

Trend in Yen-loan toward Bangladesh

Remarkable events in the history Bangladesh over yen-loan^{1 2}

1971: Independence of Bangladesh from Pakistan
 - Parliamentary Democracy
 1972: Establishment of diplomatic tie between Bangladesh and Japan
 1973: Japanese government gave first yen-loan assistance toward Bangladesh
 1982: Military Coup: General Hossain Mohammad Ershad seized political power
 - Military rule (1982 – 1990)
 1990.12: General Hossain Mohammad Ershad was forced to resign following massive protests
 - Bangladesh reverted to Parliamentary Democracy
 2002.12: The two government signed the Agreement on Technical Cooperation between Bangladesh and Japan
 2003.4: Japan announced to relinquish the yen-loan of 158.09 billion yen agreed with Bangladesh until FY 1987

Development Plan released by Bangladesh since the early 1980s

(1980-85) The Second Five Year Development Plan
 (1985-90) The Third Five Year Development Plan
 (1990-95) The Fourth Five Year Development Plan
 (1997-02) The Fifth Five Year Development Plan
 Poverty Reduction Strategy Paper (PRSP) released on October, 2005⁽¹⁾

Link to electric files which are available on web:

(1) [http://siteresources.worldbank.org/INTPRS1/Resources/Bangladesh_PRSP\(Oct-16-2005\).pdf](http://siteresources.worldbank.org/INTPRS1/Resources/Bangladesh_PRSP(Oct-16-2005).pdf)

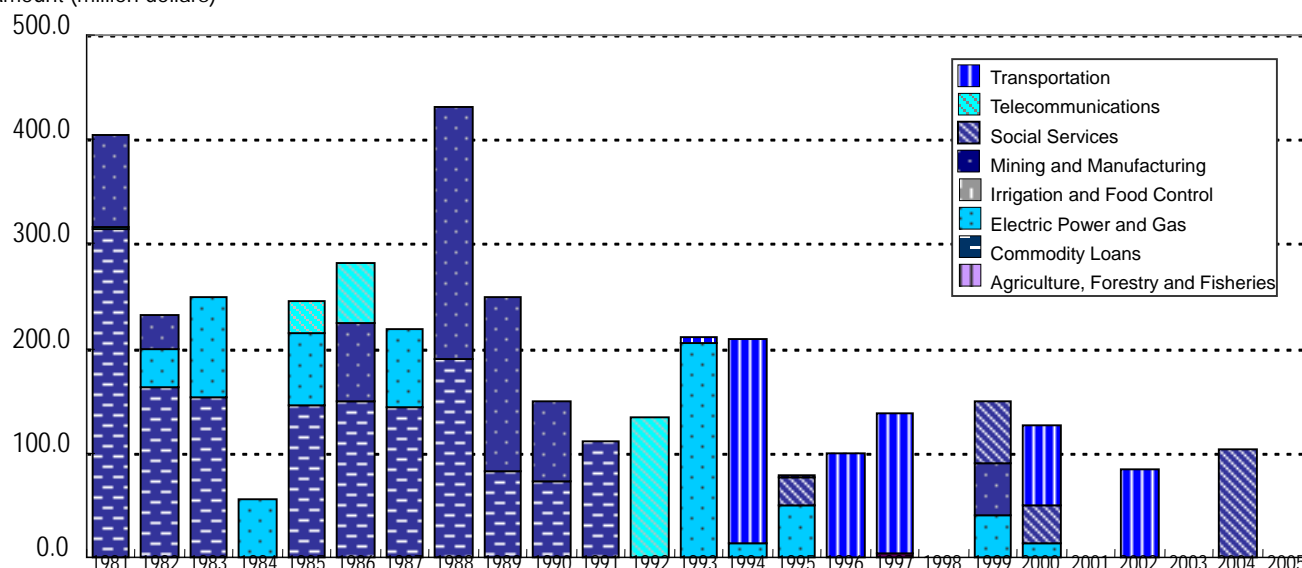
The latest strategy of ODA toward Bangladesh released by Japanese Government

Japan's Country Assistance Program for Bangladesh released on May, 2006

http://www.mofa.go.jp/mofaj/gaiko/oda/kunibetsu/enjyo/pdfs/e_bangla0605.pdf#search=%22%22Japan%E2%80%99s%20Country%20Assistance%20Program%22%20Bangladesh%20%22

Change in amount of yen-loan (1981 – 2005)

Amount (million dollars)



(dollars in million)

