Early Warning System

EBRD-55194

FIF - Humo MSME Loan IV

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Quick Facts

Countries	Tajikistan
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Voting Date	2024-03-12
Borrower	CJSC Microcredit Deposit Organisation "HUMO"
Sectors	Finance, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 1.00 million
Loan Amount (USD)	$ 1.00 million
Project Cost (USD)	$ 1.00 million

Project Description

According to the EBRD, the project consists of the provision of a senior loan of up to US$ 1 million (in TJS equivalent) to Humo under the Financial Intermediaries Framework (FIF). The proceeds of the Bank's investment will be used for on-lending to local private MSMEs (EU definition) in financially underserved regions in Tajikistan, in accordance with the requirements of the FIF Policy Statement.

The MSME Loan IV will enable Humo to maintain diversification of its funding base, extend duration of its liabilities and expand financing of MSMEs in Tajikistan at a multiple of the EBRD financing.

Humo will expand its MSME portfolio, with a focus on reaching out to regional clients and attracting new clients. In line with the FIF requirements for large gap countries, Humo will commit to i) on-lend at least 30% of EBRD's sub-loans to new clients; ii) maintain the current share of regional SME loans by volume of 71%; iii) keep the share of NPLs below 5%.

Early Warning System Project Analysis

People Affected By This Project

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.

- Microcredit Depozit Organisation Humo CJSC (Financial Intermediary)

Private Actor Relationship

Private Actors Description

As stated by the EBRD, CJSC Microcredit Deposit Organisation "HUMO" was the 2nd largest MFI in Tajikistan by assets (USD 148m) and by loan portfolio (USD 106m) as of year-end 2023. The Company provides a whole range of banking services including deposits, lending, payments, and money transfers, serving the lower segment of the MSME clients with a focus on retail and agri lending. Humo serves around 286,000 clients (ca. 104k active borrowers) through 24 branches and 49 customer service outlets in over 64 cities and districts across Tajikistan.

Contact Information

Financial Intermediary - CJSC Microcredit Deposit Organisation "HUMO":

Azamzhon Abbasov
Email: AbbasovA@humo.tj
Phone: +992 (44) 640-55-44
Website: https://www.humo.tj/
Address: 148/1 N. Qaraboev Str., 734061, Dushanbe, Republic of Tajikistan

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-53898 Loan to Humo MSME & Skills Pilot under FIF
- EBRD-54361 FIF - Humo MSME Loan III & Skills