Early Warning System

EBRD-55055

FIF - EaP WiB - PCBG (EFSD+ 1+3)

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Quick Facts

Countries	Georgia
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Voting Date	2023-12-12
Borrower	ProCredit Bank Georgia JSC
Sectors	Finance, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 8.64 million
Loan Amount (USD)	$ 8.64 million
Project Cost (USD)	$ 8.64 million

Project Description

According to the EBRD, the project consists of a senior unsecured loan in the amount of up to EUR 8 million to be provided to ProCredit Bank Georgia ('PCBG') to support investment financing for on-lending to women-led MSMEs in Georgia under the Women in Business (EaP WiB) Programme in the Eastern Partnership countries.

This will be the first WiB project between EBRD and PCBG, therefore adding one more participant to WiB framework. The project will address the gender related inclusion gap for access to finance in Georgia, as lending to women entrepreneurs might be hindered by the absence or shortage of collateral. The First Loss Risk Cover in PCBG's favour under EFSD+ Programme (Product 1), will enable the bank to enhance borrowing capacity of their target clientele. Moreover, as part of WiB programme EBRD will continue promoting women entrepreneurship and women participation in business by building or improving efficiency of respective entities through expertise and advisory services provided under the framework.

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.

- ProCredit Bank JSC Georgia (Financial Intermediary)

Private Actors Description

As stated by the EBRD, ProCredit Bank Georgia has been operating in the Georgian banking sector more than two decades now, largely catering for the financial needs of SME segment and private clients through 4 branches, 1 service point and 7 self-service areas in 4 main cities of Georgia. As of 3Q23, the bank is ranked as 7th among the country's 15 banks and is holding up to 2.3% of sector assets and loans, and 2.0% of deposits.

Contact Information

Financial Intermediary - ProCredit Bank Georgia JSC:

JSC ProCredit Bank, Georgia
Email: geo.info@procredit-group.com
Phone: +995 32 220 2222 / +995 32 220 2223
Website: https://www.procreditbank.ge/en
Address: 21 Al. Kazbegi Ave., Tbilisi 0160, Georgia

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

Bank Documents

- Translation: FIF - EaP WiB - PCBG (EFSD+ 1+3) (Georgian)