



ATTENTION: NEWS EDITOR/CHIEF REPORTER

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## Media Release

### **The European Commission supports UNDP Chittagong Hill Tracts Development Facility Programme with 21 million dollars**

**DHAKA** - The European Commission (EC) signed a contract today at the office of the Delegation of the European Commission to Bangladesh with the United Nations Development Programme (UNDP) to provide a second tranche of fund for the Chittagong Hill Tracts Development Facility Programme. In this phase the EC will contribute 21 million dollars (taka 143 crore) for the next 33 months toward the Project, which is implemented by UNDP.

Earlier in 2005, the EC funded 9.7 million dollars (taka 66 crore) for the development of the indigenous people in Chittagong Hill Tracts (CHT). Total contribution from the EC, including the recent one now stands about 30.7 million dollars (taka 209 crore).

Ambassador Stefan Frowein, Head of the Delegation of the EC Delegation and Mr. Manoj Basnyat, UNDP Country Director signed the contract on behalf of the respective sides.

This funding decision reflects the EC's commitment to supporting development and confidence-building in the Chittagong Hill Tracts. Furthermore it displays the close EC-UNDP partnership, which is based on three major ingredients for successful development assistance in Bangladesh: technical know-how, financial resources and socio-political commitment.

UNDP has played a coordinating and facilitating role within the donor community and in interaction with the Government and CHT institutions; to promote development in the CHT and at the same time has taken up the daunting challenge of **BUILDING TRUST** – between the various stakeholders who are key to future peace and harmony in the region.

The project has made remarkable progress in the CHT since its formal initiation in December 2005, including creation by the participating villages of their own development bodies called "Para Development Committees" and implementation of small-grant projects in over 1,600 villages through a 'Quick Impact Fund' from which local institutions and communities are able to access an average of tk. 400,000 each to finance their development initiatives.



“The partnership between the Government, NGOs and the donor community, has proven effective to facilitate self-reliant approaches to development that the people and institutions of the CHT have defined for themselves,” UNDP Country Director, Manoj Basnyat, said.

Today, as much as 50 percent of the population is unemployed, 70 percent live below the national poverty line and 50 percent of children drop out of school sometime during their primary education. Infrastructure, such as roads and health facilities, has deteriorated almost beyond use, while other such facilities have already been abandoned.

The timely support of the EC now enables development work in the CHT to proceed with an even greater sense of urgency and priority across a wide range of needs and opportunities at community and institutional levels. This will include programmes for new economic opportunity and private sector investment, new schools and health services in remote locations and developing the capacity of the decentralized CHT institutions and local governance bodies to support these development efforts.

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