Early Warning System

ADB-47915-001

TAJ: Promoting Financial Inclusion through Greenfield Banking-

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Quick Facts

Countries	Tajikistan
Financial Institutions	Asian Development Bank (ADB)
Status	Approved
Bank Risk Rating	C
Voting Date	2014-12-02
Borrower	AccessBank Tajikistan CJSC
Sectors	Finance
Investment Type(s)	Equity, Loan
Investment Amount (USD)	$ 22.42 million
Loan Amount (USD)	$ 8.00 million

Project Description

According to ADB website, The investment package will support economic activity of underserved farmers, and micro and small and medium sized businesses (MSMBs).

With bank assets to GDP at less than 28% Tajikistan s financial intermediation is very low and trails far behind other transition economies. Intermediation spreads are high and the stability of banks is weak. Only 3 banks and 7 MFIs exceed 1000 borrowing clients. Although MFIs have made efforts in serving households and MSMBs, the overall significance of their outreach remains limited.

Early Warning System Project Analysis

The ADB categorized the project risks as follows:

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

It further added that "Environmental category A subloan applications are excluded from financing", and "Involuntary Resettlement [and Indigenous Peoples] category A and B subloan applications are excluded from financing".

Investment Description

- Asian Development Bank (ADB)

Equity: USD 14.42 million
Loan: USD 5.00 million
B-Loan: USD 3.00 million

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- AccessBank Tajikistan CJSC (Financial Intermediary)

Private Actors Description

As stated by DevEx, all founders of CJSC AccessBank Tajikistan (AccessBank) are large international investment and financial organizations with long standing experience in financial sector development:

1. -Access Microfinance Holding AG (AccessHolding) – (70.912%)
2. -European Bank for Reconstruction and Development (EBRD) – (10.908%)
3. -International Finance Cooperation (IFC) – (10.908%)
4. -KfW Development Bank – (7.272%)

From the very beginning AccessBank positioned itself as an innovator in the banking services sector. AccessBank emphasizes on setting new banking standards in Tajikistan in terms of professionalism, transparency and efficiency. The Bank furthermore seeks to promote private sector development, investment, poverty reduction and job creation by providing accessible and appropriate financial services.

AccessBank Tajikistan officially opened its doors on April 7, 2010. The Bank’s headquarter is located at the central market Korvon with one CSD (Customer Service Department) in the capital Dushanbe.
Aiming at a countrywide facilitated access to financing, AccessBank plans to expand its branch network throughout all regions of Tajikistan over the next 7 years to come.

Contact Information

Project Officer: Cheema, Asif
Private Sector Operations Department
No contact information provided at the time of disclosure.

ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: http://www.adb.org/site/accountability-mechanism/main

Bank Documents

- Project Disclosure PDF [Original Source]
- Promoting Financial Inclusion through Greenfield Banking: Initial Poverty and Social Analysis [Original Source]
- Promoting Financial Inclusion through Greenfield Banking: Report and Recommendation of the President [Original Source]
- TAJ: Prodvizhenie finansovogo okhvata cherez novye banki : Informatsionnyi biulleten' o proekte [Original Source]

Media

- ADB’s 1st Private Investment in Tajikistan Supports Small Business Finance Through AccessBank
- Equity Investment in AccessBank Tajikistan