

Government of the People's Republic of Bangladesh  
Ministry of Finance  
Economic Relations Division  
World Bank-3 Section  
Sher-e-Bangla Nagar, Dhaka  
[www.erd.gov.bd](http://www.erd.gov.bd)



**PRESS RELEASE**

**Signing of 5 (five) Financing Agreements of USD 2253.45 Million between Government of the People's Republic of Bangladesh and the World Bank**

On 29 April 2023, 5 (five) Financing Agreements of USD 2253.45 million were signed between Government of Bangladesh and World Bank. Ms. Sharifa Khan, Secretary, Economic Relations Division (ERD) and Mr. Abdoulaye Seck, Country Director, World Bank in Bangladesh signed the Financing Agreements in Washington, DC, USA on behalf of Bangladesh and World Bank respectively. The Financing agreements are:

<u>Serial No</u>	<u>Project Name</u>	<u>Loan Amount In Million US\$</u>
1.	Resilient Infrastructure for Adaptation and Vulnerability Reduction Project (RIVER)	US\$: 500.00
2.	Bangladesh Environmental Sustainability and transformation (BEST) Project	US\$: 250.00
3.	Accelerating Transport and Trade Connectivity in Eastern South Asia (ACCESS)- Bangladesh Phase-1 Project	US\$: 753.45
4.	First Bangladesh Green and Climate Resilient Development (GCRD)	US\$: 500.00
5.	Sustainable Microenterprise and Resilient Transformation (SMART)	US\$: 250.00
		Total: US\$ 2253.45

On 1 May 2023, Secretary, Economic Relations Division and Country Director, World Bank, Bangladesh exchanged the signed Financing Agreements in the presence of H.E. Sheikh Hasina, Prime Minister of the People's Republic of Bangladesh, in the celebration of 'Bangladesh-World Bank 50 years partnership' program in World Bank Headquarter, Washington, D.C., USA.



### **1. Resilient Infrastructure for Adaptation and Vulnerability Reduction Project (RIVER)**

The objective of this project is to reduce the vulnerability of the population across the cyclone and flood prone coastal districts of Bangladesh. Another objective is to provide safe shelter to human being and their resources including livestock during natural calamities like cyclones, tidal surges and flood. Local Government Engineering Department (LGED) of Local Government Division (LGD) will implement this project in 6 (six) years (01 July 2022- 30June 2028).

### **2. Bangladesh Environmental Sustainability and transformation (BEST) Project**

The objective of this project is to strengthen the capacity of the Government of Bangladesh in environmental management and to reduce pollution discharges. Implementing agencies of this project are Department of Environment (DOE) (Lead Agency), Bangladesh Road Transport Authority (BRTA), Bangladesh Bank, Bangladesh High-tech Park Authority (BHTPA). The project will be implemented in five (05) years (July 2023 to June 2028)

### **3. Accelerating Transport and Trade Connectivity in Eastern South Asia (ACCESS)- Bangladesh Phase-1 Project**

The objective of this umbrella project is to develop efficient and resilient regional trade and transport in Bangladesh. The implementing agencies are National Board of Revenue (NBR), Roads and Highways Department (RHD) and Bangladesh Land Port Authority. The project will be implemented in July 2022 to June 2028.

#### **4. First Bangladesh Green and Climate Resilient Development (GCRD)**

The main objective of this budget support program is to support the Government of Bangladesh for transitioning to green and climate resilient development by (i) enhancing public planning, financing, and delivery of green and climate resilient interventions; and (ii) promoting key sector reforms for greener and more efficient production and services. Finance Division is the main implementing agency for this program. This budget support will be released by 30 June 2024 subject to compliance of certain prior conditions.

#### **5. Sustainable Microenterprise and Resilient Transformation (SMART)**

The objective of this project is to increase resource-efficient and resilient green growth of microenterprises (MEs) in Bangladesh. The project aims to promote and transform the micro-enterprise sector into a more dynamic, lower polluting, resource-efficient, and climate resilient sector. It will be implemented by Palli Karma-Sahayak Foundation (PKSF) during the period 2023 to 2028.

#### **Terms and Conditions of the loans**

Bangladesh is getting 4 (four) loans (out of 5) from regular IDA. Only First Bangladesh Green and Climate Resilient Development (GCRD) has two types of credit-Regular IDA (USD 176 Million) and Short-term maturity loan (USD 324 Million). Regular IDA loans are to be repaid in 30 (thirty) years with a grace period of 5 (five) years. A service charge of 0.75% per annum and interest at the rate of 1.25% shall be paid on the withdrawn amount of this loan. Besides, a maximum annual commitment fee of 0.50% is payable on the unwithdrawn financing balance. It should be noted that the commitment fee has been waived by the World Bank for Bangladesh for a long time including the current financial year. On the other hand, Short-term Maturity Loan (SML) has to be repaid in 12 (times) years with a grace period of 6 (six) years. No service charge and interest will be applicable on the withdrawn amount of this loan.

Since 1972, the World Bank has been one of the main development partners of Bangladesh. Since then, World Bank has committed a total of USD 40,407 million in loan assistance and USD 722 million in grant for Bangladesh under 368 projects/programs.



1.5.2023

Md. Saiduzzaman Khan  
Senior Assistant Secretary  
Economic Relations Division