



Government of the People's Republic of Bangladesh  
Ministry of Finance  
Economic Relations Division  
Asia-1 Branch  
Sher-e-Bangla Nagar, Dhaka  
[www.erd.gov.bd](http://www.erd.gov.bd)



## **PRESS RELEASE**

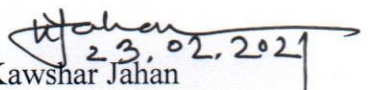
**Date: 23-02-2021**

A Financing Agreement was signed on 18 February 2021 between the Government of Bangladesh and the Asian Infrastructure Investment Bank (AIIB) for a credit amount of US\$ 200 (Two hundred) million to implement '**Bangladesh Rural Water, Sanitation and Hygiene for Human Capital Development Project**'. The Project will be implemented by the Department of Public Health Engineering (DPHE) under the Local Government Division and Palli Karma-Sahayak Foundation (PKSF) under the Financial Institutions Division.

Ms. Fatima Yasmin, Secretary, Economic Relations Division, Ministry of Finance and Mr. D.J. Pandian, Vice President, Investment Operations, Region-1, AIIB signed the financing agreement on behalf of their respective sides.

The loan is repayable in 35 years with a grace period of 05 years. The interest rate is 1.40% per annum on the withdrawn credit balance and payable Front end Fee is 0.25% and Commitment Fee is 0.25 % on un-withdrawal balance. The Project had been approved in the ECNEC on December 22, 2020. The project implementation period is 05 years from January 2021 to December 2025. The project will be implemented in 98 (Ninety eight) upazilas of 30 zillas covering all divisions. Objectives of this Project are to:

- a) implement safe water supply schemes in selected villages in arsenic and iron deficient areas of Bangladesh;
- b) increase the provision and use of WASH services in schools and community clinics;
- c) finance the construction of hand washing stations in schools and public places due to outbreaks of infectious diseases like COVID-19 and
- d) strengthen the institutional capacity of concerned organizations of Local Government Division aiming to create competitive jobs and expansion of WASH services..

  
23, 02, 2021  
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