

Government of the People's Republic of Bangladesh
Ministry of Finance
Economic Relations Division
Japan-1 Section
Sher-e-Bangla Nagar, Dhaka.
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PRESS RELEASE

Today on 29 March 2023 'Exchange of Notes' and 'Loan Agreements' for the three projects have been signed between the Government of Bangladesh and the Government of Japan. Ms. Sharifa Khan, Secretary, Economic Relations Division, Ministry of Finance has signed the 'Exchange of Notes' and the 'Loan Agreements' on behalf of the Government of Bangladesh while His Excellency Mr. IWAMA Kiminori, the Ambassador of Japan in Bangladesh has signed the 'Exchange of Notes' and Mr. ICHIGUCHI Tomohide, Chief Representative, JICA Bangladesh Office, Dhaka has signed the 'Loan Agreements' on behalf of the Government of Japan. The signing ceremony was held at NEC-2 Conference Room of Economic Relations Division, Sher-E-Bangla Nagar, Dhaka at 3.00 p.m.

Under the 43rd ODA Loan Package (2nd batch), Government of Japan will provide 165,319 million Japanese Yen (JPY) (approximately USD 1.27 billion) for the 2nd tranche of Matarbari Port Development Project, Chattogram-Cox's Bazar Highway Improvement Project and Project for the Construction of Dual Gauge Double Line Between Joydebpur-Ishurdi Section (Engineering Service). Rate of interest of this loan will be 1.20% 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:

Matarbari Port Development Project (II): Objective of the project is to construct a new commercial port at Matarbari area in Chattogram Division. JICA provides loan assistance in different tranches. Earlier JICA has provided 2,655 million JPY (approximately USD 20 million) for engineering services and 38,866 million JPY (approximately USD 299 million) in 1st tranche. The total loan amount for this 2nd tranche is 105,362 million Japanese Yen (approximately USD 811 million). Chittagong Port Authority under the Ministry of Shipping and Roads and Highways Department under Road Transport and Highways Division are implementing the project. Project implementation period is January 2020-December 2026.

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Chattogram-Cox's Bazar Highway Improvement Project (I): Main scope of the project is to construct flyover and outer roads at major congested sections of Chattogram and Cox's Bazar highway. JICA provides loan assistance in different tranches. Earlier JICA has provided 1,906 million JPY (approximately USD 14.68 million) for engineering services. The total loan amount for this 1st tranche is 55,729 million Japanese Yen (approximately USD 429 million). Roads and Highways Department under Road Transport and Highways Division will implement the project. Project implementation period will be 2023 to 2028.

Project for the Construction of Dual Gauge Double Line Between Joydebpur-Ishurdi Section (Engineering Service): The objective of the project is to enhance railway capacity by double tracking of the existing rail between Joydebpur-Ishurdi, thereby contributing to improve the connectivity. The total loan amount for this engineering service project is 4,228 million Japanese Yen (approximately USD 32.56 million). Bangladesh Railway under the Ministry of Railways will implement the project. Project implementation period will be 2023 to 2025.

Japan has been providing continuous 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. The ODA commitment has exceeded to USD 28.84 billion and disbursements to USD 19.73 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.



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Mst. Ulfat Ara Begum
Senior Assistant Secretary
Phone: 48114417