commercial and concessional sources. In 2018, ADB mobilized \$3.17 billion of long-term cofinancing and \$3.99 billion of cofinancing in trade finance, microfinance, and supply chain finance programs. Total outstanding balances and commitments of nonsovereign transactions funded by ADB's own

### Bangladesh: Project Success Rates

Year	Success Rate (%)	No. of Independently Evaluated Projects and Programs
2006	100.0	1
2007	100.0	2
2008	66.7	3
2009	66.7	3
2010	–	1
2011	100.0	4
2012	100.0	4
2013	100.0	3
2014	100.0	4
2015	75.0	4
2016	80.0	5
2017	100.0	3
2018	100.0	1
<b>Total</b>	<b>86.8</b>	<b>38</b>

Note: "Year" refers to the circulation year of the project completion report (PCR). The success rates reported are based on the ratings from validated PCRs and independently evaluated performance evaluation reports only and do not include self-evaluations. With small sample sizes, success rates do not necessarily represent country operations performance.

Source: PCR validation reports and project/program performance evaluation reports ratings database as of 31 December 2018.

### Bangladesh: Projects Cofinanced, 1 January 2014–31 December 2018

Cofinancing	No. of Projects	Amount (\$ million)
Projects <sup>a</sup>	34	7,235.22
Grants	16	532.82
Official loans	21	4,860.07
Equity	1	15.00
Commercial cofinancing	3	1,827.33
Technical Assistance Grants	16	12.83

<sup>a</sup> A project with more than one source of cofinancing is counted once.

### Bangladesh: Portfolio Performance Quality Indicators for Sovereign Lending and Grants, 2017–2018

No. of Ongoing Loans <sup>a</sup> (as of 31 Dec 2018)	66	
	2017 (\$ million)	2018 (\$ million)
Contract Awards <sup>b, c</sup>	1,027.35	1,200.25
Disbursements <sup>b</sup>	811.20	1,045.93
No. of Ongoing Grants <sup>a</sup> (as of 31 Dec 2018)	1	
	2017 (\$ million)	2018 (\$ million)
Contract Awards <sup>b, c</sup>	–	31.66
Disbursements <sup>b, d</sup>	–	6.74
Actual Problem Projects (%) (as of 31 Dec 2018)	–	

– = nil.

<sup>a</sup> Based on commitments.

<sup>b</sup> Includes closed loans/grants that had contract awards or disbursements during the year.

<sup>c</sup> Excludes policy-based lending/grants.

<sup>d</sup> Includes only Asian Development Fund and other ADB special funds.

### Bangladesh: Share of Procurement Contracts for Loan, Grant, and Technical Assistance Projects

Item	2017		2018		Cumulative (as of 31 Dec 2018)	
	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total
Goods, Works, and Related Services	591.19	5.80	745.42	5.94	8,811.41	4.87
Consulting Services	15.78	2.11	18.90	2.71	252.87	1.99
<b>Total Procurement</b>	<b>606.97</b>	<b>5.55</b>	<b>764.31</b>	<b>5.77</b>	<b>9,064.28</b>	<b>4.68</b>

## Top 5 Contractors/Suppliers from Bangladesh Involved in Goods, Works, & Related Services Contracts under ADB Loan and Grant Projects, 1 January 2014–31 December 2018

Contractor/Supplier	Sector	Contract Amount (\$ million)
Max Infrastructure Ltd.	TRA	401.66
Gandharbpur Water Treatment SNC	WUS	153.95
CT	TRA	83.11
Abdul Monem Ltd. & HCM (JV)	TRA	71.56
Samwhan Corp. & Mir Akhter (JV)	TRA	63.69
Others		2,038.84
<b>Total</b>		<b>2,812.80</b>

TRA = transport, WUS = water and other urban infrastructure and services.

