Early Warning System

EBRD-54971

KyrSEFF III - FINCA Bank Loan

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Quick Facts

Countries	Kyrgyzstan
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Voting Date	2024-02-20
Borrower	FINCA Bank Kyrgyzstan CJSC
Sectors	Climate and Environment, Energy, Finance, Water and Sanitation
Investment Type(s)	Loan
Investment Amount (USD)	$ 4.00 million
Loan Amount (USD)	$ 4.00 million
Project Cost (USD)	$ 4.00 million

Project Description

According to the EBRD, the project consists of the provision of a senior synthetic KGS loan of up to US$ 4 million to FINCA Bank under the Kyrgyz Republic GEFF (KyrSEFF III). The proceeds will be on-lent to sub-borrowers for energy efficiency, renewable energy, circular economy, and climate resilience investments. The project will further strengthen MSE competitiveness, improve climate resilience and promote the financial sector development in particular through local currency lending.

The transaction will contribute towards building a more competitive financial sector through developing the internal capacity of FBK for financing energy and water efficiency projects. This will be achieved through a technical assistance aimed at providing implementation support to FBK and their customers, verification of the outcomes, and investment incentives to end borrowers. Sub-projects are selected according to technical and financial eligibility criteria set forth in the policy statement for KyrSEFF III. 100 per cent of the proceeds will be used for Green Economy Transition investments.

Early Warning System Project Analysis

The EBRD categorized the project risk as FI, without providing additional information on the project risks.

Investment Description

- European Bank for Reconstruction and Development (EBRD)

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.

- FINCA Bank Kyrgyzstan CJSC (Financial Intermediary)

Private Actors Description

As stated by the EBRD, FINCA Bank Kyrgyzstan was founded as a charitable foundation in 1995, aiming to provide financial services to low-income entrepreneurs. It was subsequently transformed into a microfinance company in 2003, and ultimately became a fully regulated bank in 2015.

FBK provides a wide range of services including loans to MSMEs, agricultural loans and money transfer services, current accounts for legal entities and individuals, fixed-term and saving deposits, settlement and encashment services.

Contact Information

Financial Intermediary - FINCA Bank Kyrgyzstan CJSC:

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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

Other Related Projects

- EBRD-53606 Kyrgyz Republic GEFF (KyrSEFF III)