



Government of the People's Republic of Bangladesh
Ministry of Finance
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PRESS RELEASE

Today on 28th June 2022, 'Exchange of Notes' and 'Loan Agreements' for two Development Projects under 43rd ODA Loan Package (1st batch) and 'Grant Agreement' for one project have been signed between the Government of Bangladesh and the Government of Japan. Ms. Fatima Yasmin, Secretary, Economic Relations Division, Ministry of Finance has signed the 'Exchange of Notes', 'Loan Agreements' and 'Grant Agreement' on behalf of the Government of Bangladesh while His Excellency, Mr. ITO Naoki, The Ambassador of Japan in Bangladesh has signed the 'Exchange of Notes' and Mr. Yuho Hayakawa, Chief Representative, JICA Bangladesh Office, Dhaka has signed the 'Loan Agreements' and 'Grant Agreement' on behalf of the Government of Japan. The signing ceremony was held virtually.

Under the 43rd ODA Loan Package (1st batch), Government of Japan will provide 165,861 million Japanese Yen (JPY) (equivalent to Tk 11,400 crore/USD 1.4 billion) for the 2nd tranche of Dhaka Mass Rapid Transit Development Project (MRT line 5, Northern Route) and Southern Chattogram Regional Development Project. Rate of interest of this loan will be 0.70% for construction, 0.01% for consultancy services, Front End Fee (at a time) 0.2%, and repayment period will be 30 years which includes 10 years grace period.

The projects which are going to be implemented by these financial agreements are as follows:

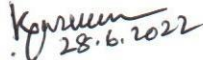
Dhaka Mass Rapid Transit Development Project (Line 5 Northern Route) (II):

Objective of the project is to alleviate traffic congestion and mitigate air pollution in Dhaka city by constructing 20.00 km mass rapid transit system in MRT line-5 northern route i.e. Hemayetpur-Aminbazar-Gabtolli-Mirpur1-Mirpur-10-Kochukhet-Cantonment-Banani-Gulshan2-Notun Bazar-Vatara. JICA will provide loan assistance in different tranches. Earlier JICA has provided 7,358 million JPY for engineering services and 55,696 million JPY in 1st tranche. The total loan amount for this 2nd tranche is 133,399 million Japanese Yen. Dhaka Mass Transit Company Limited (DMTCL) under Road Transport and Highways Division is implementing the project. Project implementation period is 2019 to 2028.

Southern Chattogram Regional Development Project: The objective of the project is to improve the living standard and enhance the quality of life in the southern Chattogram region by the development of public infrastructure. The project will be implemented at Moheshkhali, Chakoria and Teknaf pourosova and Moheshkhali, Chakoria, Teknaf, Ukhiya and Cox's Bazar Sadar upazila. The total loan amount for this project is 32,462 million Japanese Yen. Local Government Engineering Department (LGED) under Local Government Division will implement the project. Project implementation period will be 2022 to 2028.

The Project for Improvement of Meteorological Radar System in Dhaka and Rangpur (Additional Financing): Under this project two conventional RADARs situated at Dhaka and Rangpur will be replaced by modernized Doppler RADAR system. Under this grant agreement Government of Japan will provide an additional amount of 128 million Japanese Yen (equivalent to approximately Taka 9.57 crore /USD1.11 million) as grant to implement the project. Earlier a Grant Agreement of 2,881 million Japanese Yen (equivalent to approximately Taka 186.26 crore) was signed with Govt. of Japan in 2015. The project will be extended up to 30 April 2027 as the project activities have been disrupted due to covid pandemic. Initially the project implementation period was 2015-2024. Bangladesh Meteorological Department (BMD) under Ministry of Defence is implementing the project.

Japan has made available innumerable supports for the economic development of Bangladesh since our independence. Japan is the single largest bilateral development partner providing financial support for the socio-economic development of Bangladesh. Till May 2022, the ODA commitment has exceeded to USD 27.432 billion and disbursements to USD 17.96 billion. Japanese loans and grants are being utilized in a wide range of areas including power, roads, bridges, telecommunication, agriculture, health, education, water supply and sanitation, rural development, environment, human resource development etc. The Japanese assistance contributed significantly in overall development of the country.


28.6.2022
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