

Finance Minister's remarks to media on the occasion of the signing of US\$ One Billion Line of Credit Agreement between EXIM Bank and Government of Bangladesh

07/08/2010

It is always a pleasure to be in Dhaka. I bring you warm greetings from the people and the Government of India.

2. We have had a landmark visit to India of H.E. Prime Minister Sheikh Hasina in January, 2010. The Joint communiqué issued during the visit is comprehensive, forward-looking and path-breaking. We are firmly committed to implementing the vision, which the two leaders have set out for India-Bangladesh relations.

3. The historic bonds between India and Bangladesh run deep and are nurtured by fraternal, linguistic and cultural ties. The peoples of our two countries desire closer ties and interaction in all spheres. To realise their hopes, it is incumbent on us to open new vistas and widen further our multi-dimensional ties.

4. I congratulate and laud H.E. Prime Minister Sheikh Hasina for her steadfast pursuit of democracy, social justice and greater economic development for Bangladesh and to promote peace and understanding in the region. We are committed to assisting each other in addressing their priorities for development and in their immediate requirements for people of both the countries. It is in that spirit that we have just agreed to export of 3 lakh tones of rice and 2 lakh tones of wheat, in spite of a ban in India on exports of these essential commodities.

5. During the visit of the Prime Minister of Bangladesh, we have embarked on several new initiatives. India has readily provided transit for Bangladesh to Nepal and Bhutan. We will soon have in place arrangements to allow trucks from Nepal to enter the Bangladesh side of the land custom station and Banglabanda. We have also agreed to contribute to alleviating your power requirements and to undertake joint ventures to build thermal power plants. These are significant developments.

6. We have agreed to revive Land Customs Stations along the Tripura and Mizoram border, build a bridge over river Feni at Sabroom-Ramgarh and strengthen other border infrastructure. We have already identified two areas on the Meghalaya border to set up Border Haats. We have trained your experts and will send ours this month to assist in upgrading the Standards and Certification procedures. After a gap of several years, the Joint Rivers Commission was convened as agreed in March this year and both sides have already exchanged drafts on Teesta water sharing. Works on 50 river embankments on both sides have started. The electrification cables for Dahagram and Angarpota have been laid. Both countries need to ensure that we remain focused on implementing these initiatives. It is a matter of satisfaction that we have made significant strides in the path of their realisation, given the fact that many of them require longer gestation period for implementation.

7. Security cooperation is an area which has engaged the attention of both our countries, given our common desire to root out the forces of extremism and terrorism from our midst. Insurgents and insurgent groups have the potential to affect our relations. We deeply appreciate the efforts of the Government of Bangladesh to tackle this menace and we will continue to be closely engaged.

8. I am indeed delighted to witness the signing of the Agreement on Line of Credit between Government of Bangladesh and EXIM Bank of India. The US\$ One Billion Line of Credit is the largest ever given by India to any country. The terms of this Line of Credit are extremely favourable. I am confident. That this Line of Credit will be the stepping stone for a shared destiny and will transform

our bilateral engagement. India will do whatever possible to assist Bangladesh to implement the various projects envisaged under this Line of Credit, including in the areas of railway infrastructure, supply of coaches, locomotives, busses and dredging.

9. India and Bangladesh are both developing countries aiming to achieve a higher trajectory of growth. It is by coming together that we can realise this objective and we need to encourage collaborative ventures and investments be it in the private or public sector.

10. I have just met with H.E. Mr. Abdul Maal Abdul Muhith, Finance Minister and H.E. Dr. Dipu Moni, Foreign Minister. I shall soon be calling on H.E. Prime Minister Sheikh Hasina and very much look forward to meeting her.

11. I thank you for your presence.

Dhaka
August 7, 2010