

People’s Republic of Bangladesh

FY2020 Ex-Post Evaluation of Japanese ODA Loan

“Financial Sector Project for the Development of Small and Medium-sized Enterprises
(SMEs)”

External Evaluator: Hirofumi Azeta, Ernst & Young ShinNihon LLC

0. Summary

The objective of this project was to improve the financial intermediation for small and medium enterprises (hereinafter referred to as ‘SMEs’) and increase the production and investments of SMEs in Bangladesh by providing medium- and long-term funds through Participating Financial Institutions (hereinafter referred to as ‘PFIs’) and strengthening the capacity of PFIs, thereby contributing to the sound development of the country’s industry and economy as well as to employment generation.

This project has been highly relevant to the country’s development plan and development needs, as well as Japan’s ODA policy. Therefore, its relevance is high.

In the aspect of project implementation, the amount of investments by SMEs, which was one of the project outputs, exceeded the plan because the share of contributions by SME borrowers exceeded the plan at the time of appraisal. Similarly, the project cost exceeded the plan, but this was commensurate with the project output, which also exceeded the plan. On the other hand, because some official procedures, such as effectuation of the ODA loan agreement and selection of PFIs, took time, the project period exceeded the plan. Therefore, efficiency of the project is fair.

As for the quantitative effects, the targets of all indicators were achieved as the sales turnover and profits of SME borrowers increased as well as the total loan outstanding to SMEs and its proportions to the total loan outstanding of PFIs increased. Generation of qualitative effects were also confirmed as the capabilities of financial institutions in SME lending and access to funds for SMEs improved. In addition, sub-loans financed by the Two-Step Loan (hereinafter referred to as ‘TSL’) funds of this project were considered to have supported economic growth and job creation, and thus effectiveness and impacts of the project are high.

As for the operation and maintenance of this project, there were no problems in the institutional or organizational aspect, because sufficient personnel were assigned in the department in charge in Bangladesh Bank (hereinafter referred to as ‘BB’) and PFI accreditations were renewed every year. No problems were identified in the technical and financial aspects either. It can be said that the status of operation and maintenance did not have any problems because sub-loans were made to SMEs from the revolving fund even after project completion, and the revolving fund was not damaged. In summary, no major problems have been observed in the institutional and organizational aspect, technical aspect,

or financial aspect, or even the current status of the operation and maintenance; thus, sustainability of the project effects is high.

In light of the above, this project is evaluated to be highly satisfactory.

1. Project Description



Project location



A laundry plant that received financing under this project

1.1 Background

Bangladesh was maintaining a high rate of economic growth at 6% per year before this project was started. At that time, industrial diversification, especially in the manufacturing sector, and the enhancement of domestic private investment were deemed necessary for further growth, productivity improvement, and income expansion in the future. Besides, as the SME sector had been largely contributing to the generation of employment and added value in Bangladesh, its sound development was expected to contribute significantly to economic growth and poverty reduction.

On the other hand, lack of electricity, corruption, and lack of financial access were regarded as major constraints for private investment. Among them, lack of financial access had been identified as a serious constraint for SMEs. In Bangladesh, loans by financial institutions, especially banks, were concentrated in large companies, while microfinance institutions provided financial services only to micro and cottage enterprises. In addition, because loans financial institutions provided to SMEs were mainly short-term loans for the commercial sector, SMEs, especially in the manufacturing industry, were unable to receive sufficient loans, including medium- and long-term loans, for capital investment.

Therefore, it was essential to encourage SMEs' capital investment by providing medium- and long-term funds, especially to SMEs in the manufacturing industry, to achieve stable economic growth in Bangladesh and ensure poverty reduction as a result of the growth.

1.2 Project Outline

The objective of this project was to improve the financial intermediation for SMEs and increase the production and investment of SMEs in Bangladesh, by providing medium- and long-term funds through PFIs and strengthening the capacity of PFIs, thereby contributing to the sound development of the country's industry and economy as well as to employment generation.

Loan Approved Amount / Disbursed Amount	5,000 million yen / 4,990 million yen
Exchange of Notes Date / Loan Agreement Signing Date	May 2011 / May 2011
Terms and Conditions	Interest Rate 0.01% Repayment Period 40 years (Grace Period 10 years) Conditions for Procurement General Untied
Borrower / Executing Agency	The Government of the People's Republic of Bangladesh /Ministry of Finance
Project Completion	May 2016
Target Area	Throughout Bangladesh
Main Contractor (s)	-
Main Consultant(s)	E. Gen Consultants Ltd. (Bangladesh) / Padeco Co., Ltd (Japan) (JV)
Related Studies (Feasibility Studies, etc.)	-
Related Projects	[ODA loan] Urban Building Safety Project (December 2015) Foreign Direct Investment Promotion Project (December 2015) Food Value Chain Improvement Project (August 2020) [Technical cooperation] Project for Capacity Development on Natural Disaster- Resistant Techniques of Construction and Retrofitting for Public Buildings (2011 - 2015) Project for Promoting Investment and Enhancing Industrial Competitiveness (2017 - 2022) [Asian Development Bank]

	<p>Implemented the following projects for refinancing schemes for SMEs:</p> <ul style="list-style-type: none"> - Small and Medium-Sized Enterprise Development Project (2009) - Second Small and Medium-Sized Enterprise Development Project (2017) <p>[World Bank]</p> <p>Financial Sector Support Project (2019)</p> <p>[International Finance Corporation and United Kingdom's Department for International Development]</p> <p>Supported the upgrading of the Credit Information Bureau in Bangladesh Bank (2009)</p>
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2. Outline of the Evaluation Study

2.1 External Evaluator

Hirofumi Azeta, Ernst & Young ShinNihon LLC¹

2.2 Duration of Evaluation Study

This ex-post evaluation study was conducted with the following schedule.

Duration of the Study: November 2020 – January 2022

Duration of the Field Study: June 2021 - September 2021

2.3 Constraints during the Evaluation Study

As some part of information on the quantitative effects had not been collected by BB at the time of ex-post evaluation, the results of the interviews with 80 SME borrowers were used for the quantitative analysis instead. The interviewees were selected in a way so that their locational and industrial proportions came close to those of all SME borrowers. However, because SMEs were located in various places and engaged in many different industries, the interviewed SMEs did not necessarily represent all SME borrowers.

The field survey that the evaluator planned to conduct in August 2021 was not carried out due to the spread of COVID-19 in Bangladesh and worldwide. Therefore interviews with the executing agency, PFIs, and SME borrowers were held online. In addition, local associates visited the SME borrowers under the instructions of the evaluator.

¹ Joined the evaluation team of Ernst & Young ShinNihon LLC as a team member from the Japan Economic Research Institute Inc.

