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HSBC introduces Bangladesh's first Social Loan Principles based financing

The Hongkong and Shanghai Banking Corporation (HSBC) in Bangladesh has recently introduced the country's first Social Loan Principles (SLP) based financing for TMSS (Thengamara Mohila Sabuj Sangha), one of the largest Micro Finance Institutions undertaking health, education, & microfinance (HEM) approach to socioeconomic development in the country.

The SLP, published by Loan Market Association (LMA) and Asia Pacific Loan Market Association (APLMA) aims to facilitate and support economic activities targeting to mitigate social issues and challenges of the society. It has been developed by a team of experienced professionals from leading financial institutions and law firms active in the global loan markets. TMSS who operates mostly in rural areas of Bangladesh in the form of microcredit, will use this loan in areas of poverty alleviation, employment generation, and facilitation of small entrepreneurs operating in agriculture and SME sectors.

Shaikh Md. Salim, Executive Director of Bangladesh Bank Bogura Office, said "Bangladesh Bank highly emphasises agriculture, CMSME, women entrepreneur, and green financing which are vital for having a sustainable economy & achieving SDGs. HSBC's Social Loan aligns with these priorities".

Prof. Dr. Hosne Ara Begum, founder Executive Director of TMSS said, "We are delighted to partner with HSBC to contribute to the social development of Bangladesh, and optimistic that this partnership will have a remarkable milestone for the country's development".

Commenting on this, **Md. Mahub ur Rahman**, Chief Executive Officer, HSBC Bangladesh said, "We are proud to be able to introduce the very first SLP based financing in Bangladesh for TMSS. This is part of our global sustainability commitment and thanks to our central bank for an enabling policy environment to foster such collaborative platform. I also thank TMSS for partnering with us with an objective to ensure social support in the community."

Kevin Green, Country Head of Wholesale Banking, HSBC Bangladesh said, "Sustainability is part of our DNA. We support environmentally and socially sustainable economic activity and growth by helping our customers to adopt business models which are aligned to our global sustainable ambition."

This is the first SLP based financing in Bangladesh targeting to achieve United Nations Sustainable Development Goals (SDGs), working in areas of employment generation, poverty alleviation and supporting small businesses.

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