## Top 5 Consultants from Bangladesh Involved in Consulting Services Contracts under ADB Loan, Grant, and Technical Assistance Projects, 1 January 2014–31 December 2018

Consultant	Sector	Contract Amount (\$ million)
E. Gen Consultants Ltd.	ANR, EDU, ENE, FIN, IND, PSM	23.55
BETS Consulting Services Ltd.	ANR, TRA	7.08
Resource Planning and Management Consultants Pvt. Ltd.	WUS	5.68
Aqua Consultant & Associates Ltd.	WUS	3.30
Maxwell Stamp Ltd.	EDU	2.49
Individual Consultants		12.13
Others		22.91
<b>Total</b>		<b>77.13</b>

ANR = agriculture, natural resources, and rural development; EDU = education; ENE = energy; FIN = finance; IND = industry and trade; PSM = public sector management; TRA = transport; WUS = water and other urban infrastructure and services.

resources stood at \$12.7 billion as of 31 December 2018.

### COFINANCING

Cofinancing operations enable ADB's financing partners, governments or their agencies, multilateral financing institutions, and commercial organizations to participate in financing ADB projects. The additional funds are provided in the form of official loans and grants, technical assistance, other concessional financing, and commercial cofinancing such as B loans, risk transfer arrangements, parallel loans and equity, guarantee cofinancing, and cofinancing for transactions under ADB's [Trade Finance Program](#) and [Supply Chain Finance Program](#).

ADB began cofinancing operations in Bangladesh in 1974. Since then, cumulative direct value-added official cofinancing commitments for Bangladesh have amounted to \$9.81 billion for 68 investment projects and \$89.15 million for 104 technical assistance projects. Cumulative direct value-added commercial cofinancing for Bangladesh has amounted to \$2.68 billion for four investment projects.

In 2018, Bangladesh received \$1.63 billion in loan cofinancing from the World Bank, the Islamic Development Bank and AFD for four investment projects. It also received \$314.94 million in grant cofinancing for eight investment projects from the following: the World Bank, European Union, Korea International Cooperation Agency, [Urban Climate Change Resilience Trust Fund](#) under the [Urban Financing Partnership Facility](#), Republic of Korea e-Asia and Knowledge Partnership Fund, Japan Fund for the

Joint Crediting Mechanism, [Japan Fund for Poverty Reduction](#), and Clean Energy Fund under the [Clean Energy Financing Partnership Facility](#) and the Strategic Climate Fund-Scaling Up Renewable Energy Program in Low-Income Countries.

A summary of projects with cofinancing from 1 January 2014 to 31 December 2018 is available at [www.adb.org/countries/bangladesh/cofinancing](http://www.adb.org/countries/bangladesh/cofinancing).

### PARTNERSHIPS

ADB is a leading multilateral development partner of Bangladesh in the energy, transport, and education sectors. The bank is also an active member of the Local Consultative Group, a coordination mechanism for the government and its development partners.

ADB's Bangladesh Resident Mission conducts dialogue with diverse stakeholders, including the government, development partners, the private sector, and civil society organizations.

In 2018, ADB engaged extensively with the United Nations, bilateral donors, the World Bank, and other development partners to provide emergency assistance to over 700,000 people who crossed the border into Bangladesh.

### PROCUREMENT

Each year, ADB provides loans, grants, and technical assistance to fund projects and activities in its developing member countries and several billion dollars in contracts to procure goods, works, and consulting services. Most contracts are awarded on the basis of

international competition, which is open to firms and individuals from any ADB member, regional or nonregional.

### Share of ADB's Procurement Contracts

#### Goods, Works, and Related Services

ADB's procurement contracts in Asia and the Pacific for goods, works, and related services under loan and grant operations totaled \$10.2 billion in 2017 and \$12.55 billion in 2018. Cumulative procurement since 1966 has been \$180.86 billion covering 215,461 contracts.

In Bangladesh, 24,210 contracts worth \$8.81 billion have been awarded to contractors and suppliers since 1973.

#### Consulting Services

ADB's procurement contracts in Asia and the Pacific for consulting services under loan, grant, and technical assistance operations totaled \$746.79 million in 2017 and \$696.18 million in 2018. Cumulative procurement since 1966 has been \$12.7 billion covering 59,248 contracts.

In Bangladesh, 1,716 contracts worth \$252.87 million have been awarded to consultants since 1973.

### OPERATIONAL CHALLENGES

Even though Bangladesh's economy has grown by an average of 6.5% per annum over the past decade, the country faces huge infrastructure deficits. Lengthy internal business processes often delay project approvals, while the limited capacity of the country's few executing and implementing agencies often leads to delays in project implementation.