3. Results of the Evaluation (Overall Rating: A²)

3.1 Relevance (Rating: ③³)

3.1.1 Consistency with the Development Plan of Bangladesh

Before this project was started, the government of Bangladesh regarded SME development as a priority issue for economic growth in its “National Strategy for Accelerated Poverty Reduction II” (2008) and “Outline Perspective Plan of Bangladesh 2010 - 2021: Making Vision 2021 a Reality.” The Industrial Policy, revised in 2010, also identified the necessity for policy supports for SMEs, such as through refinance schemes.

BB, as the central bank, had also shown the direction for the expansion of SME loans, announcing “SME Credit Policies & Programmes” in March 2010, in addition to setting up a department specialized in SMEs in December 2009.

At the time of ex-post evaluation, the government of Bangladesh emphasized the necessity of SME development and removal of their financial constraints in “Vision 2041” (2020) and the “Perspective Plan of Bangladesh 2021 - 2041,” which presents the development strategies for “Vision 2041.” In addition, the “8th Five Year Plan” (2020 - 2025) referred to the importance of credit supports for cottage, micro, small, and medium enterprises. The Industrial Policy, revised in 2016, also indicated the necessity of SME development and improvement in SME finance. Besides, increasing the scope of access to finance in the SME sector was regarded as a goal of the SME Policy established in 2019.

The “SME Credit Policies & Programmes” by BB mentioned above was effective at the time of ex-post evaluation, and BB executed several refinancing schemes for the enhancement of SME loans.

Note that the eligible borrowers of “loans for the development of SMEs” under this project were determined at the time of appraisal as the SMEs defined by the Industrial Policy revised in 2010. The definition of SME was updated by the Industrial Policy revised in 2016, and the definition of SME by BB was also revised by its circular issued in 2017. However, the definition of SME was revised after the completion of this project, and the Steering Committee⁴, which had the authority to make decisions on policy issues relevant to the implementation and management of this project, did not hold a meeting after the project completion. As the result, the operating guidelines had not been updated since March 2016. Therefore, it was difficult to confirm that the eligible SME borrowers of this project were consistent with the SMEs defined by the Industrial Policy at the time of ex-post evaluation.

For the above reasons, it was confirmed that SME development and enhancement of SME

² A: Highly satisfactory, B: Satisfactory, C: Partially satisfactory, D: Unsatisfactory

³ ③: High, ②: Fair, ①: Low

⁴ The Steering Committee, which was chaired by MOF, was composed of members from BB, Ministry of Planning, Ministry of Industries and Federation of Bangladesh Chamber of Commerce and Industry and others.

loans were emphasized in Bangladesh at the times of both appraisal and ex-post evaluation. Therefore, it can be said that the consistency between this project and the respective policies and plans, including national plans and sector plans, was confirmed at the times of both appraisal and ex-post evaluation.

3.1.2 Consistency with the Development Needs of Bangladesh

Before this project was started, it was said that the SME sector in Bangladesh was generating added value equivalent to 25% of its GDP and employment for about 31 million people; thus, its development was expected to play a vital role in the country's economic development and poverty reduction. On the other hand, SMEs did not have good access to finance compared with large companies and micro and small enterprises, and SMEs could not receive sufficient medium- and long-term funds necessary for capital investment. The reasons include strict collateral requirements, high interest rates, short loan terms, and complexity in loan procedures.

Although information on the amounts of added value and employment generated by SMEs was not available at the time of ex-post evaluation, it was found that the Industrial Policy issued in 2019 aimed to increase the contribution of added value by SMEs to GDP from 25% to 32%.

The proportion of SMEs among the borrowers of commercial banks was 4.7% at the time of appraisal (2011), and it increased and reached 7.0%⁵ at the time of ex-post evaluation. This suggests that financial access of the SMEs improved. Nevertheless, as this proportion is smaller than the share of small and medium establishments among the total establishments (over 99%⁶), SMEs in Bangladesh seem to have faced challenges in terms of financial access even at the time of ex-post evaluation. In the interviews, SMEs pointed out that they could not easily obtain loans from financial institutions, because of (i) high interest rates, (ii) strict collateral requirements, and (iii) time required for loan appraisals.

For the above reasons, it was confirmed that SME development was a critical issue at the times of both appraisal and ex-post evaluation, as the necessity for increasing the contribution of added value by SMEs to GDP was recognized in those times. In addition, many SMEs still faced problems in access to finance, although the access was improving. Therefore, it was concluded that this project was highly consistent with the development needs at the times of both appraisal and ex-post evaluation.

⁵ *Financial Access Survey*, International Monetary Fund, <https://data.imf.org/?sk=E5DCAB7E-A5CA-4892-A6EA-598B5463A34C> (Accessed on July 15, 2021)

⁶ *Economic Census 2013*, Bangladesh Bureau of Statistics (pp. 81)

3.1.3 Consistency with Japan's ODA Policy

The '*Country Assistance Program for Bangladesh*', established by the Japanese government in 2006, recognized "economic growth" as a priority area and "private sector development" as a priority sector. It also emphasized SME development from the viewpoint of poverty reduction through job creation. Among the "private sector development" mentioned above, JICA regarded "improvement of the trade and investment climate" as its priority sector and aimed to improve of the financial access of SMEs and others⁷.

As the project aimed to improve the financial intermediation for SMEs and increase their production and investment in Bangladesh, it was confirmed that the project was consistent with the priority area and priority sector indicated in Japan's Country Assistance Program for Bangladesh mentioned above. Therefore, it can be said that this project was consistent with Japan's ODA policy.

In light of the above, this project has been highly relevant to the country's development plan and development needs, as well as Japan's ODA policy. Therefore, its relevance is high.

