



## Regional: Due Diligence and Capacity Development of Trade Finance Program Banks

Project Name	Due Diligence and Capacity Development of Trade Finance Program Banks		
Project Number	37909-025		
Borrower/Company			
Country	Regional		
Location	Regional		
Approval Number			
Type of ADB Assistance / Amount	0030	Technical Assistance	USD 17.50 million Proposed
Strategic Agendas	Inclusive economic growth Regional integration		
Drivers of Change	Gender Equity and Mainstreaming Knowledge solutions Partnerships Private sector development		
Sector / Subsector	<b>Finance</b> - Trade finance <b>Industry and trade</b> - Industry and trade sector development		
Gender Equity and Mainstreaming	Some gender elements		
Responsible ADB Department	Private Sector Operations Department		
Responsible ADB Division	Private Sector Financial Institutions Division		
Responsible ADB Officer	Beck, Steven		
Project Sponsor(s)			
Objectives and Scope	<p>The importance of short-term trade finance in achieving the Global Sustainable Development Goals (SDGs) is explicitly recognised in the Addis Ababa Action Agenda on Financing for Development. Yet, ADB's Trade Finance Gaps Growth and Jobs survey of September 2017 confirmed a global trade finance gap of \$1.5 trillion, and determined that 40% of this gap is in Asia and the Pacific, with 74% of rejected trade finance transactions coming from SMEs. The Trade Finance Program (TFP) and this related technical assistance are focused on reducing market gaps for trade finance. TFP closes market gaps for trade finance by providing guarantees and loans to partner banks to support trade. In 2017 TFP supported 3,500 transactions valued at \$4.5 billion. Over 85% of TFP's transactions support SMEs. In addition to doing transactions, TFP provides capacity building (technical assistance, training, seminars, work shops), through this TA, to partner banks, which contributes to closing gaps. More information can be found at <a href="http://www.adb.org/tfp">www.adb.org/tfp</a>.</p>		
Linkage to Country/Regional Strategy	<p>The importance of short-term finance to support global trade - known as _trade finance - is explicitly recognised in the Addis Ababa Action Agenda on Financing for Development ( _Addis Agenda_ ) as an important means of implementation of the Sustainable Development Goals (SDGs). Yet, ADB's Trade Finance Gaps Growth and Jobs survey launched in September 2017 confirmed a global trade finance gap of \$1.5 trillion, and determined that 40% of this gap is in Asia and the Pacific, with 74% of rejected trade finance transactions coming from SMEs.</p> <p>The program supports two pillars of ADB's operational focus cited in the Midterm Review of Strategy 2020: (i) poverty reduction and inclusive growth, and (ii) regional cooperation and integration.</p>		

### Summary of Environmental and Social Aspects

Environmental Aspects

Involuntary Resettlement

Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

### Business Opportunities

**Timetable for assistance design, processing and implementation**

Concept Clearance	-
Due Diligence	
Credit Committee Meeting	-
Approval	-
Last PDS Update	28 Sep 2018

Project Page	<a href="https://www.adb.org/projects/37909-025/main">https://www.adb.org/projects/37909-025/main</a>
Request for Information	<a href="http://www.adb.org/forms/request-information-form?subject=37909-025">http://www.adb.org/forms/request-information-form?subject=37909-025</a>
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