



Kyrgyz Republic: Rural Financial Inclusion for Women Project

Project Name	Rural Financial Inclusion for Women Project		
Project Number	53319-001		
Borrower/Company	CJSC FINCA Bank KYRGYZ INVESTMENT AND CREDIT BANK		
Country	Kyrgyz Republic		
Location	Nation-wide		
Approval Number	7625/3898		
Type of ADB Assistance / Amount	Ordinary capital resources	USD 5.01 million	Proposed
Strategic Agendas	Inclusive economic growth		
Drivers of Change	Gender Equity and Mainstreaming Private sector development		
Sector / Subsector	Finance - Inclusive finance		
Gender Equity and Mainstreaming	Gender equity		
Responsible ADB Department			
Responsible ADB Division			
Responsible ADB Officer	Rohner, Tina		
Project Sponsor(s)			
Description	The transaction involves a loan of up to Som350,000,000 (about \$5,000,000) to CJSC FINCA Bank (FBK) for the Rural Financial Inclusion for Women Project in the Kyrgyz Republic. The report also describes a technical assistance (TA) grant of up to \$500,000 to FBK for Enhancing Rural Financial Inclusion for Women in the Kyrgyz Republic.		
Objectives and Scope	The transaction entails the Asian Development Bank (ADB) providing medium-term financing in som to CJSC Finca Bank (FBK) to support micro and small enterprise lending targeting women in rural areas. The Technical Assistance (TA) to FBK will focus on building its branchless agent network in rural areas targeting hitherto unserved lower-income clients, with a specific focus on improving financial literacy and access to finance for women. The TA to NBKR will support banking introduction of Basel III prudential norms in the Kyrgyz Republic.		
Linkage to Country/Regional Strategy	The transaction is consistent with government efforts to promote the well-being of its citizens and ADB's country partnership strategy, 2018-2022 for the Kyrgyz Republic. This project contributes to ADB's efforts to achieve Sustainable Development Goal 5: achieving gender equality and empowering all women and girls.		

Safeguard Categories	
Environment	FI-C
Involuntary Resettlement	FI-C
Indigenous Peoples	FI-C

Summary of Environmental and Social Aspects	
Environmental Aspects	FBK has in place an ESMS commensurate with the impacts and risks of its borrowers' activities in accordance with ADB's Safeguard Policy Statement (2009) SPS requirements for financial intermediaries. FBK will revise its exclusion list in line with ADB's PIAL and apply to all potential borrowers' applications. It will establish procedures to categorize borrower's activities according to ADB's SPS requirements in addition to its current social and environmental risk analysis, which already includes review against national environmental impact assessment requirements.
Involuntary Resettlement	FBK sub-borrowers will be individuals borrowing funds for their business needs. Such loan finance cannot fund compulsory acquisition of land by government expropriation. Involuntary resettlement impacts through use of facility funds are therefore not anticipated.
Indigenous Peoples	FBK sub-borrowers will be individuals borrowing funds for their business needs. This activity is not expected to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of any ethnic minority or Indigenous Peoples groups.
Stakeholder Communication, Participation, and Consultation	Potential borrowers will participate through extensive market research activity already undertaken by FBK in determining the most appropriate lending products. FBK has extensive national networks of branches and is building up an agent service network through which to engage and empower beneficiaries. Participation plans will not be prepared as FBK maintains strong public profiles through its branch presence and marketing that allow each of them to actively participate with civil society.

Timetable for assistance design, processing and implementation	
Concept Clearance	29 Oct 2019
Due Diligence	
Credit Committee Meeting	20 Dec 2019 to 20 Dec 2019
Approval	24 Mar 2020
Last PDS Update	25 Mar 2020

Project Page	https://www.adb.org/projects/53319-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=53319-001
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