



FAST Report

Project Number: 50197-001
November 2016

Proposed Loan Eastern Bank Sustainable Projects in the Textile and Garment Sector (Bangladesh)

This is the abbreviated version of the document that excludes commercially sensitive and confidential business information that is subject to exceptions to disclose set forth in ADB's Public Communications Policy 2011.

Asian Development Bank

CURRENCY EQUIVALENTS

(as of 25 October 2016)

Currency unit	–	taka (Tk)
Tk1.00	=	\$0.01278
\$1.00	=	Tk78.275

ABBREVIATIONS

ADB	–	Asian Development Bank
CAP	–	corrective action plan
CAR	–	capital adequacy ratio
CPS	–	country partnership strategy
CRO	–	chief risk officer
ESMS	–	environmental and social management system
GAP	–	gender action plan
GDP	–	gross domestic product
IFC	–	International Finance Corporation
ILO	–	International Labour Organization
NPL	–	nonperforming loan
RMG	–	ready-made garment
SMEs	–	small and medium-sized enterprises

NOTES

- (i) The fiscal year (FY) in Bangladesh ends on 30 June. “FY” before a calendar year denotes the year in which the fiscal year ends, e.g., FY2016 ends on 30 June 2016. The financial year of Eastern Bank ends on 31 December, coinciding with each calendar year.
- (ii) In this report, "\$" refers to US dollars.

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I. INTRODUCTION

1. This is an eligible transaction under the Faster Approach to Small Nonsovereign Transactions (FAST) framework.¹ The transaction involves a loan of up to \$20,000,000 to Eastern Bank for Sustainable Projects in the Textile and Garment Sector in Bangladesh.²

II. THE FINANCIAL INTERMEDIARY

A. Investment Identification and Description

2. **Textile and Garment Sector.** Bangladesh is the world's second largest exporter of textiles and garments, and this industry accounted for 82% of the country's total merchandise exports in FY2015,³ generating export earnings of \$24 billion. It accounted for about 15% of gross domestic product (GDP) in FY2014.⁴ The textile and garment sector employs 4 million workers, of whom almost 85% are women.⁵ In 2013, after a 2012 factory fire and a 2013 building collapse in Bangladesh had killed more than 1,000 ready-made garment (RMG) factory workers and injured thousands more, the Bangladesh government, the European Union, the United States, and the International Labor Organization (ILO) engaged in a joint initiative called Bangladesh Sustainable Compact to promote continuous improvements in labour rights and factory safety. A 2015 study by the European Commission found that Bangladesh had made much progress since the start of the joint initiative in protecting labor rights and improving building and workplace safety.⁶

3. Bangladesh and international businesses involved in the textile and garment trade have undertaken innovative initiatives and made a positive difference in the area of building and worker safety. This has been achieved under the 2013 Accord on Fire and Building Safety in Bangladesh and the 2013 Alliance for Bangladesh Worker Safety. The accord is a legally binding agreement covering 2013-2018 and signed by more than 200 apparel corporations from 20 countries, two global trade unions, and many Bangladesh trade unions. The alliance covers the same period and was founded by a group of North American apparel companies. The accord and the alliance have engaged qualified consultants to inspect RMG factories for fire, electrical, and structural safety. As of March 2016, 2,197 factories had been inspected, or 95.4% of the factories covered under the two agreements as suppliers to accord and/or alliance company signatories.⁷ A factory's first inspection produces a corrective action plan (CAP) for remedial safety changes that are to be taken within prescribed time limits. The staff of the accord and alliance themselves conduct the follow-up inspections to ensure that the CAPs are implemented according to schedule. The accord and the alliance provide capacity building through health and fire and general safety training for workers, the formation of occupational safety and health committees of worker representatives and management at factories covered by their agreements, and the establishment of mechanisms to monitor the health and safety on

¹ ADB. 2015. *Faster Approach to Small Nonsovereign Transactions*. Manila

² Sustainable projects refer to the construction or expansion of textile and garment factories that after completion will meet the high structural, fire, and electrical safety standards required by the Accord on Fire and Building Safety in Bangladesh or the Alliance for Bangladesh Worker Safety. All subborrowers will be required to consider energy efficiency and be encouraged to select energy efficient design and equipment for the subprojects.

³ ADB. 2016. *Asian Development Outlook 2016, Asia's Potential Growth*. Manila.

⁴ International Finance Corporation. 2015. *Transforming Bangladesh's Garment Sector*. Washington, DC.

