

Government of the People's Republic of Bangladesh  
Ministry of Finance  
Economic Relations Division  
Japan-1 Section  
Sher-e-Bangla Nagar, Dhaka.  
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**PRESS RELEASE**

Today, on June 27, 2025, a loan agreement was signed for the project titled **“Construction of Dual Gauge Double Line Between Joydebpur-Ishurdi Section Project (I)”** under the 2<sup>nd</sup> batch of the 46<sup>th</sup> Japanese ODA Loan Package between the Government of Bangladesh and the Government of Japan. The ‘Loan Agreement’ was signed on behalf of the Government of Bangladesh by Mr. Md. Shahriar Kader Siddiky, Secretary, Economic Relations Division, while Mr. ICHIGUCHI Tomohide, Chief Representative of the JICA Office in Bangladesh, signed the loan agreement on behalf of the Government of Japan in the NEC-2 conference room of the Economic Relations Division, Sher-E-Bangla Nagar, Dhaka. Under the agreement, the Government of Japan will provide a loan assistance of JPY 92,077 million (approximately USD 630 million) to Bangladesh. It is noteworthy that during the Honorable Chief Advisor's recent visit to Japan, the ‘Exchange of Notes’ for the loan of this project was signed on May 30, 2025, in Tokyo, Japan.

2.0 This project has been undertaken with the aim of improving the country's communication system by enhancing the capacity of the existing railway track through double tracking. The project will include the construction of a 162 km dual gauge main line, 25 km loop and siding lines, 11 km reconstruction of existing tracks, construction of 3 new stations, and other associated works. The Government of Japan will provide funding for the project in different phases. Previously, a loan agreement of JPY 4,228 million (approximately USD 32 million) was signed with the Government of Japan for the engineering services of the project. For this first tranche, the interest rate for the loan is 2.00% for construction works, 0.65% for consultancy services, and a Front-End Fee (at a time) of 0.20%. Repayment period of this loan will be 30 years which includes 10 years grace period.

3.0 Japan is the largest bilateral development partner of Bangladesh. Japan has been providing continuous support for the socio-economic development of Bangladesh since our independence. In line with the Bangladesh government's priorities for achieving economic growth, the Japanese government has so far committed USD 33.62 billion loan and grant assistance for infrastructure development in different sectors like communications, power and energy, agriculture, education, health and family welfare, water supply and sanitation, rural development, environmental development, and human resource development.

  
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M. Maksud Alam  
Deputy Secretary  
Phone: 48114417