Early Warning System

AIIB-000423

Kyrgyz Republic: Kyrgyz Emergency Support for Private and Financial Sector Project

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Quick Facts

Countries	Kyrgyzstan
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Approved
Bank Risk Rating	U
Voting Date	2020-08-13
Borrower	Government of Kyrgyzstan
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 50.00 million
Loan Amount (USD)	$ 50.00 million
Project Cost (USD)	$ 100.00 million

Project Description

PROJECT OBJECTIVE

AIIB provides financial support Kyrgyz Republic in order to support Micro, Small and Medium Enterprises (MSMEs) in response to and during the recovery from the COVID-19 crisis.

PROJECT DESCRIPTION

The project will be jointly co-financed with the World Bank (WB), as the lead co-financier, and will be comprised of:

- **Component 1**: Reimbursable Financial Assistance (RFA) to Micro, Small and Medium Enterprises (MSMEs) via financial institutions selected to serve as disbursement administrators.
- **Component 2:** Partial Portfolio Risk Sharing Facility (PRSF), offering a fee-based partial credit guarantee to share part of the credit risk in MSME credits from eligible Participating Financial Intermediaries (PFIs). The facility will offer guarantees on a portfolio basis, and all eligible MSME credits from the PFIs will be included automatically in the facility.
- **Component 3**: Project Implementation, Coordination and Management.

AIIB will co-finance with the WB sub-components1.2 and 2.1, and component 3.

Early Warning System Project Analysis

The AIIB categorized the project E&S risk as 'FI'.

Investment Description

- Asian Infrastructure Investment Bank (AIIB)

According to the AIIB, the IDA will provide US$ 25 million as a grant and US$ 25 million as a loan to the project.

The Project will make use of the AIIB CRF Special Fund Window (SFW) to add concessionality to the AIIB loan. The final amount required from the SFW will be calculated when the financial terms are determined and will be within the limit of USD 10 million per country.

Private Actors Description

The project involves participating financial institutions, in charge of disbursing the funds to MSMEs, according to the project objective.
At the time of disclosure, the participating financial institutions were not identified.

Contact Information

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ACCOUNTABILITY MECHANISM OF AIIB

In addition, the AIIB has a Bank Oversight Mechanism. According to AIIB's policies, "people who believe they have been or are likely to be adversely affected by a failure of the Bank to implement the ESP may also submit complaints to the Bank's oversight mechanism in accordance with the policies and procedures to be established by the Bank for such mechanism." However, at the time of writing, it is unclear what the exact scope and function of this Oversight Mechanism will be.

Bank Documents

- Project Document (August 13, 2020)
- Project Implementation Monitoring Report (April 2024)
- Project Implementation Monitoring Report (August 2021)
- Project Implementation Monitoring Report (August 2022)
- Project Implementation Monitoring Report (February 2022)
- Project Implementation Monitoring Report (January 2023)
- Project Implementation Monitoring Report (July 2023)
- Project Summary (July 9, 2020) [Original Source]

Other Related Projects

- WB-P174028 Emergency Support for MSMEs Project