Early Warning System

ADB-51269-002

Microenterprise Development Project - Additional Financing

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Quick Facts

Countries	Bangladesh
Financial Institutions	Asian Development Bank (ADB)
Status	Proposed
Bank Risk Rating	C
Borrower	Government of Bangladesh
Sectors	Finance
Investment Type(s)	Grant, Loan
Investment Amount (USD)	$ 50.50 million
Loan Amount (USD)	$ 50.00 million
Grant Amount (USD)	$ 0.50 million

Project Description

According to the bank's website, "This project is an additional financing for Loan 3744-BAN: Microenterprise Development Project for $50 million (equivalent to 44.63 million) from the ordinary capital resources which was approved on 26 November 2018. The project aimed to promote microenterprise development for inclusive economic growth and poverty reduction. It supported improving microenterprise access to finance through the Palli-Karma Sahayak Foundation (PKSF), an apex development finance and capacity building organisation; and its partner organisations (POs), which are selected microfinance institutions (MFIs). The overall implementation progress is 100%. The cumulative contract awards and disbursements are equivalent to 44.63 million. All loan disbursements and liquidation have been completed in December 2019. The PKSF has disbursed $50 million (equivalent to 44.63 million) to its 77 Partner Organizations (POs) who have further disbursed $50.85 million to 34,065 microenterprises (MEs) with an average loan size of $1,493. This additional financing will provide much needed liquidity support to PKSF. It will benefit rural microenterprises which will restore economic activity, and boost incomes and consumption in rural areas. The major beneficiaries will be women. The sectors likely to benefit are agriculture, fisheries, livestock, small manufacturing, food processing, and services. In addition to promoting growth through forward linkages and developing product markets, the project when completed will be an effective driver for change in the rural economy, and can contribute to poverty alleviation by creating self-employment and wage-employment opportunities."

Investment Description

- Asian Development Bank (ADB)

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.

- Palli-Karma Sahayak Foundation (Financial Intermediary)

Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.adb.org/forms/request-information-form

ADB has a two-stage appeals process for requesters who believe that ADB has denied their request for information in violation of its Access to Information Policy. You can learn more about filing an appeal at: https://www.adb.org/site/disclosure/appeals

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]

Other Related Projects

- ADB-51269-001 Microenterprise Development Project