



### Project Summary Information

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| October 21, 2021                            |   |
| <b>Project Name</b>                         | Bangladesh Sustainable Economic Recovery Program (Subprogram 1)   |
| <b>Project Number</b>                       | P000528   |
| <b>AIIB member</b>                          | People's Republic of Bangladesh   |
| <b>Sector/Subsector</b>                     | Economic Resilience/ PBF  |
| <b>Status of Financing</b>                  | Approved  |
| <b>Project Description</b>                  | The proposed Program (Sub-program 1) is a policy-based financing to help the government implement reforms to accelerate economic recovery from the COVID-19 pandemic by enhancing: (i) fiscal space through improved public financial management (PFM) for revenue and public expenditure, and (ii) enabling environment to foster the growth of cottage, micro, small and medium-sized enterprises (CMSMEs) and associated employment, in line with initiatives of country's Eighth Five Year Plan, 2021–2025. This is to be supported under AIIB's COVID-19 Crisis Recovery Facility (the Facility) and co-financed with the Asian Development Bank (ADB).              |
| <b>Objective</b>                            | To help the Government of Bangladesh implement policy reforms to accelerate economic recovery from the COVID-19 pandemic.   |
| <b>Expected Results</b>                     | By supporting reforms to strengthen PFM system and improve access to finance for CMSMEs, the Program is expected to: (i) increase public investment made possible by the expanded fiscal space; and (ii) create large scale employment opportunities, in particular for the poor and vulnerable, through the growth of CMSMEs.  |
| <b>Environmental and Social Category</b>    | ADB has categorized this Program under its Safeguards Policy Statement (SPS) as Category C for environment, involuntary resettlement and Indigenous Peoples.  |
| <b>Environmental and Social Information</b> | <p>The proposed Program will be co-financed with ADB as the lead co-financier. To ensure a harmonized approach to address the environmental and social (ES) aspects of the Program, as permitted by AIIB's ESP, ADB's SPS will apply to the Program in lieu of AIIB's ESP. The Bank has reviewed ADB's SPS and is satisfied that: (i) ADB's SPS is consistent with the Bank's Articles of Agreement and materially consistent with the provisions of the Bank's ESP; and (ii) the monitoring procedures that are in place are appropriate for the Program.</p> <p>The Program is expected to benefit all citizens of Bangladesh, including poor and vulnerable groups</p> |

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|                                   | unemployed because of COVID-19 and underserved segments of the market, including CMSMEs. The poor and vulnerable groups are anticipated to be benefited through improved targeting of the delivery of social safety nets. The Program is also likely to enhance gender equality and women's empowerment through access to credit from the formal banking channels and participation in the decision-making process. |   |   |
| <b>Cost and Financing Plan</b>    | <b>Source of Financing</b>  | <b>Amount (USD million)</b>               | <b>Percentage</b>   |
|                                   | ADB   | 250.00                                    | 50.00%  |
|                                   | AiIB  | 250.00                                    | 50.00%  |
|                                   | <b>Total Project Cost</b>   | <b>500.00</b>                             | <b>100.00%</b>  |
| <b>Borrower</b>                   | People's Republic of Bangladesh   |   |   |
| <b>Implementing Entity</b>        | Ministry of Finance   |   |   |
| <b>Date of loan closing</b>       | December 2021   |   |   |
| <b>Contact Points:</b>            | <b>AiIB</b>   | <b>ADB</b>                                | <b>Borrower</b>   |
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| <b>Title</b>                      | Senior Investment Operations Specialist   | Principal Financial Management Specialist | Joint Secretary & Wing Chief (Asia, JEC, F&F), Economic Relations Division (ERD), Ministry of Finance |
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| <b>Date of Concept Decision</b>   | September 2021  |   |   |
| <b>Date of Appraisal Decision</b> | September 2021  |   |   |
| <b>Date of Financing Approval</b> | October 2021  |   |   |

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| <b>Independent Accountability Mechanism</b> | Since ADB's SPS will apply to this Program, and pursuant to AiIB's agreement with the ADB, AiIB will rely on the ADB's Independent Accountability Mechanism (IAM) to handle complaints relating to ES issues that may arise under the Program. Consequently, in accordance with AiIB's Policy on the Project-affected People's Mechanism (PPM), submissions to the PPM under this Program will not be eligible for consideration by the PPM. ADB's IAM addresses issues raised by persons adversely affected by an ADB-assisted project and allows them to report alleged noncompliance with ADB's operational policies and procedures, including SPS. Information on ADB's IAM is available at: <a href="https://www.adb.org/site/accountability-mechanism/main">https://www.adb.org/site/accountability-mechanism/main</a> . |
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