3.2 Efficiency (Rating: ②)

3.2.1 Project Outputs

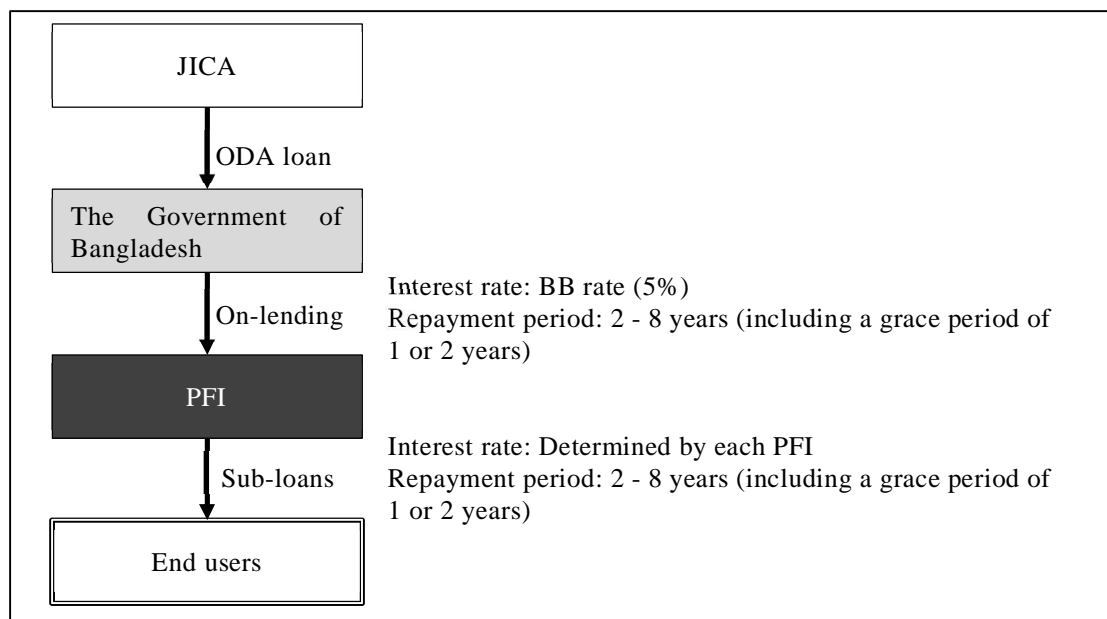
The outputs of the project were 1) loans for the development of SMEs, or the provision of medium- and long-term financing to SMEs through PFIs, and 2) consulting services for the operation of loans for the development of SMEs.

1) Loans for the Development of SMEs

The framework of the loans for the development of SMEs was as described in Figure 1.

⁷ Source: Ex-ante evaluation

Figure 1 Framework of the loans for the development of SMEs



Source: Document provided by JICA.

Note: The BB rate, which had been 5% since 2003 was revised to 4% in July 2020.

The terms and conditions of sub-loans provided by the PFIs to end users (SMEs) were as follows:

- Eligible business sectors: Not specified
- Eligible end users: SMEs defined by Industrial Policy (2010)
- Eligible investments for financing: Fixed assets and initial working capital, associated with an investment loan
- Amount: 200,000 - 50 million taka per sub-loan (1 taka = 1.31 yen)⁸
- Term: 2 - 8 years (including a grace period of 1 or 2 years)
- Interest rate: Not specified (interest rates were independently set by PFIs considering the credit and other risks)

Out of the cost of a sub-project, or the investment by an end user, at least 10% was supposed to be covered by the end user, while the remaining amount was to be covered by a sub-loan by a PFI. For the sub-loan, the PFI could take on-lending loan funds (TSL funds) up to 75% of the sub-project cost, while the PFI was supposed to cover at least 15% of the cost by its own funds.

Sub-loans for end users were provided by 12 banks and 14 non-banking financial institutions (hereinafter referred to as 'NBFIs') out of the PFIs (25 banks and 21 NBFIs), which were accredited by the project implementation unit (hereinafter referred to as 'PIU')

⁸ The amount per sub-loan, which was 500,000 - 50 million taka at the time of appraisal, was changed to 200,000 - 50 million taka so that micro enterprises could be the end users.

established in the SME & Special Programmes Department (hereinafter referred to as ‘SMESPD’) of BB⁹.

The number of sub-loans made in this project from the commencement of the project in 2011 to the project completion in 2016 was 512. The number of sub-loans, amounts, loan period, and interest rate by type of industry of the end users are as in Table 1.

Table 1 Sub-loans provided by PFIs by type of industry

Type of Industry	Number of Sub-loans	Amount (million taka)	Average Loan Period (months)	Average Interest Rate (%)
Manufacturing	380	698.8	44.3	16.9
Service	122	3,284.5	45.3	15.5
Commerce	10	65.5	41.4	17.8
Total	512	4,048.9	45.0	15.9

Source: Documents provided by JICA and BB.

PFIs were supposed to determine the interest rates of sub-loans for end users independently according to the plan at the time of appraisal, and the actual interest rates of the sub-loans by PFIs are presented in Table 2. The sub-loan interest rates of this project were slightly higher than the average loan interest rates in Bangladesh, because the borrowers of this project were SMEs and their credit risks were higher than those of large companies. The loan interest rates of this project were set at the same level as ordinary SME loans at the beginning of this project, but the gap between the average loan interest rates in Bangladesh and the sub-loan interest rates of this project decreased gradually. One reason for this was that SMEs started requesting PFIs to reduce interest rates, as the information of this project spread through such SMEs.

Table 2 Average loan interest rates

	2012	2013	2014	2015
Sub-loans of this Project	16.7%	15.6%	14.8%	11.9%
Average loan interest rate in Bangladesh	13.8%	13.7%	13.1%	11.7%

Source: Annual reports of BB and document provided by BB.

Considering the number of sub-loans by amount of loans, the shares of sub-loans smaller than 3 million and 5 million taka were 18.6% and 32.2%, respectively. Because many sub-loans of smaller amounts were made, compared with the maximum sub-loan amount of 50

⁹ Out of the PFIs, 13 banks and 7 NBFIs did not disburse sub-loans. In the interviews with PFIs, the PFIs mentioned that they were not active in sub-loans because the processes to prepare documents to be submitted to the PIU were complicated, and SMEs could not prepare the documents to be submitted upon loan applications.

million taka, small-sized enterprises seem to have also received sub-loans in this project¹⁰.

Although many PFIs provided loans to mainly large companies before this project began, they also provided loans actively to small-sized enterprises, because PFIs could set interest rates independently and secure sufficient interest margins.

Table 3 Sub-loans provided by PFIs by type of industry and amount of loans

Type of Industry	Number of Sub-Loans	Number of Sub-loans: Smaller than 3 Million taka		Number of Sub-loans: Smaller than 5 Million taka	
		Number	Share	Number	Share
Manufacturing	380	76	20.0%	128	33.7%
Service	122	19	15.6%	37	30.3%
Commerce	10	0	0.0%	0	0.0%
Total	512	95	18.6%	45.0	32.2%

Source: Documents provided by JICA and BB.

At the time of appraisal, the total amount of sub-project costs by the end users of this project was expected to be 6,383 million yen, while the actual sub-project cost was 7,931 million yen, which was 24.2% larger than planned.

As mentioned above, a maximum 75% of the sub-project cost of an end user was supposed to be covered by the TSL fund and a PFI was supposed to cover at least 15%. Similarly, end users were supposed to contribute at least 15%.

However, end users actually bore 22.3% of the sub-project costs in this project. According to PFIs, they commonly requested end users to contribute 20 - 30% of the investment costs in order to increase the ownership of end borrowers and also to minimize credit risks.

