



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**

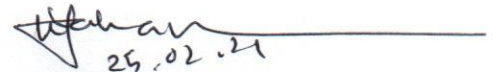
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A Loan Agreement of US\$ 100 (One hundred) million was signed on 19 February 2021 between the Government of the People's Republic of Bangladesh (GOB) and the Asian Infrastructure Investment Bank (AIIB) to assist in financing the project- '**COVID-19 Emergency Response and Pandemic Preparedness Project**'. Mr. Md. Shahriar Kader Siddiky, Joint Secretary, Economic Relations Division, Ministry of Finance signed the Loan Agreement with Mr. Rajat Misra, Acting Director General of Investment Operations, AIIB on behalf of GOB and AIIB respectively.

The project has been taken up at the initiative of the Health Services Division and it will be implemented by the Directorate General of Health Services. The project has been approved for implementation in 3 years at the meeting of the Executive Committee of the National Economic Council (ECNEC) held on 05 January 2021.

The objective of the project is to support the Government of Bangladesh to prevent, detect and respond to the threat posed by COVID-19 and to strengthen its national systems for public health preparedness.

The loan will be co-financed with the World Bank as a lead co-financier. The loan, by virtue of assistance from the Special Fund Window (SFW) facility of AIIB is repayable in 35 years with a grace period of 05 years. Under the SFW facility, by availing buy-down option, interest rate of this loan is 1.08%, which is less than usual interest rate of such loan tenure. Payable Front end Fee is 0.25% and Commitment Fee on the un-withdrawal loan amount is 0.25%.

  
25.02.21

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