

Staff Reporter

Finance Minister AMA Muhith on Tuesday said the cancellation of fund by the World Bank for the Padma Bridge project for alleged conspiracy of corruption was a wrong policy of the global lending agency.

"Now they've admitted it was a wrong policy," he told reporters replying to their queries at his ERD office after World Bank country director Johannes Zutt and high World Bank official Junaid met him.

The Finance Minister's comment came following the World Bank's recent realigned approach to tackling corruption in projects after the much-talked-about Padma bridge episode.

Previously, the multilateral Washington-based lender would wash its hands off projects as soon as allegations of corruption surfaced. But now, in essence, it will carry on with the projects but will work with local authorities to identify and snuff out the issues.

"When the evidence of corruption comes to light, its response should not be to disengage, but to engage differently," the WB said in its Country Assistance Strategy Progress Report.

The Finance Minister said the World Bank is now saying that their tactics was wrong which is good for the World Bank and also for the developing countries. "This means now they (WB) will be more cautious to have such kind of disengagement."

Replying to a question, he reiterated that there was no corruption in the Padma Bridge project. Muhith told another questioner that due to disengagement by the World Bank, the country lost two years for starting the project work as the plan for beginning the work was in 2012. "Now we've started it in 2014, so two years are lost. But, as far as the money is concerned, there is no loss....,"

About the image problem over the allegation of conspiracy of corruption in the Padma Project, the Finance Minister said it will get solved after the case is completed by the Anti Corruption Commission (ACC).

The World Bank cancelled its financing for the Padma bridge project in June 2012 after corruption allegations were brought up against some public servants.

Although talks had revived, Bangladesh ultimately withdrew its request for funds in January 2013, just before the expert panel reported that the government did not carry out the full and fair corruption investigation it had promised to.