As Table 4 describes, the total sub-project cost, which was one of the outputs of this project, exceeded the plan at the time of appraisal, mainly because the contribution by end users was much more than the planned amount, while the actual loan amount by TSL funds was almost the same as planned.

Table 4 Planned and actual amounts of sub-project costs

	Plan		Actual	
	Amount (million yen)	Proportion	Amount (million yen)	Proportion
Loans by TSL fund	4,788	75.0%	4,823	60.8%
Loans by PFI funds	958	15.0%	1,340	16.9%
Contributions by end users	638	10.0%	1,768	22.3%
Sub-project cost	6,383		7,931	

Source: Document provided by BB.

¹⁰ Information on the number of sub-loans by size of enterprise could not be obtained.

Examples of sub-loans of this project

Expansion of the production facilities in an industrial oxygen factory

Before the capital investment, this factory produced only industrial oxygen and nitrogen. By enhancing the production facilities utilizing the sub-loan funds of this project, the factory started producing seven types of gas, such as argon, and the factory's sales revenue and profit increased as a result.

Recently, this factory started supplying oxygen for medical purposes in reaction to the spread of COVID-19.



Photo 1 Production facilities for industrial oxygen

Development of a wastewater treatment facility at a laundry plant for export garments



Photo 2 Wastewater treatment facility

This laundry plant, which provided industrial washing services for export garments of overseas apparel makers, developed a wastewater treatment facility by utilizing the sub-loan funds, in response to requests from apparel makers.

Since this plant met the standards of overseas apparel makers, it acquired more clients. This plant also provided services to a Japanese company.

The terms and conditions of sub-loans of this project, which were as described above, were partly changed in October 2013 for the retrofitting and reconstruction of garment factories. The terms and conditions applied to such garment factories were as follows:

- Maximum loan amount: 100 million taka
- Loan term: Maximum 15 years (including a grace period of up to 2 years)
- Interest rate: On-lending rate to PFIs + maximum 5%

This was in reaction to the collapse of Rana Plaza, a tenant building that housed garment factories, causing many casualties. Because of this accident, there was an urgent need to enhance building safety and also improve the working environment of garment industry workers. Based on the memorandum of understanding signed by five parties - the Ministry of Housing and Public Works, BB, Bangladesh Garment Manufacturers and Exporters Association, Bangladesh Knitwear Manufacturers and Exporters Association, and JICA - in October 2013, this project started providing long-term and low-interest loans for the

enhancement of building safety. Further, a JICA technical cooperation project titled “Capacity Development on Natural Disaster Resistant Techniques of Construction and Retrofitting for Public Buildings” began providing technical support. During the project period, two sub-loan agreements were concluded, according to which a total of 220 million yen were provided.

In addition, the interest rates of sub-loans to women entrepreneurs were capped at an on-lending rate to PFIs + 5% in March 2016.

2) Consulting Services

This project’s consulting services were planned to provide support on project management, support on capacity development, public awareness activities and promotion, introduction of good practices in SME finance system in other countries, suggestions on the improvement of financial access, support on monitoring and evaluation of the project, and coordination and collaboration with other donor agencies and related institutions. These services were actually provided as planned.

As the support on the capacity building of PFIs provided in the consulting services, workshops were organized six times in total. In the workshops, guidance was provided on the sub-loan procedures of this project, such as the preparation of loan application and setting of JICA categories on environmental and social consideration. The workshops also included lectures on loan appraisal and supervision, loan practices not based on collaterals, and other topics. The number of participants of the workshops mentioned above was 320 from 46 PFIs.

As a part of the consulting services, promotional activities of this project were also conducted. Promotional seminars, which were organized 10 times in total for SMEs in several locations, including Dhaka and Chittagong, explained loan application procedures and other project related issues. Advertisement of this project was placed in several English and Bangla newspapers, and leaflets were also distributed.

A comparative analysis was also conducted with European countries, Southeast Asian countries, Japan, and other countries for the improvement of financial access. Further, study tours to Japan, South Korea, and several Southeast Asian countries were organized, in which BB personnel including PIU staff members participated. In the consulting services, sub-project monitoring activities, such as preparation of quarterly reports and data collection on quantitative effects, were also carried out. In addition, on-site inspections of 20 end users were conducted.

3.2.2 Project Inputs

3.2.2.1 Project Cost

The actual project cost was 8,142 million yen (of which the ODA loan amount was 4,990

million yen), and this exceeded the project cost planned at the time of project appraisal (115% of the plan), which was 7,097 million yen (of which the ODA loan amount was 5,000 million yen). The project cost at the time of appraisal and actual project cost are as shown in Table 5.

Table 5 Planned and actual project cost

Item	Plan (million yen)			Actual (million yen)		
	Foreign Currencies	Local Currencies	Total	Foreign Currencies	Local Currencies	Total
1) Two-step loans (TSL)	4,788	1,596	6,383	4,823	3,108	7,931
TSL funds	4,788	0	4,788	4,823		4,823
PFI funds	0	958	958		1,340	1,340
Contribution of end users	0	638	638		1,768	1,768
2) Consulting services	156	57	213	104	64	167
3) Interest during implementations	2	-	2	-	-	-
4) Administration cost	-	500	500	-	44	44
Total	4,945	2,152	7,097	4,927	3,216	8,142

Source: Document provided by JICA, answers on the questionnaire by BB, and document provided by BB.

Note 1: The individual project costs and total value do not necessarily match due to rounding.

Note 2: Exchange rates: At the time of appraisal: 1 taka = 1.23 yen, 1 USD = 85.5 yen (November 2010); actual: 1 taka = 1.31 yen, 1 USD = 102.63 yen (average of 2012 - 2016; retrieved from the International Monetary Fund, *International Financial Statistics*).

The actual total project cost exceeded the plan because the project cost of TSL covered by the Bangladeshi side largely exceeded the amount planned at the time of appraisal. This was because the proportion of contribution by end users was bigger than the plan as described in Table 4 and Table 5.

The increase in the actual project cost, which exceeded the plan by 15%, is considered relevant to the increase in the investment amount by SME borrowers of this project, which also exceeded the plan by 24%. The proportion covered by PFI funds, which was 16.9%, was also bigger than the plan. However, this occurred due to fluctuations in the foreign exchange rate, and the proportion calculated in taka was almost the same as the plan.

3.2.2.2 Project Period

The planned project period was 59 months from May 2011 to March 2016, while the actual

project period was 61 months from May 2011 to May 2016, as described in Table 6. The actual project period slightly exceeded the plan (103% of the plan).

