



PRESS RELEASE

Economic Relations Division
Ministry of Finance
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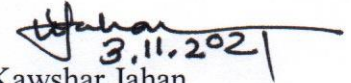


Signing of the Financing Agreement with Asian Infrastructure investment Bank (AIIB) for the ‘Sustainable Economic Recovery Program (Subprogram-1)’

On 02 November 2021 the Government of Bangladesh signed a Loan Agreement of USD 250 (two fifty) million with the Asian Infrastructure Investment Bank (AIIB) to implement the ‘**Sustainable Economic Recovery Program (Subprogram-1)**’. Ms Fatima Yasmin, Secretary, Economic Relations Division and Mr. D.J. Pandian, Vice President, Investment Operations Region 1 signed the Loan Agreement **virtually** on behalf of Bangladesh and AIIB respectively.

This Program has been taken by the Finance Division with the aim of bringing policy reform to recover the country’s economy from the harmful effects of COVID-19 and to sustain sustainable growth. The lead financier of the Program is the Asian Development Bank (ADB). AIIB is contributing USD250 million as the co-financier. Under this program, steps will be taken to reduce and rationalize expenditure by reforming and strengthening the Public Finance Management (PFM) system and to expand financial resources. The program also aims to create financing opportunities for industries and entrepreneurs such as small, medium and cottage industries whose sources of funding are insufficient.

The loan will be received in standard terms and conditions of AIIB. The repayment period of the loan is 20 years including 3 years grace period. Payable Front end is Fee 0.25% and commitment fee is 0.25% per annum for undisbursed amount.


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