

Government of the People's Republic of Bangladesh  
Ministry of Finance  
Economic Relations Division (ERD)  
ADB Wing  
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**PRESS RELEASE**

Today on 14 August 2023, two loan agreements for 'Rural Connectivity Improvement Project- Second Additional Financing' (US\$ 190 million) and 'Improving Urban Governance and Infrastructure Program' (US\$ 300 million) have been signed in Dhaka between the Government of Bangladesh (GoB) and Asian Development Bank (ADB). Ms. Sharifa Khan, Secretary, Economic Relations Division (ERD), Ministry of Finance and Mr. Edimon Ginting, Country Director, Bangladesh Resident Mission, ADB signed the loan agreements on behalf of the GoB and ADB respectively. Senior officials of the Government of Bangladesh and ADB were present during the ceremony.


**Rural Connectivity Improvement Project-Second Additional Financing**

The Project is being implemented by the Local Government Engineering Department under Local Government Division. The objective of the project is to improve rural connectivity through the upgradation of rural infrastructures for enabling access to productive agriculture areas; enhance rural road infrastructure to all-weather standards with climate resilience and strengthen the capacity of stakeholders through effective trainings. Implementation period for the project is from July 2018 to June 2027. ADB will provide additional US\$ 190 million Concessional loan for this project. Loan repayment period is 25 years including 5 years' grace period. Interest rate on Concessional loans is 2% fixed.

**Improving Urban Governance and Infrastructure Program**

The Program will be implemented by the Local Government Engineering Department under Local Government Division. The objective of the program is to achieve planned, inclusive and sustainable urbanization, better city governance and improved infrastructure. Implementation period for the program is from July 2023 to June 2028. ADB will provide US\$ 300 million Concessional loan for this Program. Loan repayment period is 25 years including 5 years' grace period. Interest rate on Concessional loans is 2% fixed.

ADB, one of the largest multilateral development partners of Bangladesh, is extending development assistance to the country's prioritized sectors since Bangladesh became a member of ADB in 1973. ADB's total loan to Bangladesh till date stands at US\$ 29,364 million, while ADB' total grant is around US\$ 553.4 million. ADB's development assistance mainly focuses on power, energy, local Government, transport, education, agriculture, health, water resources, governance and financial sectors of Bangladesh.

  
14.08.23  
**Md. Waliul Hasan**  
Senior Assistant Secretary  
Economic Relations Division  
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