Table 6 Planned and actual project periods

	Plan	Actual
Project period	May 2011 - March 2016 (59 months)	May 2011 - May 2016 (61 months)
1) Selection of consultants	April 2011 - December 2011	March 2012 - August 2012
2) Consulting services	January 2012 - April 2016	September 2012 - March 2016
3) TSL	September 2011 - March 2016	April 2012 - May 2016

Source: Document provided by JICA.

As some official procedures, such as effectuation of the ODA loan agreement, selection of PFIs and approval of operating guidelines, took time, both consulting services and TSL started later than planned. However, the actual implementation period of TSL was 4 years and 2 months, which was shorter than 4 years and 6 months under the initial plan. As a result, the total delay in the project period was of 2 months. One reason why the implementation period of TSL was shorter than the plan was that the information on this project spread to SMEs through public relations activities; another reason was that SMEs became more willing to make capital investments due to the decline in market interest rates.

3.2.3 Results of Calculations for Internal Rates of Return (Reference Only)

As this project provided medium- and long-term funds to SMEs through PFIs and sub-projects were not specified before the start of the project, neither the economic internal rate of return (EIRR) nor financial internal rate of return (FIRR) was calculated at the time of appraisal. Therefore, they were not recalculated at the time of ex-post evaluation either.

In light of the above, both the project cost and project period exceeded the plan. Therefore, efficiency of the project is fair. However, the project cost, which exceeded the plan, was commensurate with the project output, which also exceeded the plan.

3.3 Effectiveness and Impacts¹¹ (Rating: ③)

3.3.1 Effectiveness

3.3.1.1 Quantitative Effects (Operation and Effect Indicators)

The effects expected by this project were improvement in the financial intermediation function on SME financing and increase in the production and investments of SMEs. Therefore, sales turnover and profits of SME borrowers, the total loan outstanding of PFIs to SMEs, and its proportion to total loan outstanding were selected as indicators to measure the effects, and targets were set on such indicators.

As the information of sales turnover and profits of all SME borrowers had not been updated at the time of ex-post evaluation, they were analyzed from the interview survey results of 80 end users.

Table 7 Sales turnover and profits of all SME borrowers

	Baseline	Target	Actual	
		2018	2016	2018
	Before Sub-Loan Disbursement	2 Years After Completion	Completion Year	2 Years After Completion
Sales turnover of the benefited SMEs (million taka)	74.0	Bigger than baseline	100.8 (+36.3%)	112.2 (+51.6%)
Profit of the benefited SMEs (million taka)	6.9	Bigger than baseline	9.2 (+32.7%)	10.2 (+48.1%)

Source: Documents provided by JICA and BB and the interview survey.

Note: The figures as of 2016 and 2018 are estimated based on the interview survey results.

The interview survey mentioned above gave the result that the sales turnover of 80 end users increased by an average of 36.3% from the baseline to 2016, and 51.6% to 2018 on a real basis after the adjustment of inflation. Assuming that the sales turnover of all SME borrowers increased at the same rate, the total sales revenue of all SME borrowers was estimated to have increased from 74.0 million taka before the disbursement of sub-loans to 112.2 million taka at the time of ex-post evaluation as shown in Table 7.

Similarly, the interview survey gave the result that the profit of 80 end users increased by an average of 32.7% from the baseline to 2016, and 48.1% to 2018 on a real basis. Assuming that the profits of all SME borrowers increased at the same rate, the total profits of all SME borrowers were estimated to have increased from 6.9 million taka before the disbursement of sub-loans to 10.2 million taka at the time of ex-post evaluation.

¹¹ Sub-rating for Effectiveness is to be put with consideration of Impacts.

Table 8 Loan outstanding of PFIs to SMEs and its proportion

	Baseline	Target	Actual	
		2018	2016	2018
	Before Sub-Loan Disbursement	2 Years After Completion	Completion Year	2 Years After Completion
Total loan outstanding of the PFIs to SMEs (million taka)	371,861	Bigger than baseline	474,148 (+27.5%)	978,730 (+163.2%)
Ratio of SME lending in total loan outstanding of the PFIs (%)	17.68%	Bigger than baseline	17.64% (-0.04%)	19.81% (+2.13%)

Source: Documents provided by JICA and BB.

The total loan outstanding of the PFIs to SMEs increased by 163.2% from the baseline to 2018 (83.3% after the adjustment of price level), and the ratio of SME lending in total loan outstanding also reached 19.81%, increasing by 2.13% from the baseline as in Table 8.

In light of the above, it is concluded that all indicators on the quantitative effects achieved their targets.

3.3.1.2 Qualitative Effects (Other Effects)

At the time of the appraisal of this project, 1) improvements in the capabilities of financial institutions in SME lending, 2) improvements in access to funds for SMEs, and 3) job creation and the development of the private sector were expected as the qualitative effects. As job creation and the development of the private sector are regarded as “impacts” because of their characteristics, this is explained in section 3.3.2.

1) Improvements in the Capabilities of Financial Institutions in SME Lending

In this ex-post evaluation, an interview survey was conducted with 12 PFIs out of 26 PFIs¹² that had a track record of financing in this project. In the interview survey, all PFIs responded that they enhanced the understanding of the application procedures of this project as a result of the workshops held under the consulting services, and this led to the promotion of sub-loan disbursements. The PFIs also mentioned that they were not familiar with the environmental and social consideration procedures before this project was started, and they deepened the understanding on them through participating in workshops and carrying out loan procedures.

¹² A total of 14 PFIs were not interviewed, mainly because the personnel involved in this project did not remain, and also because they provided a limited number of sub-loans in this project.

However, as 20 PFIs out of the 46 accredited PFIs did not disburse loans to SMEs under this project, it is not certain to what extent their capabilities mentioned above improved.

2) Improvements in Access to Funds for SMEs

In the interview survey, all PFI institutions (12 institutions) with a track record of financing in this project responded that they became active in lending to SMEs after the start of this project. This is because it became easier for PFIs to provide loans to SMEs because of this project and similar projects by other donor agencies. In addition, it was confirmed that some PFIs used to target only individuals or large companies but newly entered into SME financing by utilizing the funds of this project to diversify profit opportunities and loan targets. Note that the proportion of SMEs among the borrowers of commercial banks in terms of number of accounts increased from 4.7% in 2011 to 7.0% in 2019¹³. Therefore, it can be said that more SMEs have access to funds at the time of ex-post evaluation.

3.3.2 Impacts

3.3.2.1 Intended Impacts

Industrial and Economic Development

From the time of appraisal of this project to the time of ex-post evaluation, GDP increased by 6.94% per year on a real basis (2011 price) as in Table 9. During the same period, the domestic credit outstanding increased by 6.91% per year and the loan outstanding to SMEs increased by 6.59% per year on a real basis. It is considered that the increase in the domestic credit, including loans to SMEs, supported the economic growth in Bangladesh.

