



Georgia: Crystal Gender Bond Project

Project Name	Crystal Gender Bond Project		
Project Number	56134-001		
Borrower / Company	Joint Stock Company Microfinance Organization Crystal		
Country / Economy	Georgia		
Location			
Type or Modality of Assistance	Debt Security	Ordinary capital resources	GEL 20.00 million Proposed
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth		
Drivers of Change	Private sector development		
Sector / Subsector	Finance / Small and medium enterprise finance and leasing		
Gender Equity and Mainstreaming	Gender equity		
Responsible ADB Department	Private Sector Operations Department		
Responsible ADB Division	Private Sector Financial Institutions Division		
Responsible ADB Officer	Perez, Gema		
Project Sponsor(s)			
Description	The transaction involves an investment of up to GEL20,000,000 in a 2-year gender bond issued by the Joint Stock Company Microfinance Organization Crystal (Crystal) for the Crystal Gender Bond Project in Georgia.		
Objectives and Scope	While micro, small, and medium-sized enterprises (MSMEs), including women-owned MSMEs (WMSMEs), play a key role in Georgia's economy, their growth remains constrained by a lack of access to finance. The unstable macroeconomic environment since 2020 has also demonstrated that access to affordable local currency financing is crucial. To address this financing gap, the Asian Development Bank (ADB) will subscribe, as an anchor investor, to a gender bond of about GEL27,000,000 issued by Crystal. Crystal will use all proceeds of the gender bond to finance WMSMEs, including for climate-related loans.		
Status of Development Objectives	According to ADB's country operations business plan, 20202022 for Georgia, ADB's nonsovereign operations will continuously support the creation of an enabling environment to catalyze access to financial services for MSMEs, including female entrepreneurs; and to deepen Georgia's capital and money markets by focusing on initiating institutional reforms and other interventions to mobilize domestic resources, including private resources for long-term investment, and promoting climate change mitigation and adaptation and stronger environmental sustainability. This project complements the work that ADB is undertaking in its Fiscal Resilience and Social Protection Support Program		
Linkage to Country/Regional Strategy	ADB's Strategy 2030 emphasizes support for the finance sector to achieve greater financial inclusion and gender equality. The transaction contributes to finance sector development by supporting the growth of a financial institution that plays a key role in Georgia's microfinance sector, while also contributing to accelerating progress in gender equality, an operational priority of ADB's Strategy 2030. Thereafter, women's opportunities to access affordable finance, including green loans, will be enhanced. The project will also promote gender equality standards in Crystal to enhance female staff participation in the finance sector in Georgia.		
Safeguard Categories			
Environment			
Involuntary Resettlement			
Indigenous Peoples			
Summary of Environmental and Social Aspects			
Environmental Aspects	The investment is expected to result in no or minimal environmental and social impacts and is classified as category FI treated as category C for impacts on the environment.		
Involuntary Resettlement	The investment is expected to result in no or minimal environmental and social impacts and is classified as category FI treated as category C for impacts on involuntary resettlement.		
Indigenous Peoples	The investment is expected to result in no or minimal environmental and social impacts and is classified as category FI treated as category C for impacts to indigenous peoples.		
Stakeholder Communication, Participation, and Consultation	Crystal has several climate-related and inclusive finance initiatives targeting communities such as young people, women, and farmers, as well as its employees. These initiatives have been recognized through awards and international programs, such as the Corporate Social Responsibility Award and the UN Global Compact SDG Pioneer Program. Crystal maintains an external and internal grievance redress mechanism. In line with its environmental and social responsibility vision, Crystal will engage directly with female borrowers to provide MSME loans for climate-friendly purchases. The GAP annexed to the legal documentation outlines specific gender measures to be conducted.		
Timetable for assistance design, processing and implementation			
Concept Clearance	18 Jun 2022		
Credit Committee Meeting	16 Sep 2022		
Approval	10 Oct 2022		
Last PDS Update	10 Oct 2022		

Project Page	https://www.adb.org/projects/56134-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=56134-001
Date Generated	12 October 2022

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