⁵ Bangladesh Bank. *Quarterly Review on RMG: January–March 2016*. Dhaka.

⁶ European Commission. 2015. *Bangladesh Sustainability Compact. Technical Status Report*. Brussels.

⁷ ILO and International Finance Corporation (IFC). 2016. *Remediation Financing in Bangladesh's Ready Made Garment Sector*. Geneva and Washington.

a day-to-day basis. The alliance alone has supported basic fire safety training for more than 1.1 million workers. The two organizations have set up help lines to enable factory workers to report safety and health concerns confidentially. This bottom-up, participatory approach is expected to become a key element of the RMG factory safety program in the future.

4. The ILO's international training center and the Bangladesh department of inspection of factories and establishments have trained all the government's labor inspectors on how to inspect working conditions, occupational safety and health matters, hazard identification, risk assessment, and the investigation of work accidents. The ILO is responsible for managing the safety inspection of export-oriented factories that are not covered by the accord and the alliance as suppliers. As of 16 March 2016, 1,549 of these factories, which fall under a government national action plan, had been inspected. Most of the inspections have been done by the private sector inspection companies previously engaged for the accord and the alliance programs. The ILO plans to oversee the inspection and safety remediation of export-oriented RMG factories until 2021 when the government is expected to be ready to take over after years of capacity building.⁸

5. The attention to safety matters given under the accord and alliance program has set the standard for RMG sector worker safety in Bangladesh. Domestic entrepreneurs are starting to see that making their facilities compliant with the accord and alliance standards provides a competitive advantage that is worth the investment. RMG manufacturing facilities determined to be compliant are gaining market share as export demand shifts toward such factories. This has created greater demand for the long-term financing for the construction and expansion of RMG factories that will comply with accord and alliance standards after completion. The domestic banks in Bangladesh's undeveloped finance sector struggle to provide this long-term finance at competitive interest rates.

6. **Finance sector.** Total credit represented only 59.7% of GDP in FY2015, and credit to the private sector accounted for 43.9%.⁹ Banks dominate the finance sector and accounted for 89.8% of the private sector credit. Asset quality in the banking sector is weak. The sector's year-end nonperforming loans ratio was 9.7% in 2014 and 8.8% in 2015. Domestic banks have no access to international capital markets. Long-term US dollar funding is available to them primarily through international financial institutions.¹⁰

7. To support continued improvements in the important textile and garment sector and help fill financing gaps in the Bangladesh finance market, the Asian Development Bank (ADB) has sought to partner with domestic financial institutions that have demonstrated the ability to finance RMG sector development. In this regard, ADB approved a \$30 million loan facility for BRAC Bank in 2015.¹¹ ADB consulted Eastern Bank about participating in a possible follow-up project. Eastern Bank was one of the first banks in Bangladesh to join ADB's Trade Finance Program and has been an active member since 2006. The bank is committed to support the development of socially and environmentally sustainable projects. It has a good track record of

⁸ The ILO may assume responsibility for inspecting factories supplying to accord and alliance members at the end of the two organizations' operations commitment period of 2013–2018, although both organizations have left open the possibility of extensions.

⁹ Bangladesh Bank. 2016. *Monthly Economic Trends—June 2016*. Dhaka.

¹⁰ Details on the banking sector in Bangladesh are provided in the Sector Overview (accessible from the list of linked documents in Appendix 1).

¹¹ ADB. 2015. *Report and Recommendation of the President to the Board of Directors. Proposed Loan to BRAC Bank for Sustainable Projects in Bangladesh*. Manila. The loan agreement was signed in April 2016, and \$15 million had been disbursed by the end of August 2016.

financing such projects in the textile and garment sector, good corporate governance standards, a solid past financial performance, and sound safeguards capacity. Eastern Bank was given a \$10 million credit facility by the International Finance Corporation (IFC) to finance the implementation of CAPs prescribed after accord and alliance inspections at RMG factories in the country.¹² [The rest of this paragraph has been redacted due to commercially sensitive information.]

B. Business Overview and Strategy

8. Eastern Bank is a leading private commercial bank. It was established in 1992 and is listed on the Dhaka and Chittagong stock exchanges. It is one of the most innovative banks in the country and the first to provide online banking services, green loans, US dollar financing through letters of credit, and aviation finance. In 2015, it was named the “best retail bank” in Bangladesh by The Asian Banker, a provider of strategic intelligence finance in the Asian region. [This sentence has been redacted due to commercially sensitive information.] As of 31 December 2015, Eastern Bank had one of the largest private commercial bank branch networks in the country—224 outlets overall, consisting of 80 full service branches, 57 small and medium-sized enterprise (SME) centers, 72 bill paying centers, and 15 priority banking centers. The outlets are spread throughout Bangladesh but are concentrated in the major cities of Dhaka and Chittagong.

