Early Warning System

EBRD-53716

Georgian Renewable Power Operations - Green Bond

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Quick Facts

Countries	Georgia
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	B
Voting Date	2022-09-06
Borrower	GEORGIAN RENEWABLE POWER OPERATIONS JSC
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	$ 13.80 million
Project Cost (USD)	$ 80.00 million

Project Description

According to the bank website, this project involves a:

> USD 13.8 MM subscription in the USD 80 MM 5-year secured green bond (the "Bond"), to be listed on the Georgian Stock Exchange, issued by JSC Georgian Renewable Power Operations ("GRPO"), one of the leading renewable energy platforms in Georgia, which is 100% indirectly owned by JSC Georgia Capital, ("GCAP"), a holding company of a diversified group of businesses operating in healthcare, insurance, beverages, power & utilities and real estate in Georgia.
>
> The Bond proceeds will be applied to refinancing the shareholder loan provided by GCAP for redemption of JSC Georgia Global Utilities' USD 250,000,000.00 7.75% Eurobond, which took place in September 2022.

This project is categorised as B (2019 ESP). As the project is a capital market transaction, Environmental and Social Due Diligence was carried out by review of publically available information, including the Green Bond Principals (GBP) Second Party Opinion (SPO), and disclosures made by the Issuer within MNPI rules. This approach is aligned with the EBRD's ESP and procedures for Capital Markets Transactions. Much of the ESDD had been completed under previous projects associated with the Issuer's underlying operational asset base and sufficient E&S information was available to EBRD to complete ESDD for the proposed transaction.

The Issuer's Green Bond Framework was subject to independent review and the resulting report confirms that the Framework is aligned with the Green Bond Principles, 2018. Furthermore, the report confirms that the categories for investment of Bond proceeds would advance the UN Sustainable Development Goals, specifically SDG 7. The Issuer will report the allocation of proceeds on its website on an annual basis until full allocation. The allocation reporting will include the total amount of proceeds allocated, the share of new financing and refinancing, the number of projects and level of certification, and the balance of unallocated proceeds. In addition, the Issuer plans to report on relevant ESG impact metrics which is aligned with good international practice.

Investment Description

- European Bank for Reconstruction and Development (EBRD)

EBRD FINANCE SUMMARY

USD 13,800,000.00

TOTAL PROJECT COST

USD 80,000,000.00

Private Actors Description

CLIENT INFORMATION

GEORGIAN RENEWABLE POWER OPERATIONS JSC

GRPO is one of the leading renewable energy platforms in Georgia. The company operates four hydro power plants and the only wind power plant in Georgia with combined capacity of 71 Megawatts.

GRPO is 100% indirectly owned by GCAP, a holding company of diversified group of businesses operating in healthcare, insurance, beverages, power & utilities and real estate in Georgia.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Georgia Capital JSC	Parent Company	-

Contact Information

COMPANY CONTACT INFORMATION

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ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form: https://www.ebrd.com/eform/information-request

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at: http://www.ebrd.com/eform/pcm/complaint_form?language=en

You can learn more about the PCM and how to file a complaint at: http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html