LOAN MILESTONE EVENTS

1. Loan\(^1\) administration passes through various stages at which important actions are made and critical events take place. This Project Administration Instruction (PAI) describes the requirements and procedures on recording loan milestone events (LMEs).\(^2\)

A. Objective of Loan Milestone Events

2. Recording LMEs serves various systems including the Comprehensive Loan Administration and Servicing Systems (CLASS), General Loans Accounting System (GLAS), Loan Financial Information System (LFIS), Grant Financial Information System (GFIS), and eOperations (eOps). Recording LMEs is essential for implementation of the required business processes such as effectiveness, disbursement, suspension and cancellation of loans, preparing analysis needed for generating reports at various stages of project implementation, and preparing project performance reports and the annual portfolio performance report. LME forms are available in the Forms Management database.

B. Procedure

3. To avoid a delay in processing of LMEs, the sector division\(^3\) should prepare an LME with date(s) duly filled in within two working days after an event occurs and submit it to the Loan Administration Division (CTLA).\(^4\) CTLA confirms the information with the sector division and inputs the dates into the corresponding database. In case of loan effectivity or loan cancellation, a separate copy of the LME should be sent to Loan and Treasury Accounting Section (CTAC-LTA) for input. CTLA verifies all other LMEs and updates the product record in the systems.

References

Externally Financed Grant Regulations Applicable to Grants Financed from a Trust Fund or Other External Sources and Administered by ADB (1 January 2017)
Ordinary Operations (Concessional) Loan Regulations Applicable to Concessional Loans Made from ADB's Ordinary Capital Resources (1 January 2017)
Ordinary Operations Loan Regulations Applicable to Regular Loans Made from ADB's Ordinary Capital Resources (1 January 2017)
Special Operations Grant Regulations Applicable to Grants Made from ADB’s Special Funds Resources (1 January 2017)
Regulations of the Asian Development Fund (1 January 2017)

\(^1\) In this PAI, the reference to “loan” also includes grants, unless the context requires otherwise. This PAI also applies to loans and grants from external sources that are administered by ADB unless agreed otherwise between ADB and cofinanciers.

\(^2\) Also refer to grant milestone events (GMEs).

\(^3\) In this PAI, the term “sector division” also refers to the regional office or resident mission primarily administering the project.

\(^4\) Milestone events processed online no longer require manual submission.