

Government of the People's Republic of Bangladesh
Ministry of Finance
Economic Relations Division (ERD)
ADB Wing
Sher-e-Bangla Nagar, Dhaka 1207
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PRESS RELEASE

Today, 26 December 2022, loan agreements for 'Third Public-Private Infrastructure Development Facility - Tranche 2 (278.29 million USD), 'Greater Dhaka Sustainable Urban Transport Project (BRT- Gazipur) (additional financing 100 million USD) and 'Coastal Towns Climate Resilience Project' (246 million USD) and a grant agreement for 'Coastal Towns Climate Resilience Project' (4 million USD) 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. Jiangbo Ning Deputy Country Director & Officer-In-Charge, Bangladesh Resident Mission, ADB signed the loan and grant agreements on behalf of the GoB and ADB respectively.

Mr. Alamgir Morshed, Executive Director and CEO, Infrastructure Development Company Limited (IDCOL), Mr. Quazi Muhammad Ferdous, Chief Engineer, Bangladesh Bridge Authority, nominated representatives of designated Pourashavas and Mr. Jiangbo Ning Deputy Country Director & Officer-In-Charge, Bangladesh Resident Mission, ADB signed the respective Project Agreements.

1. Third Public-Private Infrastructure Development Facility (Tranche 2)

The project will be implemented by Infrastructure Development Company Limited (IDCOL) to invest in infrastructure projects developed under the Public-Private Partnership (PPP) model. Estimated completion date of the project is June 2027. ADB loan for this project has two components: 262.29 million USD Ordinary Operations (Regular) and 16 million USD Ordinary Operations (Concessional) that will support investment in energy efficiency and renewable energy solutions. Both loans have repayment period of 25 years including 5 years' grace period.

2. Greater Dhaka Sustainable Urban Transport Project (BRT- Gazipur)

The Project will be executed by Road Transport and Highways Division and implemented by Roads and Highways Department (RHD), Bangladesh Bridge Authority (BBA) and Local Government Engineering Department (LGED). The objective of the project is to improve the quality of urban life in Gazipur-Tongi Area establishing efficient, sustainable, environment-friendly, affordable and safe urban transport system through the construction of 20.50 km long Bus Rapid System from Gazipur to Airport. ADB will provide additional 100 million USD Ordinary Operations (Regular) loan which is repayable in 25 years with a grace period of 5 years.


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3. Coastal Towns Climate Resilience Project

The Project will be executed by Local Government Engineering Department under Local Government Division. The objective of the project is to strengthen climate and disaster resilience of the selected coastal towns at risk and improve the quality of life of women and poor in the locality. 15 Pourashovas of 06 districts of Barisal division, 05 Pourashovas of 03 districts of Khulna division and 02 Pourashovas of Shariatpur district of Dhaka division are covered by this project. The estimated completion date of the project is 30 June 2029. ADB's USD 250 million support for this project includes USD 150 million Ordinary Operations (Concessional) loan, USD 96 million Ordinary Operations (Regular) loan (repayable in 25 years with a grace period of 5 years) and USD 04 million grant.

The interest rate on OCR (Concessional) loans is 2% fixed. OCR (regular) loan interest rate is SOFR (Secured Overnight Financing Rate) + 0.50% including maturity premium at the rate of 0.10% and commitment charge at the rate of 0.15% on undisbursed amount.

Since 1973, ADB is one of the largest multilateral development partners of Bangladesh extending development assistance to the country. ADB's total loan to Bangladesh till now is more than 27.844 billion USD and total grant is about 0.541 billion USD.


26.12.22
Md. Wallul Hasan
Senior Assistant Secretary
Economic Relations Division
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