As the loans provided by the TSL fund of this project also partially contributed to the increase in the domestic credit outstanding, it can be considered that this project supported the economic growth of the country.

Table 9 Change in GDP and domestic credit
(Unit: billion taka, at 2011 price)

	Real GDP	Domestic Credit Outstanding	Loan Outstanding to SMEs
2011	9,158	3,907	811
2012	9,756	4,171	932
2013	10,342	4,191	1,000
2014	10,969	4,528	1,112
2015	11,688	4,854	1,147
2016	12,519	5,221	1,245
2017	13,431	7,265	1,376
2018	14,487	6,057	1,172
2019	15,668	6,671	1,351
Average growth rate	6.94%	6.91%	6.59%

Source: Documents provided by BB and the World Bank *World Development Indicators*.

¹³ *Financial Access Survey*. International Monetary Fund. <https://data.imf.org/?sk=E5DCAB7E-A5CA-4892-A6EA-598B5463A34C> (Accessed on July 15, 2021)

Job Creation

The interview survey mentioned above gave the result that the number of employees of the 80 end users increased by 37.6% from the baseline to 2018 as presented in Table 10.

Since the number of employees of SME borrowers was 15,341 before the implementation of sub-loans, it was estimated that 8,497 jobs had been created during the period between the baseline and 2018, assuming that the number of employees of all SME borrowers increased at 37.6% too.

Table 10 Change in the number of employees of SME borrowers

	Baseline	Actual	
		2016	2018
	Before sub-loan disbursement	Completion Year	2 Years After Completion
Number of employees of SME borrowers (persons)	15,341	21,557 (+40.5%)	21,103 (+37.6%)

Source: Document provided by JICA and interviews with SMEs.

Note: The figures as of 2016 and 2018 are estimated based on the interview survey results.

In addition, it was confirmed that the number of employed population increased by 6.7 million from 2010 as in Table 11, before the implementation of this project, to 2017, following the economic growth in Bangladesh. Although the number of jobs created by the companies that received loans through this project was limited, because the number of employed population in Bangladesh increased, following the economic growth, this project is also considered to have supported job creation in the country.

Table 11 Number of employed population in Bangladesh

(Unit: million persons, aged 15 or older)

	2010	2013	2015	2017
Labor force	56.7	60.7	62.1	63.5
Employed population	54.1	58.1	59.5	60.8

Source: Bangladesh Bureau of Statistics.

3.3.2.2 Other Positive and Negative Impacts

1) Impacts on the Natural Environment

In this project, BB and PFIs were supposed to examine the environmental and social consideration aspects of sub-projects based on the domestic law in Bangladesh and JBIC Guidelines for Confirmation of Environmental and Social Considerations (April 2002), and any sub-projects that fell under Category A were supposed to be regarded as non-eligible.

When a PFI of this project received a loan application from an end user, the PFI confirmed the categories of the sub-project under the Environment Conservation Rules in Bangladesh based on the type of industry of the sub-project. In case the sub-project was classified as “Red,” which means a project that can potentially have a significant negative impact on the environment, the sub-project was regarded as non-eligible. If the sub-project fell into other categories, the PFI received an environmental clearance certificate from the end user and confirmed that there were no environmental issues. In the interview survey, it was confirmed that PFIs actually determined the categories based on the JBIC Guidelines for Confirmation of Environmental and Social Considerations, examining the social consideration aspects of sub-projects such as resettlement and child labor through on-site visits in addition to the environmental aspects mentioned above. As the result, any sub-projects that fell into Category A, which might have significant adverse impacts on the environment, did not receive any financing under this project.

It was also confirmed that PFIs regularly monitored that end users had obtained necessary permits, receiving copies of factory licenses and fire certificates from them at the time of renewal. In addition, PFIs regularly visited end users to examine whether sub-projects were making any negative impacts on the natural environment. According to interviewee PFIs, they did not recognize any sub-projects under this project that caused negative impacts on the natural environment. Moreover, no sub-loans that caused negative impacts on the natural environment were identified through on-site inspections conducted under the consulting services of this project nor through field visits of the ex-post evaluation. Therefore, it can be said that appropriate mitigation measures were taken against the negative impacts on the natural environment, and such negative impacts were minimal as a result.

2) Resettlement and Land Acquisition

From the answers to the questionnaire by BB, the interviews with PFIs, and the interviews with end users, it was confirmed that there were no sub-projects with land acquisitions that were followed by migration of population, including illegal dwellers. It was also confirmed that PFIs examined that end-borrowers were going through land ownership transfer processes following the domestic laws, and that PFIs did not accept loan applications if there were any issues in the land ownership transfer process, even when end users acquired land using funds that were not provided under this project. Therefore, it is concluded that any negative impacts related to resettlement and land acquisition were not caused in this project.

3) Other Positive and Negative Impacts

As mentioned above, following the collapse of Rana Plaza, a tenant building that housed garment factories, and the resultant casualties, the terms and conditions of the sub-loans of

this project were partially changed so that this project could provide long-term (up to 15 years) and low-interest (on-lending rate +5%) financing for the retrofitting and reconstruction of garment factories. During the project period, two sub-loan agreements were concluded, under which a total of 220 million yen were provided. Through this change in the terms and conditions, this project was able to react to the urgent issues related to improvement in the working environment for garment industry workers.

In addition, through loans for the enhancement of the building safety of garment factories in this project, the operational issues in financing were identified. The necessity of financing at lower interest rates than usual was also identified for the enhancement of building safety. Based on the above experience obtained from this project, an ODA loan project titled “Urban Building Safety Project” (loan agreement signed in December 2015; 12.086 billion yen), which provides low-interest loans for the enhancement of building safety in urban areas, was promptly formulated.

In addition, the terms and conditions of sub-loans were revised so that 100% of the sub-project cost could be covered by a sub-loan in case the end user was a women entrepreneur (90% of the sub-project cost was financed by TSL funds). By the end of 2018, 12 sub-loans of 156.4 million taka were provided from the revolving fund of this project to women entrepreneurs, and the average interest rate of the sub-loans was set slightly lower at 11.2% as presented in Table 12.

Table 12 Sub-loans provided from the revolving fund to women entrepreneurs

Type of End Users	Number of sub-loans	Amount (million taka)	Average Loan Period (months)	Average Interest Rate (%)
Women entrepreneurs	12	156.4	51.0	11.2
SMEs other than women entrepreneurs	359	2,997.3	42.9	12.2

Source: Document provided by BB.

