

Government of the People's Republic of Bangladesh
Ministry of Finance
Economic Relations Division

Press release

July 25, 2016 Monday

A loan agreement entitled “Second Additional Financing of Public Procurement Reform Project II (PPRP-II AF-II)” has signed today on July 25, 2016 between the government of Bangladesh and the World Bank’s soft loan window International Development Association (IDA) to provide financial support to “Public Procurement Reform Project II”; an ongoing project of Implementation, Monitoring and Evaluation Division. Under this agreement an additional US\$ 10 million will be provided to the project as loan.

This project will allow continuing of an ongoing Public Procurement Reform Project II (PPRP-II) which was initially launched in 2007 with IDA finance amounting SDR 15.5 million (US\$ 23.6 million) and extended in 2013 with additional fund of SDR 22.8 million (US\$ 34.5 million) of similar fund source. Under this additional support a new State-of-the-art data center will be built with a capacity of 200 terabytes. A new mirror site is planned to be constructed to replace existing low-capacity data center. Robust security measures will be ensured in this new system and 180 times more data storage capacity will be offered to consume approximately 8.6 million tender data and data of 325000 registered bidders.

It is to be noted that in 2011, after the initiation of electric procurement a visible and measurable change in government procurement has been made. Initially, four lead procuring entities of Bangladesh like Roads and Highway Division, Local Government Division, Rural Electrification Board and Bangladesh Water Development Board were brought under e-procurement portal. As a result, a visible progress was made in public procurement and tender processing time was minimized to 29 days’ in 2015 from 51 days in 2012.

This additional financing will also support professional certification and training on public procurement of the existing project. The current financing will facilitate training on public procurement to ensure at least one trained staff in every government procuring entity. The loan will be provided in IDA (International Development Association) terms with 6 years grace period and 38 years maturity and will carry 0.75% interest rate.

Mr. Kazi Shofiqul Azam, Additional Secretary of Economic Relations Division, Ministry of Finance and Ms. Rajashree S Paralkar, acting Country Director of the World Bank for Bangladesh signed the agreement on behalf of their respective organizations.

Johirul Islam
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