



IFC-50627

SLGP NDB_RSF



Quick Facts

Countries	Sri Lanka
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2025-12-08
Borrower	NDB RSF
Sectors	Finance, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	\$ 10.00 million
Project Cost (USD)	\$ 20.00 million



Project Description

The proposed project (which is subject to the approval of the Board of Directors of National Development Bank PLC (NDB or the Bank) (hereinafter referred to as the “Project”) consists of an unfunded Risk Sharing Facility (“RSF) of up to US\$10 million Sri Lankan Rupee (LKR) equivalent maximum IFC risk amount, representing 50 percent of an up to US\$20 million LKR equivalent of small and medium enterprises (“SME”) loan portfolio to be originated by NDB. The Project will support the Bank’s lending to SMEs, including agriculture SMEs (Agri-SMEs) and women-owned SMEs (WSMEs). The RSF is expected to have a facility life of up to 8 years inclusive of a ramp-up period of up to 3 years. The Project would be processed under IFC’s Small Loans Guarantee Program (“SLGP”), a programmatic approach to de-risking and scaling-up financing for SMEs in eligible countries.



Early Warning System Project Analysis

The project entails an unfunded Risk Sharing Facility to support NDB to enhance its lending to small and medium enterprises (SMEs), particularly agriculture SMEs and women-owned SMEs. The top borrowers in the SME asset class are agri businesses, food processing industries, trading and export-oriented business (spices, seafood). These industry sectors in SME segment present medium-low Environmental & Social (E&S) risks and impacts. The typical E&S risks include labor and working conditions, supply chain risk related to labor, gender-based violence and harassment, and biodiversity (e.g., in the agribusiness segment), air emissions, waste management, and handling of hazardous materials, in the SME borrower's operations.

Hence, the project is categorized as Category FI-2 in accordance with IFC's Environmental and Social Sustainability Policy.



Investment Description

- International Finance Corporation (IFC)

The proposed Project is an unfunded RSF on a 50:50 basis, between IFC and NDB, to support up to US\$20 million equivalent local currency loans finance Small and Medium Enterprises (SMEs), with a particular focus on agricultural SMEs (Agri-SMEs) and women-owned SMEs (WSMEs). IFC's maximum risk amount will be up to US\$10 million (equivalent in LKR) in the Project.

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.

- National Development Bank (Financial Intermediary)



Private Actors Description

NDB is the sixth largest commercial bank in Sri Lanka. NDB has nationwide presence and at June 30, 2025, accounted for approximately 3.9 percent of sector assets, 4.9 percent of sector loans and 3.6 percent of sector deposits. Established in 1979 as a pioneering development bank, NDB evolved into a listed fully fledged commercial bank in 2005, offering a full suite of banking and capital market services through its subsidiaries namely, NDB capital, NDB securities, NDB investment Bank, NDB wealth.

As of June 30, 2025, Norfund, the Norwegian investment fund for developing countries, is the single largest shareholder of NDB, holding 9.95 percent shares of the Bank. Other shareholders with over 5.0 percent ownership include Employee's Provident Fund (9.46 percent), Bank of Ceylon (7.91 percent), Richard Pieris And Co Ltd (6.18 percent), Sri Lanka Insurance Corporation Ltd - Life Fund (6.05 percent), and Sri Lanka Insurance Corporation Ltd - Life Fund (5.03 percent). NDB is listed on the Colombo Stock Exchange.



Contact Information

National Development Bank

Azzam Ahamat

Vice President - Finance

+94 77 737 4000

azzam.ahamat@ndbbank.com

40, Nawam Mawatha, Colombo 2, Sri Lanka

Website www.ndbbank.com

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>