Early Warning System

EBRD-55259

FIF - Credo Bank MSME loan

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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	2024-03-19
Borrower	Credo Bank JSC
Sectors	Finance, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 10.00 million
Loan Amount (USD)	$ 10.00 million
Project Cost (USD)	$ 10.00 million

Project Description

According to the EBRD, the project consists of up to USD 10 million local currency denominated, unsecured, three-year senior unsecured MSME credit line to Credo Bank, MSME dedicated lender in Georgia.

The proposed loan will address some of the market gaps from both supply (local currency funding) as well as demand (MSME knowledge and expertise) side. The MSME Loan will enable Credo to continue supporting investments of local MSMEs, by providing medium-term local currency financing, which still remains limited on the market. Credo will continue to support regional and peri-urban customers through its branch and counsel network as well as further reinforced online lending channels.

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.

- JSC Credo Bank (Financial Intermediary)

Private Actors Description

As stated by the EBRD, Credo Bank is a commercial bank operating in Georgia. Historically, a microfinance lender, the bank has recently started exploring the medium enterprises segment. As of 2023YE, Credo is the 5th largest bank in the country, holding c. 3% of banking assets, 3.8% of total loan portfolio and 1.7% of customer deposits.

Contact Information

Financial Intermediary - Credo Bank JSC:

Kristine Chkheidze
Email: kchkheidze@credo.ge
Phone: +995 322424242
Website: https://credobank.ge/en/
Address: R. Tabukashvili street 27, Tbilisi, 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