

PRESS RELEASE

Dhaka, 28 October 2021

Loan Agreement of “Construction of Dhaka-Ashulia Elevated Expressway” project has been signed on 26 October 2021 between the Government of the People’s Republic of Bangladesh and the Exim Bank of China. China Exim Bank will provide 1126.99 million USD (equivalent to 9,472.72 core taka) as Preferential Buyer’s Credit (PBC) loan. Mr. Md. Shahriar Kader Siddiky, Additional Secretary, Economic Relations Division (ERD), Ministry of Finance of Bangladesh and Ms. Zhang Tianqin, Deputy General Manager, Exim Bank of China signed the Loan Agreement on behalf of the respective Governments.

As per PBC Agreement annual interest rate is 2%, loan repayment period is 20 years including 5 year grace period. The main objective of the project is to minimize the traffic congestion in and around Dhaka-Ashulia areas; this project will be connected to the Dhaka Elevated Expressway and is located within the alignment of the Asian Highway. If this project is implemented, the traffic congestion in the Abdullahpur-Ashulia-Bypail-Chandra corridor connecting Dhaka with 30 districts will be greatly reduced.

China is one of the most important development partners. Padma Rail Link Project, Expansion and Strengthening of Power System Network under DPDC Area Project, Multi Lane Road Tunnel under the River Karnaphuli Project, Development of ICT Infra-Network for Bangladesh Government Phase-III (Info-Sarker 3) Project, Installation of Single Point Mooring (SPM) with Double Pipe Line project etc. are some of the important projects being implemented with financial support of China.

Memorandum of Understanding on Strengthening Investment and Production Capacity Cooperation for 27 projects worth about 20 billion USD was signed with Government of China during the visit of H.E. Mr. Xi Jinping, Hon’ble President of the People’s Republic of China to Bangladesh on October 2016. Loan agreements of 8 projects including this one of 7.80 billion USD has already signed out of the 27 listed projects.