9. Eastern Bank is primarily a corporate bank. Corporate loans represented 72.1% of the gross loan portfolio at the end of 2015 and 72.7% a year earlier. Eastern Bank considers corporate banking to be an important strength and competitive advantage. The bank’s active trade finance and foreign currency lending operations help attract corporate clients. Foreign currency loans provided by its overseas banking unit accounted for about 18.4% of its corporate lending at the end of 2015. The bank’s SME portfolio accounted for 14.5% of year-end total lending in 2015, slightly down from 15.2% the year before. Comprising 12.4% of overall lending when 2015 ended, its retail banking business is small but competitive and offers a wide variety of deposit, loan, and card products.

C. Ownership, Management, and Governance

10. **Ownership.** The shareholders with board representation hold a combined stake of 31.6%. The largest stake of 10% is held by Namreen Enterprises, a shipping company, followed by Mir Holdings (5.0%) and Borak Real Estate (4.8%). Other main shareholders with board representation include the board chairperson, M. Ghaziul Haque, who has a combined stake of 5.2% with his MGH Group, a conglomerate with interests in shipping, retail, and media. [This sentence has been redacted due to commercially sensitive information.] ADB has conducted integrity due diligence in accordance with its guidelines.¹³ It identified no significant or potentially significant integrity risks. [This sentence has been redacted due to commercially sensitive information.] The majority of the bank’s shares (57.6%) are held by the general public. No individual holds more than 5% of shares. ADB’s project team did not therefore establish details regarding these beneficial owners. Eastern Bank was established in Bangladesh, which is not a jurisdiction with strategic deficiencies identified by the financial action task force.

¹² The loan was under IFC’s remediation finance program and will be exclusively used to finance the implementation of CAPs by the accord or the alliance. ADB’s loan will complement the IFC’s facility by financing construction and/or expansion of RMG factories that will comply with accord and/or alliance standards after completion.

¹³ ADB. 2015. *Integrity Due Diligence Guidelines for Nonsovereign Operations*. Manila.

11. **Management.** The management team is composed of experienced, knowledgeable bankers. Some have previously held senior positions in international banks. The 15-member management committee includes the chief executive officer (CEO), one additional managing director, and two deputy managing directors. The CEO, Ali Reza Iftekhhar, has more than 30 years of banking experience, including 12 at Eastern Bank. He was previously deputy managing director at AB Bank and head of credit at Standard Chartered Bank in Bangladesh. [The rest of this paragraph has been redacted due to commercially sensitive information.]

12. The board's risk management committee reviews and monitors overall risk management. The risk management committee at the management level comprises 12 members and is chaired by the chief risk officer (CRO). [The rest of this paragraph has been redacted due to commercially sensitive information.]

13. **Governance structure.** Eastern Bank has some of the banking sector's strongest corporate governance standards. It won a national award for corporate governance excellence from the Institute of Chartered Secretaries of Bangladesh in 2014 and 2015. Its board is strong, and the membership provides broad experience in business, banking, financial services, accounting, and management. Of Eastern Bank's 11 board members, 1 is an executive director, 2 are independent non-executive directors, and 8 are non-executive directors nominated by a diverse set of shareholders. The board has an audit committee, a risk management committee, and an executive committee; and it monitors and approves the bank's major financial and business strategies and policies. It oversees the mechanisms of financial control, internal control, and risk management. It ensures that the processes needed to comply with applicable laws are in place.

D. Financial Performance

14. **Capital adequacy.** [The rest of this paragraph has been redacted due to commercially sensitive information.]

15. **Asset quality.** [The rest of this paragraph has been redacted due to commercially sensitive information.]

16. **Earnings.** [The rest of this paragraph has been redacted due to commercially sensitive information.]

17. **Funding and liquidity.** [The rest of this paragraph has been redacted due to commercially sensitive information.]

