Project Administration Instructions

LOAN MILESTONE AND CHANGE EVENT[1]

1.   Loan 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 for recording loan milestone and change event (LMCE).[2]

2.   Recording of LMCEs in Comprehensive Loan Administration and Servicing Systems (CLASS), Integrated Disbursement System (IDS), and eOperations is essential for portfolio and financial reporting as well as for the implementation of the required business processes upon effectiveness, suspension, cancellation, financial closing, disbursement of funds, and in case of change in loan projects.[3]

3.   The Loan and Grant Milestone and Change Event (LGMCE) form is available in the Forms Management Database. The project team should submit the LGMCE form to the Loan Administration Division (CTLA) and/or Loan and Treasury Accounting Section (CTAC-LTA) of the Controller's Department as early as possible but not later than 2 working days after the milestone or change event.[4] CTLA updates the relevant information in IDS. In case of loan effectivity or loan cancellation, a copy of the LGMCE form should be forwarded to CTAC-LTA for recording in CLASS.

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[1] In this PAI, the term "loan(s)" includes grant(s) and the term "project(s)" includes program(s), unless the context requires otherwise. This PAI also applies to loans from external sources that are administered by Asian Development Bank (ADB), unless agreed otherwise between ADB and cofinancier(s).

[2] PAI 5.09 (*Administering Technical Assistance*) describes the requirements and procedures for recording a technical assistance milestone and change event.

[3] See PAI 5.02 (*Change in Loan Projects*).

[4] Milestone events such as approval and signing which are emailed directly to CTLA do not require submission of an LGMCE form.