

 Early Warning System

ADB-58208-001

Financial Sector Stability and Reforms Program - Subprogram 2



Quick Facts

Countries	Sri Lanka
Financial Institutions	Asian Development Bank (ADB)
Status	Closed
Bank Risk Rating	C
Voting Date	2024-11-19
Borrower	Government of Sri Lanka - Ministry of Finance, Economic Stabilization and National Policies
Sectors	Finance, Law and Government
Investment Type(s)	Loan
Investment Amount (USD)	\$ 200.00 million
Project Cost (USD)	\$ 200.00 million



Project Description

According to the Bank's website, the programmatic approach for FSSRP was approved to stabilize and strengthen the finance sector following the country's sovereign debt and economic crises by (i) strengthening the stability and governance of the banking sector, (ii) improving the asset quality of the banking sector, and (iii) deepening inclusive and sustainable finance, particularly for women-led small and medium-sized enterprises (SMEs). The programmatic approach with initially two subprograms of \$200 million each with the possibility of a third subprogram, was selected to allow flexibility to address complex and challenging reforms sequentially and holistically. Subprogram 1 prioritized immediate actions to enhance the government's crisis management regulatory framework and stabilize the finance sector. Subprogram 2 will continue to ensure the completion of structural reforms in a sequential manner to develop a resilient and inclusive financial system.



Early Warning System Project Analysis

In compliance with ADB's Safeguard Policy Statement (2009), subprogram 2 is categorized C for environment, involuntary resettlement, and Indigenous Peoples. Most policy actions will have no environmental impact. The environmental implications of policy action 2.7 have been considered since it relates to the implementation of a "loan scheme" to MSMEs. Because of the type and scope of the activities, no involuntary resettlement or Indigenous Peoples' impacts are anticipated.



Investment Description

- Asian Development Bank (ADB)

A loan of \$200,000,000 from ADB's ordinary capital resources, in concessional terms, with an interest charge at the rate of 2.0% per year during the grace period and thereafter; for a term of 25 years, including a grace period of 5 years.



Contact Information

No contacts available at the time of disclosure.

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

- [Financial Sector Stability and Reforms Program - Subprogram 2: Report and Recommendation of the Pres](#)
- [Loan Agreement \(Ordinary Operations \[Concessional\]\) for Loan 4543-SRI: Financial Sector Stability an](#)