III. THE ADB ASSISTANCE

A. The Assistance

18. ADB will provide a 5-year senior unsecured term loan to Eastern Bank of up to \$20 million. The proceeds will be used to finance socially and environmentally sustainable projects in the textile and garment sector. More specifically, the proposed loan will finance the construction or expansion of textile and garment factories that will meet the high structural, fire, and electrical safety standards required by the accord or the alliance after completion. All Eastern Bank borrowers that benefit from ADB funding will be required to consider improving

energy efficiency in their factories and be encouraged to select energy-efficient designs and equipment for the subprojects.¹⁴

B. Implementation Arrangements

19. Monitoring of the project will be carried out by ADB. Eastern Bank will provide ADB with financial and other reports at predetermined regular intervals and as requested. These reports will include (i) unaudited financial statements on a quarterly basis; (ii) audited financial statements on an annual basis; (iii) compliance certificates for financial covenants; (iv) semiannual reporting on the list of subprojects financed by ADB, including details on implementation progress; (v) annual reporting on the implementation of the environmental and social management system (ESMS) and on compliance with ADB's Safeguard Policy Statement (2009) and the bank's gender action plan (GAP); and (vi) annual reporting on selected development indicators agreed on by ADB and the borrower.

20. ADB will conduct field visits to Eastern Bank and selected ADB-financed subprojects at least annually after the disbursement of the loan. Eastern Bank's existing ESMS will be updated to improve the screening and monitoring of subprojects.¹⁵ The loan agreement between ADB and Eastern Bank will include covenants on safeguards and social protection. [The rest of this paragraph has been redacted due to commercially sensitive information.]

C. Value Added by ADB Assistance

21. **Greater access to long-tenor finance for ready-made garment factory expansion and construction.** The RMG sector is a critical part of the Bangladesh economy but lacks access to the long-term funding necessary for its development. Local banks cannot obtain long-term US dollar finance from commercial sources. International banks provide them only with short-term trade finance of up to 1 year. The local banks cannot tap the international capital markets because of Bangladesh's low country rating. Thus, the long-term funding provided by ADB will enable Eastern Bank to offer long-term US dollar financing to the subproject clients and improve the bank's asset-liability profile.

22. **Strengthening of Eastern Bank's environmental and social management system.** The project will help enhance Eastern Bank's ESMS. Eastern Bank will be required to comply with environmental and social safeguard measures of ADB's Safeguard Policy Statement. In addition to complying with the safeguard requirements introduced by the IFC remediation finance program (footnote 12), ADB has proposed further enhancements to Eastern Bank's project screening and monitoring process, including the expansion of the bank's due diligence checklist to include environment and social safeguards and other labor aspects.

23. **Gender equity support for women.** The ADB loan will incorporate gender elements in Eastern Bank's financing in the RMG industry. The project is classified as effective gender mainstreaming. ADB helped Eastern Bank to develop a GAP¹⁶ to ensure the improvements of facilities and working conditions for women working in the RMG factories financed by ADB. The

¹⁴ Because few factory owners are willing to incur the costs of energy efficiency certification, it is not possible to require them to measure energy efficiency level of the subprojects. However, Eastern Bank will include energy efficiency as a subloan assessment criterion. It will obtain confirmation from all subborrowers that energy efficient design and equipment are selected, subject to project cost estimates and other constraints.

¹⁵ Financial Intermediary: Environmental and Social Management System Arrangement (accessible from the list of linked documents in Appendix 2).

¹⁶ Gender Action Plan (accessible from the list of linked documents in Appendix 2).

GAP's substantive gender design features will include the provision of a health center and safety training for women working in subproject factories.

D. Risks

24. Key risks to the project include the following: [The rest of this paragraph has been redacted due to commercially sensitive information.]

25. [This paragraph has been redacted due to commercially sensitive information.]

IV. DEVELOPMENT IMPACT AND STRATEGIC ALIGNMENT

A. Development Impacts, Outcome, and Output

26. **Impacts.** The impacts will be the following:

- (i) **Health and safety standards of the garment industry in Bangladesh enhanced.** The textile and garment industry in Bangladesh has a poor safety record. The loan will support the joint efforts of the government and other national governments, international apparel companies and retailers, trade unions, United Nations' agencies, multilateral and bilateral development agencies, and domestic industries to improve the health and safety of workers in the country's RMG industry. Since nearly 85% of the RMG workers are women, the project will have a direct impact on improving the working conditions for women workers in Bangladesh.
- (ii) **Finance sector further developed.** The project will give Eastern Bank access to long-term US dollar funds, which will in turn increase its ability to provide competitively priced long-term foreign currency loans to clients in this key sector of the economy.
- (iii) **Energy efficiency in the textile and garment sector improved.** While not directly measured, the project will help improve the energy efficiency of textile and garment factories in Bangladesh. This will contribute to the reduction of greenhouse gas emissions and mitigation of climate change.

