

Press Releases

May 30, 2019

Signing of Japanese ODA Loan Agreements with Bangladesh: Accelerating Economic Growth through Infrastructure Development and Promotion of Private Investment

On May 29, the Japan International Cooperation Agency (JICA) signed loan agreements with the Government of the People's Republic of Bangladesh, to provide Japanese ODA loans of up to a total of 132.659 billion yen for the following four projects.

- (1) Matarbari Port Development Project (I) (loan amount: 38.866 billion yen)
- (2) Dhaka Mass Rapid Transit Development Project (Line 1) (I) (loan amount: 52.57 billion yen)
- (3) Foreign Direct Investment Promotion Project (II) (loan amount: 21.147 billion yen)
- (4) Energy Efficiency and Conservation Promotion Financing Project (Phase 2) (loan amount: 20.076 billion yen)

Details for the projects are as provided below.

(1) Matarbari Port Development Project (I)

(a) Objective and Summary

The objective of the Project is to strengthen port logistics capacity in Bangladesh by constructing a new commercial port in the Matarbari area in Chattogram Division, thereby contributing to the acceleration of logistics with neighboring countries.

(b) Executing Agency

1. Chittagong Port Authority

Address: Bandar Bhaban, Chittagong-4100, Bangladesh

Phone: +880-3-12510870, fax: +880-3-12510889

2. Roads and Highways Department, Ministry of Road Transport and Bridges

Address: Sarak Bhaban, Tejgaon Industrial Area, Dhaka-1208, Bangladesh

Phone: +880-2-8879299, fax: +880-2-8879199

(c) Planned Implementation Schedule

1. Completion of project: December 2024 – when the facilities are put into service
2. Issuing of letters of invitation for consulting services (including detailed design work): January 2019 (Port Package) (Already sent)/ March 2019 (Access Road Package) (Already sent)
3. Tender announcement of initial procurement package for international competitive bidding on project construction:
Procurement package title: Construction Works(Port Package)
Release date: April 2020

(2) Dhaka Mass Rapid Transit Development Project (Line 1) (I)

(a) Objective and Summary

The objective of the Project is to alleviate traffic congestion and mitigate air pollution in Dhaka city and adjacent areas by constructing a mass rapid transit system, thereby contributing to economic development and improving the urban environment.

(b) Executing Agency

Dhaka Mass Transit Company Limited

Address: 71-72 Old Elephant Road, Eskaton Garden, Dhaka-1000, Bangladesh

Phone: +880-2-55138099, fax: +880-2-9358589

(c) Planned Implementation Schedule

1. Completion of project: December 2026 – when the facilities are put into service
2. Issuing of letters of invitation for consulting services (including construction supervision): February 2020
3. Tender announcement of initial procurement package for international competitive bidding on project construction:
Procurement package title: Depot package (Soil improvement and land development)
Release date: February 2020

(3) Foreign Direct Investment Promotion Project (II)

(a) Objective and Summary

The objective of the Project is to promote foreign direct investment in Bangladesh by improving the investment climate through infrastructure development of economic zones, provision of Equity Back Finance to the Bangladesh Economic Zone Authority, and financial access for private enterprises doing businesses in the economic zones through Two Step Loans, thereby contributing to accelerating the economic development of Bangladesh.

(b) Executing Agency

1. Two-step loans: Financial Institutions Division, Ministry of Finance(project implementation by Bangladesh Bank)

Address: Building No.7, Bangladesh Secretariat, Dhaka-1000, Bangladesh

Phone: +880-2-9576013, fax: +880-2-9513500

2. Equity-back financing and Off-site infrastructure: Prime Minister's Office(project implementation by Bangladesh Economic Zones Authority)

Address: Old Sangsgad Bhaban, Tejgaon, Dhaka-1215, Bangladesh

Phone: + 880-2- 9128526, fax: + 880-2- 9145038

(c) Planned Implementation Schedule

1. Completion of project: April 2025 – With completion of the disbursement of two-step loans
2. Issuing of letters of invitation for consulting services (including detailed design work): June 2018 (Already sent)



signing ceremony

3. Tender announcement of initial procurement package for international competitive bidding on project construction:
 Procurement package title: Construction Works(Land Reclamation Work)
 Release date: February 2019 (Already announced)

(4) Energy Efficiency and Conservation Promotion Financing Project (Phase 2)

(a)Objective and Summary

The objective of the Project is to facilitate installation of energy efficiency and conservation equipment in Bangladesh as well as supporting the promotion of policy in energy efficiency and conservation by the Government of Bangladesh by extending concessional loans and other support, thereby securing the balance between energy supply and demand and contributing to the reduction of greenhouse gas.

(b) Executing Agency

1. Sustainable and Renewable Energy Development Authority

Address: IEB Bhaban,10th Floor, Ramna, Dhaka-1000, Bangladesh

Phone: +880-2-55110340, fax: +880-2-55110341

2. Infrastructure Development Company Limited

Address: UTC Building, 16th Floor, 8 Panthapath, Kawran Bazar, Dhaka-1215, Bangladesh

Phone: +880-2-9102171, fax: +880-2-9102084

3. Bangladesh Infrastructure Finance Fund Limited

Address: Borak Unique Heights, Level-3,117 Kazi Nazrul Islam Avenue,Eskaton Garden, Dhaka-1217, Bangladesh

Phone: +880-2-833238-9, fax: +880-2-9348518

(c) Planned Implementation Schedule

1. Completion of project: October 2025– with completion of the loan disbursement

2. Issuing of letters of invitation for consulting services (including detailed design work): June 2022 (Consulting service for enhancing capability for the Executing Agency.) (There will be no procurement for consulting services for promoting the project.)

3. Tender announcement of initial procurement package for international competitive bidding on project construction: No procurement for construction is scheduled for this project.

Terms and Amounts of Loans

Project title	Amount (million yen)	Annual interest rate (%)		Repayment period (years)	Grace period (years)	Procurement
		Project	Consulting services			
Matarbari Port Development Project (I)	38,866	0.90	0.01	30	10	General untied
Dhaka Mass Rapid Transit Development Project (Line 1) (I)	52,570	0.90	0.01	30	10	General untied
Foreign Direct Investment Promotion Project (II)	21,147	0.90	0.01	30	10	General untied
Energy Efficiency and Conservation Promotion Financing Project (Phase 2)	20,076	0.90	0.01	30	10	General untied

- Ex-Ante Evaluation for Matarbari Port Development Project (I)
- Ex-Ante Evaluation for Dhaka Mass Rapid Transit Development Project (Line 1) (I)
- Ex-Ante Evaluation for Foreign Direct Investment Promotion Project (II)
- Ex-Ante Evaluation for Energy Efficiency and Conservation Promotion Financing Project (Phase 2)