



An Initiative of the Local Consultative Group (LCG)
Private Sector Development Subgroup

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Finance Adviser highlights the role of the State in Private Sector Development

Dhaka – The Finance Adviser, Dr. Mirza Azizul Islam, drew attention to the role of the State in private sector development today during a half-day workshop organized by the Local Consultative Group's Private Sector Development (PSD) subgroup. The workshop entitled "Private Sector Development: Partnerships for the Future" marked the public launch of its "Private Sector Development Donor Mapping" reports. These reports outline current activities in private sector development by donors in Bangladesh and highlight potential areas for further work.

During the workshop the Finance Adviser, Dr. Mirza Azizul Islam, noted that the State is responsible for creating an enabling environment for the private sector through ensuring law and order, macroeconomic stability, and a sound financial system. In relation to achieving a successful partnership between the private and public sectors, the Adviser suggested three essential requirements: *Government machinery should be free from corruption; the Government must develop a service oriented mentality; and both the public and private sectors need to develop the capacity of their institutions to remain innovative and to seize the opportunities of globalisation.*

A synergetic approach between the public and private sectors in cooperation with development partners was stressed by the Energy Adviser Tapan Chowdhury in achieving the private sector developments goals. He urged for action oriented continuous dialogue among the stakeholders, including government, private sector, and the development partners.

The Ambassador of Germany, Frank Meyke and the Ambassador of Japan, Masayuki Inoue also spoke on this occasion. The workshop was also addressed by Elizabeth Carriere, Acting Country Representative of DFID, and Manoj Basnyat, UNDP Country Director.

Amongst the more than 200 high-level participants present in the workshop, many came from private sector companies, chambers and trade associations. In addition, a large number of high government officials were also present.

Through this workshop, participants urged an increase in pace of communication between the private sector, the Government and development partners. The participants committed to more regular interactions to achieve more targeted outcomes closer to the needs of the private sector, with the overall objective of increasing employment and income in Bangladesh. Through five break-out sessions, workshop participants outlined action points in five areas: business enabling environment, corporate social responsibility, trade, SME development and finance. These action points will be taken forward by the PSD LCG subgroup in consult with the Government and the private sector.

The LCG is a platform for information exchange, coordination and collaboration among more than 30 development partners, including the Government of Bangladesh, multilateral and bilateral agencies.

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