

Government of the People's Republic of Bangladesh
Ministry of Finance
Economic Relations Division (ERD)
Middle East-3 Section
Sher-e-Bangla Nagar, Dhaka.
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Press Release



Today (February 23, 2015) a loan agreement of 10.00 million KD (equivalent to US\$ 34.00 million/ 279.51 crore taka) has been signed in Dhaka between Government of the People's Republic of Bangladesh and Kuwait fund for Arab Economic Development (KFAED) for ***“Improvement of Urban Roads in North Dhaka City Project”***.

On behalf of the Government of Bangladesh, Mr. Mohammad Mejbahuddin, Senior Secretary, Economic Relations Division, Ministry of Finance and on behalf of KFAED, Mr. Hamad Al- Omar, Deputy Director General signed the agreement. High officials of the Government of Bangladesh and KFAED were present at the loan agreement signing ceremony.

The aim of the project is to improve the socio-economic condition of the dwellers of Dhaka North City Corporation (DNCC) through improvement of roads, drains, footpaths and installing street lights at Mirpur, Mohamadpur, Agargoan and Vasantack area which may decrease traffic congestions, accident rate and improve the environment.

The total estimated cost of the said project is US\$ 37.74 million (equivalent to 310.26 Crore Taka) out of which KFAED will provide US\$ 34.00 million (10.00 million KD / 279.51 crore taka) and the rest of the amount US\$ 3.74 million (30.75 crore taka) will be financed by Government of Bangladesh (GoB). The repayment period of the Loan is 25 years including 5 years grace period at 1.5% interest per annum and 0.5% of service charge.

Dhaka North City Corporation (DNCC) will implement the project under the supervision of Local Government Division (LGD) of Ministry of Local Government, Rural Development and Cooperative. The project will be implemented from July 2015 to June 2017.

Kuwait Fund is one of the long-standing Development Partners of Bangladesh and it has been providing assistance to Bangladesh since 1974. Kuwait Generally provides financial assistance to Bangladesh in the form of grant and soft loan. Many development projects have been completed with the financial assistance of Kuwait Fund. It has provided financial assistance to Bangladesh particularly in the area of Power, Communication etc. After signing, both sides expressed the hope that the Agreement would enhance interaction and cooperation between the two brotherly countries in a wide range of areas.

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