27. **Outcome.** The outcome will be sustainable growth of Eastern Bank's lending operations for socially and environmentally sustainable projects.

28. **Output.** The output will be the expansion of Eastern Bank's lending to textile and garment factories that meet high safety standards and are energy efficient. [The rest of this paragraph has been redacted due to commercially sensitive information.]

B. Alignment with ADB Strategy and Operations

29. **Consistency with ADB strategy and country strategy.** The midterm review of ADB's Strategy 2020 calls on ADB to strengthen its support for the finance sector by helping to develop financial infrastructure, institutions, and products and services.¹⁷ The project addresses three priorities identified by the midterm review: (i) support for poverty reduction and inclusive economic growth, (ii) environment and climate change, and (iii) support for private sector development and ADB's private sector operations. The project is aligned with ADB's country

¹⁷ ADB. 2014. *Midterm Review of Strategy 2020: Meeting the Challenges of a Transforming Asia and Pacific*. Manila.

partnership strategy (CPS) for Bangladesh for 2011–2015.¹⁸ The CPS prioritized support for developing the private sector and the finance sector to accelerate growth, with an emphasis on clean energy, infrastructure finance, and expanding credit for SMEs. It called for environmental considerations to be integrated into sector interventions.

30. **Consistency with sector strategy and relevant ADB operations.** The project is aligned with ADB's financial sector operational plan, which calls for finance sector projects to serve the needs for developing the real economy and fit the overall development agenda outlined in ADB's CPS.¹⁹ The project continues ADB's past support for the textile and garment sectors in Bangladesh (footnote 10).

V. POLICY COMPLIANCE

A. Safeguards and Social Dimensions

31. Based on ADB's Safeguard Policy Statement, the loan is classified as category FI for potential impacts on the environment and involuntary resettlement and category FI (treated as C) for indigenous peoples. ADB's loan proceeds will not finance subloans that are assessed as category A for environment or involuntary resettlement or categories A or B for indigenous peoples. The potential environment and social impacts of the investment, the risks associated with the borrower's existing and/or likely future portfolio, and its commitment and capacity for environmental and social management have been assessed. Eastern Bank will apply ADB's prohibited investment activities list, ensure that investments using ADB's funds abide by applicable national laws and regulations and comply with ADB's Safeguard Policy Statement, and enhance its existing ESMS to ADB's satisfaction before the first disbursement of the loan.

32. Eastern Bank will enhance its ESMS by improving its ESMS screening process. The screening process will include ADB's prohibited investment activities list and cover ADB's environmental and social safeguards requirement. It will cover fire safety, including verification of accord and/or alliance CAP implementation status, and will disqualify high-risk factories for ADB-financed subloans. Screening will include the review of the social and labor audits conducted by the factory's buyers and the factory's compliance with local environmental regulations. Subprojects found to have high-risk environmental and safety issues will be excluded from the ADB project. Eastern Bank will enhance its staff capacity by providing relevant training on the ESMS.²⁰ ADB will monitor the bank's ESMS implementation.

33. The project is classified as effective gender mainstreaming under ADB's guidelines. Eastern Bank's GAP outlines how the bank will cooperate with its garment factory subborrowers to improve working conditions for women workers, integrate gender-sensitive design in garment factories, conduct fire and building safety training for women, and require subborrowers to establish and operate health center sections in factory clinics to provide appropriate medical services for women.²¹ Eastern Bank will monitor labor issues and GAP implementation and report on them in its annual environmental and social monitoring report to ADB. The borrower will comply with national labor laws and, pursuant to ADB's 2001 Social Protection Strategy, will take measures to comply with the internationally recognized core labor standards. Eastern Bank

¹⁸ ADB. 2011. *Country Partnership Strategy: Bangladesh, 2011–2015*. Manila.

¹⁹ ADB. 2011. *Financial Sector Operational Plan*. Manila.

²⁰ Safeguards and Social Dimensions Summary; Financial Intermediary: Environmental and Social Management System Arrangement (accessible from the list of linked documents in Appendix 2).

²¹ Gender Action Plan (accessible from the list of linked documents in Appendix 2).

will report regularly to ADB on its compliance with such laws and the measures taken.²² Information disclosure and consultation with affected people will be conducted in accordance with ADB's requirements.