In light of the above, it was confirmed that the quantitative effects were generated because the sales turnover and profits of SME borrowers as well as the total loan outstanding to SMEs and its proportions to total loan outstanding of PFIs increased. Generation of qualitative effects was also confirmed as the capabilities of financial institutions in SME lending and access to funds for SMEs improved. In addition, sub-loans financed by the TSL funds of this project were considered to have partially contributed to the increase in the total loan outstanding to SMEs in Bangladesh, and they also supported economic growth and job creation. Further, sub-projects that received financing under this project did not cause any

negative impacts on the natural environment and related to resettlement and land acquisitions. When the collapse of a tenant building with garment factories occurred in 2013, the terms and conditions of sub-loans of this project were partially changed so that this project could provide long-term and low-interest financing for the retrofitting and reconstruction of garment factories. This led to the formulation of the ODA loan project titled “Urban Building Safety Project.” The terms and conditions of sub-loans for women entrepreneurs were also revised in May 2016, so that they could receive sub-loans up to 100% of sub-project costs, and sub-loans were provided at slightly lower interest rates than other SMEs. From the above, it is concluded that this project generated the effects as planned. Therefore, effectiveness and impacts of the project are high.

3.4 Sustainability (Rating: ③)

3.4.1 Institutional / Organizational Aspects of Operation and Maintenance

The agency responsible for the supervision of the overall operations of the project and its execution was the Ministry of Finance. Based on the Administrative Agreement concluded between the Ministry of Finance and BB, SMESPD of BB, as the institution carrying out the project, was supposed to conduct TSL loan administration and monitoring and also provide capacity building supports to PFIs. This arrangement remained unchanged at the time of ex-post evaluation. At the time of ex-post evaluation, eight persons assigned to the PIU, which was set up in SMESPD, managed the revolving fund of this project. According to BB, the number of persons assigned to the PIU was sufficient, and there were no problems arising from the lack of staff members, such as delays in operations.

PFI accreditation had been carried out based on the accreditation criteria specified in the operating guidelines of this project, and 22 banks and 19 NBFIs were accredited as PFIs in May 2012. After this, several PFIs were excluded from accredited PFIs due to the increase in their non-performing loan ratios, while four banks and three NBFIs were newly accredited as PFIs in response to their application for new entry. In addition, the PIU annually examined whether PFIs met accreditation criteria such as their financial conditions. Therefore, it can be said that no sub-loans were made by PFIs that did not meet the accreditation criteria.

In light of the above, it is concluded that there were not any problems in the institutional and organizational aspects of the operation and maintenance of this project.

3.4.2 Technical Aspects of Operation and Maintenance

SMESPD of BB, which carried out project operations under the consignment of the Ministry of Finance, had been implementing the refinancing schemes funded by the World Bank and Asian Development Bank without any problems. As no operational problems have been identified in this project either, it can be said that there were no problems in the

technical aspect of the operation and maintenance of this project.

3.4.3 Financial Aspects of Operation and Maintenance

For the implementation of this project, as BB bore a part of the expenses for consulting fee (tax) and also paid the daily allowance for the participation in the study tour, there were no problems in the financial aspect of the project's operation and maintenance.

At the time of ex-post evaluation, the main cost covered by BB was the personnel expenses of PIU staff members. Because no significant decrease in salary expenses of BB could be identified and no problems including personnel shortage due to lack of budget arose as described in Table 13, there were no problems in the financial aspect of the operation and maintenance at the time of ex-post evaluation either.

Table 13 Number of personnel and amount of salary expenses of BB

Fiscal Year	Number of Personnel (person)	Salary Expenses (million taka)
2012 - 13	5,239	1,189
2013 - 14	5,468	1,321
2014 - 15	6,067	1,694
2015 - 16	5,726	1,759
2016 - 17	5,664	2,699
2017 - 18	5,741	2,722
2018 - 19	6,369	2,917
2019 - 20	6,391	3,072

Source: Annual report of BB.

3.4.4 Status of Operation and Maintenance

In this project, a revolving fund, which utilized the surplus funds generated from the difference between the repayment periods of sub-loans and the ODA loan, was created to provide new sub-loans under the same terms and conditions. The revolving fund started providing sub-loans to SMEs in 2015. By the end of 2018, the revolving fund had provided 371 sub-loans of 3,154 million taka to SMEs. The number and amount of sub-loans by industry are as given in Table 14.

Table 14 Sub-loans provided by the revolving fund by type of industry

Type of Industry	Number of Sub-Loans	Amount (million taka)	Average Loan Period (months)	Average Interest Rate (%)
Manufacturing	234	2,074.3	42.0	12.1
Service	135	1,064.1	45.2	12.3
Commerce	2	15.4	39.0	13.8
Total	371	3,153.8	43.1	12.2

Source: Document provided by BB.

At the time of ex-post evaluation, the revolving fund was still providing sub-loans to end

users. However, because the maximum amount of sub-loans remained at 50 million taka¹⁴ from the start of the project, it had not reflected the increase in price levels since then. Some PFIs pointed out that the maximum sub-loan amount was not sufficient to meet the funding needs of SMEs at the time of ex-post evaluation.

The information on the repayment status of sub-loans provided from the revolving funds to SMEs was not available. Considering that the non-performing loan ratios of banks and NBFIs in Bangladesh were 5.8% and 11.9%, respectively, in 2019, and also that PFIs, whose non-performing loan ratio exceeded 10%, were excluded from accredited PFI, the non-performing loan ratio of the sub-loans provided from the revolving fund was estimated to be at the same or lower level than the ratios mentioned above.

Even if sub-loans to end users become non-performing, PFIs need to repay the TSL funds to BB in this project. As there were not any overdue repayments from PFI to BB at the time of ex-post evaluation, the revolving fund was not damaged. In addition, because banks and NBFIs with non-performing loan ratios exceeding 10% are excluded from accredited PFIs, as mentioned above, it can be said that there is low possibility that repayments from PFIs to BB became overdue.

BB had been receiving external audits every year on the operation and management status of the special account, project operating account, and revolving fund account of this project. As such audits did not make any special comments, it can be said that there were no problems in the management of the TSL funds.

In light of the above, no major problems were observed in the institutional and organizational aspect, technical aspect, or financial aspect, or even in the current status of the operation and maintenance. Therefore, sustainability of the project effects is high.

4. Conclusion, Lessons Learned and Recommendations

4.1 Conclusion

The objective of this project was to improve the financial intermediation for SMEs and increase the production and investments of SMEs in Bangladesh by providing medium- and long-term funds through PFIs and strengthening the capacity of PFIs, thereby contributing to the sound development of the country's industry and economy as well as to employment generation.

This project has been highly relevant to the country's development plan and development needs, as well as Japan's ODA policy. Therefore, its relevance is high.

