

Government of the People's Republic of Bangladesh
Ministry of Finance
Economic Relations Division
Sher-e-Bangla Nagar, Dhaka.
(www.erd.gov.bd)


PRESS RELEASE

Today on 09 January, 2018, at 3:30 p.m. a Financing Agreement of US\$ 245.00 million Credit has been signed at the Economic Relations Division (ERD), Dhaka between the Government of Bangladesh and the International Development Agency (IDA) of the World Bank. The credit will be utilized for implementing the "Safety Net Systems for the Poorest (SNSP) Project" under the Ministry of Disaster Management & Relief and the Statistics & Informatics Division. Kazi Shofiqul Azam, Secretary, ERD and Mr. Qimiao Fan, Country Director, of the World Bank, Dhaka Office signed the Agreement on behalf of their respective sides.

The "Safety Net Systems for the Poorest (SNSP) Project" is being implemented by the Ministry of Disaster Management & Relief and the Statistics & Informatics Division for the period of 2013 to 2017. Now the period of the project and the agreement has been extended up to 30 June, 2019. Government of Bangladesh is implementing different types of Social Safety Net Programs to reduce poverty. Five major safety net programs such as Employment Generation Program for the Poorest (EGPP), Food for Work, Test Relief (TR), grant Relief (GR) and VGF are being implemented by the Ministry of Disaster Management & Relief. In case of implementation of the programs a lot of challenges are there in selection of beneficiaries, identification of areas, management etc. In order to strengthening the capacity of implementation and management of these programs Government has taken the "Safety Net Systems for the Poorest (SNSP) Project" with the assistance of World Bank.

There are three components of the project. Component-1[Support to the Ministry of Disaster Management and Relief (MoDMR) Safety Net Program] and Component-2 (Strengthening of MoDMR Program Administration) will be implemented by the Ministry of Disaster Management and Relief and Component-3 (Development of the National Household Database) will be implemented by the Statistics & Informatics Division.

The credit is highly concessional in nature which carries a service charge of 0.75% on the withdrawn credit balance. The credit is repayable in 38 years with a grace period of 06 years. A maximum commitment charge of 0.5% for unwithdrawn balance, which is presently waved by the Executive Board of IDA.


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