



Government of the People's Republic of Bangladesh
Ministry of Finance
Economic Relations Division (ERD)
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Press Release

Loan Agreements of US\$ 940 million has been signed today on **24 June 2021** at Economic Relations Division, Dhaka between Government of the People's Republic Bangladesh (GoB) and Asian Development Bank (ADB) to finance the **“Responsive COVID-19 Vaccines for Recovery Project under the Asia Pacific Vaccine Access Facility Program”** which will be implemented under the Finance Division. **Ms. Fatima Yasmin**, Secretary, Economic Relations Division (ERD), Ministry of Finance signed the Loan Agreements on behalf of Bangladesh Government and **Mr. Manmohan Parkash**, Country Director, Bangladesh Resident Mission, ADB signed the Loan Agreements on behalf of ADB.

Finance Division (LGD) is the Sponsoring Division, Directorate General of Health Services (DGHS) is the Implementing Agency and Health Services Division (HSD) is the oversight body of the program. The implementation period is from June, 2021 to May, 2024. The objective of the program is to assist in the purchase of vaccines for COVID-19.

Out of US\$ 940 (nine hundred forty) million equivalents to TK 7971 crore, ADB will provide US\$ 470 (four hundred seventy) million as Ordinary Operations [Concessional] Loan (OCR-COL) with an interest rate of 2%. This loan repayment period is 25 years with a grace period of 5 years. The rest US\$ 470 million will be provided from as regular OCR loan. The rate of interest for the regular OCR loan is London Inter-Bank Offered Rate (LIBOR) based. In addition, a commitment charge at the rate of 0.15% will be applicable on the undisbursed amount. This loan repayment period is 15 years with a grace period of 3 years.

ADB is one of the largest multilateral Development Partners of Bangladesh. Its total loan amount to Bangladesh Government stands about US\$ 26.46 Billion of which 25.25 Billion loans and Technical Assistance (TA) US\$ 1.21 billion. In addition, ADB provided US\$ 500 million budget support, US\$ 250 million Policy Support to implement the stimulus packages declared by the Honorable Prime Minister, US\$ 100 million support for COVID-19 Response Emergency Assistance project and US\$ 9.34 million grant to tackle the adverse social and economic impact caused by COVID 19 in Bangladesh. So far, the development assistances of ADB mainly focuses on Power, Energy, Local Government, Transport, Education, Agriculture, Water Resources, Good Governance, Financial Sectors as well as Private Sectors of Bangladesh.


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