Early Warning System

IFC-41088

Bank Asia-Green

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Quick Facts

Countries	Bangladesh
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Voting Date	2018-03-30
Borrower	Bank Asia Ltd
Sectors	Finance
Ring Fence	Climate
Investment Type(s)	Loan
Loan Amount (USD)	$ 40.00 million

Project Description

The proposed investment (Project) is a straight senior loan of up to USD 40 Mn to IFC's existing client, Bank Asia Limited ("Bank Asia" or the "Bank"). The proceeds would be used by the Bank to develop a Green portfolio of loans in renewable energy and energy efficiency. The investment aims to catalyse the growth of Green Lending Programs for Banks in Bangladesh. This will also be FIG's first climate finance investment with a partner institution in Bangladesh.

Investment Description

- International Finance Corporation (IFC)

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.

- BANK ASIA LTD (Financial Intermediary) **is owned by** Bank Asia (Parent Company)

Private Actor Relationship

There is often limited information publicly available about what development banks are funding through financial intermediaries. In 2021, the Early Warning System partnered with Oxfam International to incorporate information on high-risk projects being funded by financial intermediaries receiving funding from the International Finance Corporation (IFC) and the Dutch Development Bank (FMO).

The information listed below describes the relationship between the different private actors linked to high-risk sectors and subprojects of IFC and FMO's financial intermediary investments and/or the financial intermediary's parent companies made from 2017 through 2020, including any associated ring fences.

The database, however, does not explicitly or implicitly imply that IFC or FMO have material exposure to or are contractually or legally accountable to the sub-projects financed by their financial intermediaries or the financial intermediary's parent companies. It only shows a seemingly financial relationship among the different private actors, the financial intermediaries, and IFC or FMO.

Private Actors Description

Bank Asia is a third-generation private sector commercial bank incorporated on 28 September 1999 in Bangladesh.Bank Asia is a listed entity and as of Dec, 2017, the Sponsors held 51.66% of the shareholding in the Bank, Local institutional investors held 30.82% shareholding and remaining 16.87% shareholding was held by the public.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Bank Asia Limited	Client	-

Contact Information

PROJECT CONTACTS

Bank Asia Limited
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ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/