



Georgia: Low-Income Housing Finance

Project Name	Low-Income Housing Finance		
Project Number	52187-002		
Borrower/Company	Credo Bank JSC		
Country	Georgia		
Location	Nation-wide		
Approval Number	7578/3752		
Type of ADB Assistance / Amount	3752	Ordinary capital resources	USD 25.00 million Approved
Strategic Agendas	Inclusive economic growth		
Drivers of Change	Gender Equity and Mainstreaming Private sector development		
Sector / Subsector	Finance - Banking systems and nonbank financial institutions		
Gender Equity and Mainstreaming	Gender equity		
Responsible ADB Department	Private Sector Operations Department		
Responsible ADB Division	Portfolio Management Division, PSOD		
Responsible ADB Officer	Hartel, Rainer		
Project Sponsor(s)			
Description	The transaction will support mortgage and home renovation financing for households with lower incomes. The proposed ADB assistance comprises senior loan of up to \$25 million or its lari equivalent to Credo with a tenor of up to 5 years.		
Objectives and Scope	Credo will focus on funding home renovation and construction in rural areas and the periphery of the capital targeting low-income clients.		
Linkage to Country/Regional Strategy	The proposed transaction supports improving progress in gender equality in line with ADB's strategy 2030. The transaction is consistent with government efforts to promote the well-being of its citizens and ADBs country partnership strategy, 2014-2018 with Georgia. ADB plays a tangible role in deepening the finance sector in Georgia. Since 2007, it has provided nonsovereign loans amounting to \$255 million and TA to banks and its Trade Finance Program. ADBs nonsovereign efforts align with a sovereign program approved in 2016 and a new program anticipated for 2019 to develop the capital markets, including the issuance of lari bonds and covered bond legislation, among other banking policy reforms.		
Safeguard Categories			
Environment			FI-C
Involuntary Resettlement			FI-C
Indigenous Peoples			FI-C
Summary of Environmental and Social Aspects			
Environmental Aspects	Credo's housing loans be funded under the transactions have minimal or no adverse environmental impacts.		
Involuntary Resettlement	Credo's housing loans be funded under the ADB loan are unlikely to entail impacts on involuntary resettlement.		
Indigenous Peoples	Credo's housing loans be funded under the ADB loan are unlikely to entail impacts on indigenous peoples.		
Stakeholder Communication, Participation, and Consultation	Potential mortgage finance borrowers participated in Credo's extensive market research activity. Credo has extensive national networks of branches and village councilors through which to engage and empower beneficiaries. Participation plans will not be prepared as Credo maintains strong public profiles through its branch presence and marketing, which allow it to participate actively with civil society.		
Timetable for assistance design, processing and implementation			
Concept Clearance	31 Jul 2018		
Due Diligence			
Credit Committee Meeting	29 Oct 2018 to 29 Oct 2018		
Approval	05 Dec 2018		
Last PDS Update	12 Jun 2019		

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