

November 19, 2013

**Comments from United Kingdom on Approval by Mail: PPCR Bangladesh:  
Coastal Towns Infrastructure Improvement Project [ADB]**

Hi Andrea

We understand that there was recently a report published by Transparency International Bangladesh (TIB) which identified serious fiduciary risk in relation to the Local Government Engineering Department (LGED). LGED have been identified as lead agency in this PPCR project. The risks identified include:

- Irregularities in human resource management;
- Irregularities and limitations in project planning processes;
- Corruption in project implementation;
- Limitations in project monitoring and evaluation.

We are worried (particularly given the large proportion of UK funds in this project) that the documentation does not appear to address these concerns and will not be able to endorse the project unless we are convinced that appropriate safeguards have been put in place. We understand that this is likely to cause delays but would appreciate it if you would request that the AsDB and GoB provide us with a response setting out (i) how they are addressing these concerns, and (ii) how they are coordinating with the other IFIs in doing this - as this issue with this agency has come up in other fora such as the IFAD ASAP Board.

We'd also be grateful for an indication of when we are likely to receive a response.

Many thanks,

Anna

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