In the aspect of project implementation, the amount of investments by SMEs, which was

¹⁴ The maximum loan amount for the retrofitting and reconstruction of garment factories, applied from October 2013, was 100 million taka.

one of the project outputs, exceeded the plan because the share of contributions by SME borrowers exceeded the plan at the time of appraisal. Similarly, the project cost exceeded the plan, but this was commensurate with the project output, which also exceeded the plan. On the other hand, because some official procedures, such as effectuation of the ODA loan agreement and selection of PFIs, took time, the project period exceeded the plan. Therefore, efficiency of the project is fair.

As for the quantitative effects, the targets of all indicators were achieved as the sales turnover and profits of SME borrowers increased as well as the total loan outstanding to SMEs and its proportions to the total loan outstanding of PFIs increased. Generation of qualitative effects were also confirmed as the capabilities of financial institutions in SME lending and access to funds for SMEs improved. In addition, sub-loans financed by the TSL funds of this project were considered to have supported economic growth and job creation, and thus effectiveness and impacts of the project are high.

As for the operation and maintenance of this project, there were no problems in the institutional or organizational aspect, because sufficient personnel were assigned in the department in charge in BB and PFI accreditations were renewed every year. No problems were identified in the technical and financial aspects either. It can be said that the status of operation and maintenance did not have any problems because sub-loans were made to SMEs from the revolving fund even after project completion, and the revolving fund was not damaged. In summary, no major problems have been observed in the institutional and organizational aspect, technical aspect, or financial aspect, or even the current status of the operation and maintenance; thus, sustainability of the project effects is high.

In light of the above, this project is evaluated to be highly satisfactory.

4.2 Recommendations

4.2.1 Recommendations to the Executing Agency

None

4.2.2 Recommendations to JICA

None

4.3 Lessons Learned

Calculation of End Users' Contribution in the Project Cost

In this project, up to 75% of the investment cost by an SME was supposed to be covered by TSL funds, while at least 15% and 10% were to be borne by a PFI and an end user, respectively, and the cost of this project was calculated based on this assumption at the time of appraisal. On the other hand, as PFIs required end users to bear more than 20% of

investment costs when they actually made sub-loans, the project cost exceeded the plan.

However, because financial institutions in Bangladesh normally require end users to bear about 20 - 30% of the investment costs, the project cost should have been calculated on the assumption that end users to bear about 20 - 30% of the investment costs at the time of appraisal, so that the planned project cost can be properly compared with the actual project cost.

Revision of the Terms and Condition of Sub-Loans to End Users

This project provided financing to end users for a long period of time during the project period, and even after that by utilizing the revolving fund. However, if the price level rises and the maximum sub-loan amount of a TSL project is fixed, the sub-loan amount might not fulfill the funding needs of end users.

If the terms and condition of sub-loans, including the amount of a sub-loan for an end user, are defined, for example, by operating guidelines, it is desirable to define how often and under which conditions they are revised. It is also recommended that consulting services of TSL projects include a review of the existing guidelines and drafting of revised guidelines.

In addition, if the revolving fund provides sub-loans to end user even after the project completion, it is also desirable to maintain the organizational structure which can continue updating the terms and conditions of sub-loans.

Independent Loan Interest Rate Setting by PFIs

Financial institutions tend to avoid making small-amount loans because they cannot secure sufficient profits. However, as PFIs were able to set sub-loan interest rates independently and secure sufficient interest margins in this project, PFIs made a number of sub-loans to small enterprises.

If TSL projects to be implemented in the future aim to distribute funds to small enterprises through PFIs, it is desirable that PFIs be able to determine sub-loan interest rates independently as well.

Revisions of Terms and Conditions of Sub-Loans in Response to Urgent Issues

Due to the collapse of the tenant building with garment factories that occurred during the implementation of this project, enhancement of building safety was urgently required. In response, the scope of this project was revised six months after the accident so that long-term and low-interest financing can be provided for the retrofitting and reconstruction of garment factories based on the agreement between stakeholders in Bangladesh and JICA. If an urgent and serious problem that was not envisioned at the time of planning arises during the implementation of other TSL projects in the future, it is desirable to take prompt action

by changing the terms and conditions of sub-loans without deviating from their project objectives.

(end)

Comparison of the Original and Actual Scope of the Project

Item	Plan	Actual
1. Project Outputs	<p>1) Loans for the development of SMEs: the provision of medium- and long-term financing to SMEs through PFIs</p> <ul style="list-style-type: none"> - Eligible business sectors: Not specified - Eligible end users: SMEs defined by Industrial Policy (2010) - Eligible investments for financing: Fixed assets and initial working capital, which is associated with the investment loan - Amount: 500,000 - 50 million taka per sub-loan (1 taka = 1.31 yen) - Term: 2 - 8 years (including a grace period of 1 or 2 years) - Interest rate: Not specified (interest rates were independently set by PFIs considering the credit and other risks) <p>2) Consulting services:</p> <ul style="list-style-type: none"> - Support on project management - Support on capacity development - Public awareness activities and promotion - Introduction of good 	<p>1) Loans for the development of SMEs: the provision of medium- and long-term financing to SMEs through PFIs</p> <p>Almost as planned</p> <ul style="list-style-type: none"> - Amount of a sub-loan was changed to 200,000 - 50 million taka per sub-loan - The terms and conditions for the retrofitting and reconstruction of garment factories, applied from October 2013, are as follows: <ul style="list-style-type: none"> ➤ Maximum loan amount: 100 million taka ➤ Loan term: Maximum 15 years (including a grace period of up to 2 years) ➤ Interest rate: On-lending rate to PFIs + maximum 5% - The maximum interest rate for women entrepreneurs, applied from March 2016, is on-lending rate to PFIs + 5% <p>2) Consulting services: As planned</p>

	practices in the SME finance system in other countries and suggestions on the improvement of financial access - Support on monitoring and evaluation of the project - Coordination and collaboration with other donor agencies and related institutions	
2. Project Period	May 2011 - March 2016 (59 months)	May 2011 - May 2016 (61 months)
3. Project Cost		
Amount Paid in Foreign Currency	4,943 million yen 2,152 million yen	4,927 million yen 3,216 million yen
Amount Paid in Local Currency	(2,647 million taka) 7,097 million yen 5,000 million yen	(4,213 million taka) 8,142 million yen 4,990 million yen
Total	1 taka = 1.23 yen,	1 taka = 1.31 yen,
ODA Loan Portion	1 USD = 85.5 yen	1USD = 102.63 yen
Exchange Rate	(As of November 2010)	(Average between 2012 - 2016)
4. Final Disbursement	March 2016	

(end)