Early Warning System

IFC-47876

WCS COVID RESPONSE BRAC 2023

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Quick Facts

Countries	Bangladesh
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2023-06-12
Borrower	BRAC Bank Limited
Sectors	Finance, Industry and Trade
Investment Type(s)	Loan
Loan Amount (USD)	$ 50.00 million

Project Description

The proposed investment comprises a US dollar-denominated working capital solutions (WCS) senior A loan of up to US$50 million under the COVID-19 Emergency Response WCS Envelope to BRAC Bank Limited (BBL or the Bank), a FIG portfolio client in Bangladesh since 2004. This is structured as a one-year facility with two annual rollover options at IFC's discretion, for a maximum aggregate tenor of three years. The Project will support working capital, trade finance, and foreign exchange liquidity needs of eligible sub-borrowers (export / import-based small and medium enterprises, as per IFC's definition of targeted sectors), through BBL's offshore banking unit and enable the Bank to continue supporting key sectors of the Bangladeshi economy, where the impact of COVID-19 persists.

Early Warning System Project Analysis

The IFC categorized the project as FI-2.

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.

- BRAC (Investor) **invests in** BRAC Bank Limited (Financial Intermediary)

Private Actors Description

As stated by the IFC, incorporated in 2001, BBL is currently the third largest private bank in Bangladesh, with consolidated total assets of US$6.4 billion. Its sponsor, BRAC, is a reputed development organization and microfinance lender in the country, which owns 46 percent in BBL, with foreign institutional shareholders holding another 34%, directors holding 0.07%, and the rest being held by the public. BBL is the only SME-focused bank in the country, with approximately half of its loan book comprising SME loans. With a network of 187 branches, 11 sub-branches, 457 SME unit offices and 1,004 agent banking outlets, BBL has a wide reach across the country.

Contact Information

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Financial Intermediary - BRAC Bank Limited:

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ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://disclosures.ifc.org/#/inquiries

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

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