

Preface

It gives me great pleasure to present the thirty-seventh issue of “Flow of External Resources into Bangladesh”- the flagship publication of Economic Relations Division (ERD). It has by now earned a reputation of being the most authentic and rich source for information on external financing in Bangladesh. Moreover, timely publication of the book with continuous development in its style of presentation and rigorous analysis has created a demand among the users.

2. It is a fact that we still need external financing for our socio-economic growth though its contribution is declining as share of GDP. However, in absolute term, foreign aid mobilization has registered upward trends. From FY 2010-11 to FY 2013-14 yearly average commitments of aid has been US\$ 5.6 billion which was US\$ 2.6 billion during FY 2006-07 to 2009-10. While mobilizing the huge amount of foreign aid, the long established policy of following prudent borrowing strategy - mobilizing greater amount of grants and concessional loans - was continued to be followed. Disbursement has reached a record US\$ 3 billion landmark in FY 2013-14 which is the highest since independence. While greater mobilization of aid is desirable in its own right, disbursement and timely utilization of aid lends effectiveness and dynamism to any aid portfolio. On that count, the foreign aid portfolio has started to show dynamism as disbursement is showing encouraging upward trend.

3. The overview of the book containing information on selected macro-economic indicators and analysis of resource flow and external debt portfolio with meaningful and attractive colored graphs truly provides an insight of detailed information furnished in lots of tables. In addition, methodology of compilation of data and executive summary of this document offer greater clarity of understanding of the data presented. I am pretty sure that this publication will be useful to the policy makers, researchers, academics, students and other readership in their work.

4. Resource flows from multilateral and bilateral development partners and servicing of loan information of government is presented in this publication. A summary data on borrowings from International Monetary Fund (IMF), external debts of State Owned Enterprises (SOEs) and grants extended to the Non-Government Organizations (NGOs) are also recorded at aggregate levels in this book. Public debt relating to defense establishment and private sector debt remain outside the remit of the publication. The publication is put together on the basis of information available with ERD and supplemented, where necessary, by the reports of the development partners, project directors, the Bangladesh Bank and other corporate bodies. Some figures shown in the report may need to be revised, based on feedback from the development partners and other concerned.

5. Finally, I appreciate Senior Secretary and his team, specially officers and staff of Foreign Aid Budget and Accounts (FABA) Wing of ERD for their hard work in publishing the book. I hope that ERD would continue publishing this document and at the same time make every effort to improve its scope, analysis and presentation of data. Suggestions for further improvement of the publication are most welcome. If any discrepancy comes to the notice of the readership or any clarification is needed, ERD may please be contacted.

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Abul Maal A. Muhith
Minister for Finance