



EMBASSY OF SWEDEN
DHAKA

FAX

Page 1 (11)

Development Section
Franck Rasmussen, First Secretary

17 March, 1998

Bb/1.9.3-2D

E-mail: frank.rasmussen@sida.se

Fax Receiver:

+ GRAMEEN BANK

Sida HQ
Att: INEC/FINANCE, Ms. Elisabeth Ekelund
Stockholm

AVG AMB. DHAKA		
D N:o 16/36		
1998-03-18		
AVD:	GR:	MAL:
U	11	Bb/

Further information on Grameen Bank etc.

10 pages copies of letters between Grameen Bank and Norad

Dear Elisabeth,

Enclosed please find copies of correspondence between Grameen Bank and Norad. 210 MSEK has been given by Sida as grant to Grameen bank during the period 1989 to 1993 and out of this amount approximately 190 MSEK is in the Revolving Fund mentioned in the correspondence.

Today I was approached by Norad and they wanted to know how we see the reshuffling of funds within the Grameen conglomerate. Having read the questions and answers, as well as having had a briefing by Norad, I instinctively feel that Grameen Bank has done the right thing. However, it might have some implications which I haven't been able to grasp. Norad intends to try to force Grameen Bank to reestablish the Revolving Fund within Grameen Bank as originally stipulated in Norad's agreement with Grameen Bank. At least they want the Norwegian money back into the Bank. They will act alone, but they would prefer to have some other donors supporting them and in principle demand the same solution to the problem. I am reluctant to do this without more information and tomorrow I will inform Norad accordingly. It is likely that they will continue without any other donor supporting the idea.

No one wants to make a big thing out of this as it might harm the creditability of the Grameen family and that would be detrimental to the whole cause. I must however advise you to contact Norad's Legal Department and let them give you their opinion. I think it is important that you cover as many aspects of the Grameen family as possible before you consider further development cooperation with them. With best regards,

Yours sincerely,

Franck Rasmussen

Sent (date/time):

18/3 16:52

Signature:

FR

Postal Address
GPO Box 304
Dhaka
BANGLADESH

Street
House 1, Road 51
Gulshan
Dhaka

Telephone
+880 2 884761-64

Fax
+880 2 883948

Telex
780-642303 (sven bj)

Internet: SVENSK DHAKA