1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
122.7	404.5	231.8	250.0	55.1	245.5	282.3	218.2	431.9	250.0	149.8	110.9	134.2	210.1	208.8	78.0	99.5	0	138.7	149.2	0	125.6	0	83.7	103.1
4	3	2	1	3	4	2	6	2	3	1	1	5	2	3	1	3	0	3	3	0	1	0	1	0

*The cumulative amount of yen-loan before 1981 = 1,194.9 million dollars (16 projects)

*The total cumulative amount of yen loan as of the fiscal year ended 2005 = 5,155.9 million dollars (70 projects)

The trend in yen-loan

Bangladesh is categorized as Least Developed Countries (LDC)³. The yen-loan aids were actively used until late the 1990s. By recognizing the lack of repayment capacity of Bangladesh, Japan announced to relinquish the yen-loan of 158.09 billion yen which were agreed with Bangladesh until FY 1987. Thus Japan's ODA to Bangladesh mainly consists of grant aid. Incidentally the amount of yen-loan remains low.

The top three categories which received higher percentage of yen-loan during the 1980s were Commodity Loans (56%), Mining and Manufacturing (27%), and Electric Power and Gas (13%).

The top three categories which received higher percentage of yen-loan during the 1990s were Transportation (41%), Electric Power and Gas (26%), Telecommunication (11%).

From 2001 to 2005, only two projects were received yen-loan.

Reference: ¹ Wikipedia, the free encyclopedia, "History of Bangladesh"

² Outline of Japan's ODA to Bangladesh http://www.mofa.go.jp/policy/oda/region/sw_asia/bangla_o.pdf#search=%22%22Outline%20of%20Japan%E2%80%99s%20ODA%22%20Bangladesh%22

