

World Bank helps BD create quality jobs, recover from pandemic

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Dhaka : The World Bank is helping Bangladesh to create more and better jobs, laying the foundation to accelerate the recovery from the crisis following the coronavirus pandemic. It is also supporting the country to protect over five million jobs as part of the government's response to the Covid-19 crisis.

The bank's board of executive directors on March 26 approved a USD 250 million credit from its International Development Association (IDA) for this purpose,

according to a press release.

The Third Programmatic Jobs Development Policy Credit—the last in a series of three credits—is supporting the government of Bangladesh to develop a stronger policy and institutional framework to modernise the trade and investment regime.

Besides, it is helping youth, women and vulnerable population to access quality jobs and improve social protection for workers.

This financing will support the government in its efforts to protect the earnings of workers affected by the Covid-19 crisis and enable firms to continue paying their workers' wages.

It will also support informal micro-entrepreneurs to recover from the shock by extending micro-finance facilities.

The programme will also help streamline business and investment services, reducing the cost of starting a business and support reforms to align the skills development sector with labour-market demands.

"Bangladesh has had strong economic growth in recent years, but the pace of job creation has slowed, especially in the manufacturing sector. The Covid-19 pandemic increased the challenges and the poor and women have been hit the hardest," said Mercy Tembon, Country Director - Bangladesh and Bhutan, The World Bank.

"This financing will help Bangladesh create more and better jobs and expand support for both formal and informal workers affected by Covid-19 crisis," added Mercy Tembon.

"Although income and job losses due to the pandemic have impacted people from all walks of life, women are most at risk of exiting the job market," said Aline Coudouel, Lead Economist and Task Team Leader for the project of the World Bank.

"This series of programmes promotes quality daycare for children in a bid to bring more women to the job market and supports actions to create a more inclusive labour market for women, youth and migrants," she further said.

With this programme, total World Bank financing for the Programmatic Jobs Development Policy Credit series stands at USD 750 million.

The credit from the IDA, which provides concessional financing, has a 30-year term, including a five-year grace period.

Bangladesh currently has the largest ongoing IDA programme totaling over USD 14 billion.

The World Bank was among the first development partners to support Bangladesh, and it has committed more than USD 35 billion in grants and interest-free and concessional credits to the country since its independence.