In 2018, ADB conducted special initiatives to help strengthen the implementation capacity of the government, finance project preparatory works to improve project readiness, and enhance technical design covering environment, land acquisition, and involuntary resettlement. ADB's new procurement policy and regulations, rolled out and operationalized in 2017, are helping ensure faster procurement and consultant recruitment as well as

simpler and more effective fiduciary systems throughout the project cycle.

## FUTURE DIRECTIONS

ADB will continue to support Bangladesh's efforts to generate inclusive and sustainable growth and achieve the [Sustainable Development Goals](#).

During 2019–2021, the bank has a pipeline of 31 firm projects worth \$4.3 billion and 21 standby projects

worth \$3.8 billion. The technical assistance program for 2019–2021 includes 17 projects worth about \$17 million (including cofinancing). Standby projects are included to build a strong pipeline of bankable projects in response to the country's needs, growing absorptive capacity, and project readiness. Gender equality, good governance, institutional strengthening, and climate change mitigation and adaptation will all remain major pillars for ADB operations in Bangladesh.

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## ABOUT BANGLADESH AND ADB

### ADB Membership

Joined 1973

### Shareholding and Voting Power

Number of shares held:	108,384 (1.019% of total shares)
Votes:	148,081 (1.114% of total membership, 1.712% of total regional membership)
Overall capital subscription:	\$1.51 billion
Paid-in capital subscription:	\$75.38 million

### Contributions to Special Funds Resources

Bangladesh has contributed to the Technical Assistance Special Fund (TASF), which provides grants to borrowing members to help prepare projects and undertake technical or policy studies.

Contributions to the TASF (committed): \$0.05 million

**Kshatrapati Shivaji** is the Director and **Bayrammuhammet Garayev** is the Alternate Director representing Bangladesh on the ADB Board of Directors.

**Manmohan Parkash** is the ADB Country Director for Bangladesh. The Bangladesh Resident Mission was opened in 1982 and provides the primary operational link for activities between ADB and the government, the private sector, civil society stakeholders, and development partners. The resident mission engages in policy dialogue, country partnership strategy development and programming, and portfolio management, while also acting as a knowledge base on development issues in Bangladesh.

The Bangladesh government agency handling ADB affairs is the Ministry of Finance.

## ABOUT THE ASIAN DEVELOPMENT BANK

ADB is a multilateral development bank owned by 68 members, 49 from the region and 19 from other parts of the world. ADB's main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance. In 2018, lending volume was \$19.88 billion (126 projects), with technical assistance at \$241.20 million (280 projects) and grant-financed projects at \$1.42 billion (44 projects). In addition, \$14 billion was generated in direct value-added cofinancing in the form of official loans and grants, other concessional cofinancing, and commercial cofinancing such as B loans, risk transfer arrangements, guarantee cofinancing, parallel loans, parallel equity, and cofinancing for transactions under ADB's Trade Finance Program. From 1 January 2014 to 31 December 2018, ADB's annual lending volume averaged \$15.99 billion. In addition, investment grants and technical assistance funded by ADB and Special Funds resources averaged \$583.95 million and \$184 million over the same period. As of 31 December 2018, the cumulative totals excluding cofinancing were \$275.82 billion in loans for 3,090 projects in 44 countries, \$9.38 billion in 374 grants, and \$4.52 billion in technical assistance grants, including regional technical assistance grants.

## CONTACTS

### Bangladesh Resident Mission

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### Ministry of Finance

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### Useful ADB websites

Asian Development Bank  
[www.adb.org](http://www.adb.org)

Annual Report  
[www.adb.org/documents/series/adb-annual-reports](http://www.adb.org/documents/series/adb-annual-reports)

Asian Development Outlook  
[www.adb.org/publications/series/asian-development-outlook](http://www.adb.org/publications/series/asian-development-outlook)

ADB Data Library  
[data.adb.org](http://data.adb.org)

### Notes:

ADB welcomed Niue as its 68th member in March 2019.

ADB recognizes "Korea" as the Republic of Korea.

Figures are estimated by ADB unless otherwise stated. "\$" refers to United States dollars.

Data are updated as of 31 December 2018 unless otherwise indicated. Fact sheets are published annually in April.