

RELEASE IN PART B6

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World Bank Supports Bridge to Transform Lives of 30 Million People in Southwest Bangladesh

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WASHINGTON, February 24, 2011 — In order to improve connectivity and boost opportunities for people in Southwest Bangladesh, the World Bank today approved a US\$1.2 billion concessional IDA credit to Bangladesh for the **Padma Multipurpose Bridge Project**. Spanning the Padma River, the world's third largest; the 6.1km long bridge will connect nearly 30 million people in the Southwest region to the rest of country, enhancing their access to markets and services while accelerating growth in the country as a whole.

The bridge is the largest IDA credit ever. It will reduce distances to Dhaka by about 100km while cutting travel times in half from most areas of Southwest Bangladesh. Given its size, complexity and expected impact on local communities, it includes state of the art safeguards and accountability features. Transparency has been emphasized throughout every step of its preparation and design.

"We've been working closely with the Government of Bangladesh on a Governance and Accountability Action Plan that ensures strict supervision to prevent fraud or corruption, and guarantees quality and transparency," said Isabel Guerrero, World Bank South Asia Vice President. "The construction of the bridge would fulfill the long-standing dream of the people of the Southwest region to have a permanent crossing over the Padma River," she added.

Furthermore, the project will adhere fully to Bangladesh's Right to Information Act and will include information sharing through the project website, social media, newsletters, and broadcasts on radio and television. Accountability will also be strengthened through third party monitoring by an independent panel of experts, community-based 'accountability meetings' to review social and resettlement action plans and the appointment of an independent Project Integrity Advisor reporting directly to the Prime Minister.

Through retroactive financing, the World Bank has already financed \$60 million for environmental and social actions to ensure that the lives of families in the construction zone are better. The development of resettlement sites is underway to protect the land, homes, livelihoods and community assets of local residents.

"I have witnessed the tremendous support of local people for the bridge and believe it will have far reaching economic and social benefits, including faster growth, new jobs, enhanced connectivity and trade within the country and in the broader region, and improved protection against river bank erosion and floods, said Ellen Goldstein, World Bank Country Director for Bangladesh. "We have also begun identifying with the government a comprehensive development plan for the Southwest region in order to maximize the benefits from the bridge."

Additionally, the bridge will enhance regional trade and collaboration along the Asian highway No.1 and the Trans-Asian railway network systems. It will also connect the two major sea ports in Bangladesh and the river training work will help control river erosion and flooding locally which is a major cause of landlessness and extreme poverty in that area.

The credit from the International Development Association (IDA), the World Bank's concessional lending arm, has 40-year maturity, including a 10-year grace period; it carries a service charge of 0.75 percent.

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