

 Early Warning System

ADB-51252-006

Supporting Financial Sector Reforms



## Quick Facts

<b>Countries</b>	Bhutan
<b>Financial Institutions</b>	Asian Development Bank (ADB)
<b>Status</b>	Approved
<b>Bank Risk Rating</b>	U
<b>Voting Date</b>	2021-12-16
<b>Sectors</b>	Finance, Technical Cooperation
<b>Investment Type(s)</b>	Advisory Services, Grant
<b>Investment Amount (USD)</b>	\$ 0.50 million
<b>Grant Amount (USD)</b>	\$ 0.50 million



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## **Project Description**

According to ADB documents, the knowledge and support technical assistance (TA) will support financial sector reforms in Bhutan by focusing on assisting the Royal Monetary Authority (RMA) to: (i) improve their internal capacity to manage credit risks and comply with international standards, (ii) implement risk management measures encompassing the formal credit ecosystem in Bhutan and (iii) implement insurance sector strategy and recommendations to improve sector solvency, product scope and risk diversification.

### **PROJECT RATIONALE AND LINKAGE TO COUNTRY/REGIONAL STRATEGY**

The proposed TA will assist in the objectives of RMA to build capacity, develop a risk-based system and enhance the supervisory process in the areas of credit, insurance and overall risk management of the financial system.

### **IMPACT**

TA is Aligned with stability and integrity of the financial system maintained (Twelfth Five Year Plan, 2018 2023). Financial sector reforms of Bhutan supported with strengthened capacity and implementation of financial market development strategies.



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## Investment Description

- Asian Development Bank (ADB)

The TA is estimated to cost \$500,000, which will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF 7).



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**Contact Information**

Responsible ADB Officer      Gunawardhena, Manohari  
Responsible ADB Department      South Asia Department  
Responsible ADB Division      Public Management, Financial Sector and Trade Division, SARD  
   Ministry of Finance  
   Royal Government of Bhutan  
Executing Agencies              Thimphu, Bhutan  
   Attention: Director

**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>.



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## Bank Documents

- [Project Disclosure PDF](#) [Original Source]
- [Technical Assistance Report](#) [Original Source]