³ World Bank Web site <http://www.un.org/special-rep/ohrls/lfdc/default.htm>

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List of Yen-loan projects⁴

SECTOR	FISCAL YEAR	PROJECT NAME	AMOUNT (dollars in million)
COMMODITY LOANS	1973	FIRST COMMODITY LOAN	81.8
	1975	SECOND COMMODITY LOAN	104.5
	1976	THIRD COMMODITY LOAN TO THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH	118.2
	1977	COMMODITY LOAN (IV)	127.3
		COMMODITY LOAN (V)	136.4
	1978	COMMODITY LOAN (VI)	140.9
	1979	COMMODITY LOAN (VII)	150.0
	1981	COMMODITY LOAN (IX)	159.1
		COMMODITY LOAN (VIII)	154.5
	1982	COMMODITY LOAN (X)	163.6
	1983	COMMODITY LOAN (XI)	152.9
	1985	COMMODITY LOAN (XII)	146.1
	1986	COMMODITY LOAN (XIII)	149.0
	1987	COMMODITY LOAN (XIV)	143.9
	1988	COMMODITY LOAN (15)	120.9
		EMERGENCY COMMODITY LOAN	68.2
	1989	COMMODITY LOAN (XVI)	81.8
	1990	COMMODITY LOAN (XVII)	38.2
		ENERGY SECTOR ADJUSTMENT LOAN	34.5
		COMMODITY LOAN FOR THE CYCLONE DISASTER RELIEF	110.9
ELECTRIC POWER AND GAS	1976	GOALPARA-BARISAL TRANSMISSION LINE PROJECT	23.2
	1979	POWER GENERATING BARGE PROJECT	32.2
	1980	BHERAMARA-FARIDPUR-BARISAL TRANSMISSION LINE CONSTRUCTION PROJECT	28.2
	1981	ENGINEERING SERVICES FOR THE KAPTAI HYDRO-ELECTRIC POWER PLANT PROJECT	2.3
	1982	KAPTAI HYDRO-ELECTRIC POWER PLANT PROJECT	36.4
	1983	KAPTAI HYDRO-ELECTRIC POWER PLANT PROJECT (II)	97.1
	1984	BARGE-MOUNTED POWER PLANT PROJECT	55.1
	1985	GAS TURBINE POWER PLANT CONSTRUCTION PROJECT	68.3
	1987	SYLHET COMBINED CYCLE POWER PLANT CONSTRUCTION PROJECT	74.3
	1993	BARGE-MOUNTED POWER PLANT REHABILITATION PROJECT	14.2
		HARIPUR POWER PLANT REHABILITATION AND EXPANSION PROJECT	137.3
		SYLHET COMBINED CYCLE POWER PLANT CONSTRUCTION PROJECT (II)	54.0
	1994	BAKHRABAD NATURAL GAS DEVELOPMENT PROJECT (II) (INCLUDING FENI)	12.8
	1995	AREA COVERAGE RURAL ELECTRIFICATION PROJECT (PHASE IV-C)	49.5
	1999	POWER DISTRIBUTION AND EFFICIENCY ENHANCEMENT PROJECT	39.8
2000	RURAL ELECTRIFICATION PROJECT (PHASE V-B)	13.3	
IRRIGATION AND FLOOD CONTROL	1997	ENGINEERING SERVICES FOR NARAYANGANJ-NARSINGDI FLOOD PROTECTION AND IRRIGATION PROJECT	3.1
MINING AND MANUFACTURING	1976	DEVELOPMENT LOAN THROUGH BANKING SYSTEM	1.4
	1980	BAKHRABAD NATURAL GAS DEVELOPMENT PROJECT	60.0
		REHABILITATION AND EXTENSION OF THE KARNAPHULI RAYON PROJECT	34.5
	1981	CHITTAGONG UREA FERTILIZER PROJECT	88.6
	1982	CHITTAGONG UREA FERTILIZER PROJECT (II)	31.8
	1986	CHITTAGONG STEEL MILL REHABILITATION PROJECT	43.5
		CHITTAGONG UREA FERTILIZER PROJECT (III)	32.3
	1988	CHITTAGONG CAUSTIC SODA PLANT REHABILITATION PROJECT	18.9
		GHORASAL UREA FERTILIZER FACTORY RENOVATION PROJECT	94.0
		JAMUNA FERTILIZER PROJECT	125.9
		MADDHAPARA HARD ROCK MINING PROJECT (E-S)	4.0
	1989	JAMUNA FERTILIZER PROJECT (II)	168.2
	1990	JAMUNA FERTILIZER PROJECT (III)	77.1
1999	ENERGY SAVING, ENVIRONMENTAL PROTECTION AND IMPROVEMENT OF ON-STREAM FACTOR OF GHORASAL UREA FERTILIZER FACTORY PROJECT	49.5	
SOCIAL SERVICES	1977	DACCA INTERNATIONAL HOTEL CONSTRUCTION PROJECT	58.2
	1995	RURAL DEVELOPMENT CREDIT PROGRAM (GRAMEEN BANK)	27.1
	1999	NORTHERN RURAL INFRASTRUCTURE DEVELOPMENT PROJECT	59.9
	2000	GREATER FARIDPUR RURAL INFRASTRUCTURE DEVELOPMENT PROJECT	36.9
	2004	Eastern Bangladesh Rural Infrastructure Development Project	103.1
TELECOMMUNICATIONS	1976	DACCA-CHITTAGONG MICROWAVE AND TALIBABAD-DACCA COAXIAL CABLE	16.3
	1985	TELECOMMUNICATION NETWORK EXPANSION PROJECT	31.1
	1986	GREATER DHAKA TELECOMMUNICATIONS NETWORK IMPROVEMENT PROJECT	57.5
	1992	GREATER DHAKA TELECOM. NETWORK IMPROVEMENT PROJECT (II)	134.2
TRANSPORTATION	1979	SHIPPING REINFORCEMENT PROJECT	81.8
	1993	CHITTAGONG AIRPORT DEVELOPMENT PROJECT (E-S)	3.0

⁴ JBIC ODA Project Data <http://www.ibic.go.jp/english/oec/project/index.php>

*The amounts of original data were stated in Japanese yen. The amounts appearing in this report were converted from Japanese Yen to US dollars (Conversion rate: 1 US dollar = 110 Japanese Yen (Amounts is round to the nearest 100,000 [hundred dollars])).

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SECTOR	FISCAL YEAR	PROJECT NAME	AMOUNT (dollars in million)
		DHAKA PORT DEVELOPMENT PROJECT (ENGINEERING SERVICES)	1.6
	1994	JAMUNA MULTIPURPOSE BRIDGE PROJECT	196.0
	1995	ENGINEERING SERVICES FOR CONSTRUCTION OF PAKSEY BRIDGE	1.4
	1996	CHITTAGONG AIRPORT DEVELOPMENT PROJECT	99.5
	1997	JAMUNA BRIDGE ACCESS ROADS PROJECT	56.4
		PAKSEY BRIDGE CONSTRUCTION PROJECT (I)	79.2
	2000	RUPSA CONSTRUCTION PROJECT	75.5
	2002	Paksey Bridge Construction Project(II)	83.7
Grand Total			5,155.9