

 Early Warning System

DFC-2024-JSCKREDOBANK

JSC Kredobank



Quick Facts

Countries	Ukraine
Financial Institutions	US International Development Finance Corporation (DFC)
Status	Active
Bank Risk Rating	C
Borrower	JSC Kredobank
Sectors	Finance, Industry and Trade
Investment Type(s)	Guarantee
Investment Amount (USD)	\$ 40.00 million
Project Cost (USD)	\$ 50.00 million



Project Description

According to the Bank's website, the project consists of a ten-year, 80% coverage Loan Portfolio Guaranty ("LPG") to support bank lending to small and medium-sized enterprises ("SMEs") across Ukraine. At least 25% of the loans under DFC coverage must be made to small businesses operating across the agricultural value chain in Ukraine.

The Project is expected to have a positive development impact by de-risking SME lending for a systemically important Ukrainian bank, increasing access to finance for SMEs through a local commercial lender and thus also supporting the stabilization of the domestic economy. The Bank expects 25% of loans covered under DFC's guaranty to reach rural SMEs and has set a 25% target for lending to the agricultural sector, which was disproportionately impacted by the Russian invasion.



Early Warning System Project Analysis

DFC loan portfolio guaranties to financial institutions in support of small and medium enterprise lending are screened as a Financial Intermediary C (FI-C) for environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts. Therefore, all of those downstream investments have been pre-screened as low risk and further review and consent is not required for these investments.



Investment Description

- US International Development Finance Corporation (DFC)

A 10-year, \$40,000,000 LPG.

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- [KREDOBANK PJSC](#) (Financial Intermediary)



Private Actors Description

Kredobank (KB) is a leading bank in the western part of Ukraine, ranking 14th by total assets (EUR 1.3 billion, 1.7 per cent of the market share) out of 63 banks in the country at end-Q1 2024, operating via 67 branches and serving more than 56,000 corporate and 590,000 retail customers. KB is 100 per cent-owned by PKO Bank Polski SA, the largest commercial bank in Poland.



Contact Information

No contacts available at the time of disclosure.

ACCESS TO INFORMATION

Unlike many other development finance institutions, DFC does not currently have an access to information policy.

Under the United States Freedom of Information Act (FOIA), DFC is obliged to respond to reasonably formulated requests for Agency records. However, DFC may apply exemptions from release to certain types of information and may charge fees in responding to requests. DFC has a designated FOIA officer who is trained in how to respond to requests and implement the law. You can learn more about filing a FOIA request at: <https://www.dfc.gov/foia>

ACCOUNTABILITY MECHANISM OF THE UNITED STATES INTERNATIONAL DEVELOPMENT FINANCE CORPORATION (DFC)

The Office of Accountability is an independent office that addresses complaints about environmental or social issues related to DFC-supported projects. The office provides communities an opportunity to have concerns independently reviewed and addressed. If you submit a complaint to the Office of Accountability, it may assist you by either seeking to address your problems by facilitating a problem solving dialogue between you and those implementing the project and/or investigating whether the DFC complied with its policies to prevent environmental, social, human rights, and labor harms.

You can find more information about the Office of Accountability at: <https://www.dfc.gov/who-we-are/office-accountability>



Bank Documents

- [Project Disclosure](#) [\[Original Source\]](#)