B. Anticorruption Policy

34. Eastern Bank was advised of ADB's policy of implementing best international practice relating to combating corruption, money laundering, and the financing of terrorism. ADB will ensure that the investment documentation includes appropriate provisions prohibiting corruption, money laundering, and the financing of terrorism, and remedies for ADB in the event of noncompliance.

C. Investment Limitations

35. The proposed loan is within the medium-term, country, industry, group, and single investment exposure limits for nonsovereign investments.

D. Assurances

36. Consistent with the Agreement Establishing the Asian Development Bank (the Charter),²³ ADB will proceed with the assistance upon establishing that the Government of Bangladesh has no objection to the assistance to Eastern Bank. ADB will enter into suitable finance documentation, in form and substance satisfactory to ADB.

VI. THE PRESIDENT'S DECISION

37. The President, acting under the authority delegated by the Board, has approved the loan of up to \$20,000,000 from ADB's ordinary capital resources to Eastern Bank for Sustainable Projects in the Textile and Garment Sector in Bangladesh, and hereby reports this action to the Board.

29 November 2016

²² ADB. 2003. *Social Protection*. Manila (adopted in 2001).

²³ ADB. 1966. *Agreement Establishing the Asian Development Bank*. Manila.

DESIGN AND MONITORING FRAMEWORK

<p>Impacts the Project is Aligned With</p> <ol style="list-style-type: none"> 1. Health and safety standards for the garment industry enhanced (National Tripartite Plan of Action on Fire Safety and Structural Integrity in Ready-Made Garment Sector in Bangladesh, 2013)^a 2. Finance sector further developed (Asian Development Bank, 2016)^b 3. Energy efficiency in the textile and garment sector improved (Asian Development Bank, 2016)^b
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Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
<p>Outcome Eastern Bank's lending operations for social and environmental projects sustained</p>	<p>By 2021:</p> <ol style="list-style-type: none"> a. 100% of Eastern Bank's clients in the RMG industry comply with the safety standards required by the accord, the alliance, or their successor organizations.^c (2015 baseline: Not applicable) b. This item has been redacted due to commercially sensitive information. c. This item has been redacted due to commercially sensitive information. 	<ol style="list-style-type: none"> a.–c. Eastern Bank's annual audited financial reports a.–c. Annual development effectiveness monitoring reports from Eastern Bank 	<p>Macroeconomic instabilities hamper economic growth and negatively impact banking industry's asset quality and profitability.</p>
<p>Outputs Eastern Bank's lending to safe, energy-efficient textile and garment factories expanded</p>	<ol style="list-style-type: none"> a. Eastern Bank's lending program for safe, environmentally sustainable projects increases by \$20 million by 2018. (2015 baseline: Not applicable) b. This item has been redacted due to commercially sensitive information. c. This item has been redacted due to commercially sensitive information. d. This item has been redacted due to commercially sensitive information. 	<ol style="list-style-type: none"> a.–d. Annual development effectiveness monitoring reports from Eastern Bank 	<p>Prolonged political unrest leads to loss of competitiveness in the garment industry and mass exit of international retail and apparel companies from Bangladesh.</p>

Key Activities with Milestones

1. Eastern Bank's lending to safe and energy-efficient textile and garment factories expanded
 - 1.1 ADB Board approves loan in Q3 2016
 - 1.2 Loan agreement signed in Q4 2016
 - 1.3 Eastern Bank updates its environmental and social management system according to ADB

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
requirement prior to first disbursement 1.4 Loan disbursed during Q4 2016–Q3 2017 1.5 ADB conducts monitoring and review missions			
Inputs ADB (loan): \$20 million			
Assumptions for Partner Financing Not applicable			

ADB = Asian Development Bank, Q = quarter, RMG = ready-made garment.

^a Ministry of Labour and Employment, Government of Bangladesh. 2013. *National Tripartite Plan of Action on Fire Safety and Structural Integrity in Ready-Made Garment Sector in Bangladesh*. Dhaka.

^b Project defined.

^c Accord on Fire and Building Safety in Bangladesh, and Alliance for Bangladesh Worker Safety.

Source: Asian Development Bank.

LIST OF LINKED DOCUMENTS

<http://www.adb.org/Documents/LinkedDocs/?id=50197-001-RP>

1. Sector Overview
2. Contribution to the ADB Results Framework
3. Country Economic Indicators
4. Summary Poverty Reduction and Social Strategy
5. Safeguards and Social Dimensions Summary