Early Warning System

EBRD-56311

RLF-RLG-PrivatBank 2025

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Quick Facts

Countries	Ukraine
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Proposed
Bank Risk Rating	U
Voting Date	2025-06-25
Borrower	PrivatBank
Sectors	Agriculture and Forestry, Energy, Finance, Industry and Trade
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 209.10 million
Project Cost (USD)	$ 678.16 million

Project Description

As stated by the EBRD, the project consists of an unfunded risk-sharing instrument covering up to 50 per cent of the credit risk in sub-loans with the total value of EUR 600 million equivalent to be originated by PrivatBank in Ukraine.

The Project will include three sub-limits with the Covered Portfolio of: (i) EUR 415 million under the Resilience and Livelihoods Guarantee product, (ii) EUR 95 million under EBRD's Energy Security Support Facility (assigned with a separate EBRD project number 56312) and (iii) EUR 90 million under the EU4Business-EBRD Credit Line with Incentives (assigned with a separate EBRD project number 56313).

Under the Energy Security Support Facility, sub-loans will finance energy generation, energy storage and energy efficiency sub-projects to Ukrainian businesses and households. All sub-borrowers will receive technical assistance to facilitate their investments' structuring and implementation. Eligible residential sub-borrowers will additionally receive grant support in form of investment incentives upon the completion of their eligible investment projects.

Under the EU4Business-EBRD Credit Line with Incentives, the EBRD and the EU support investment projects of local small and medium enterprises ("SMEs"). The EBRD enables financing of long-term capital investments of SMEs to upgrade their technologies and equipment to EU standards, including investments in sustainable and green technologies (at least 70% of the sub-limit), thereby enhancing businesses' competitiveness. Eligible sub-borrowers will also receive technical assistance funded by the EU and grant support in the form of investment incentives upon the completion of their investment projects.

The facility will be used to support lending to Ukrainian sub-borrowers in the primary and secondary agriculture sectors, as well as other critical areas essential for the country's energy security, with priority given to MSME, corporate borrowers, and households investing in projects that enhance energy security and energy efficiency in Ukraine.

Early Warning System Project Analysis

The EBRD categorized the project environmental and social risk as 'FI'.

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.

- PrivatBank (Financial Intermediary)

Private Actors Description

As stated by the EBRD, State-owned PrivatBank is the largest systemically important bank in Ukraine with ca. 22.5% of market share by net assets at YE2024. It specializes in servicing retail and MSMEs clients through a country-wide network of ca. 1,107 1,165 branches and 6,852 ATMs and 10,420 self-service terminals.

Contact Information

Financial Intermediary - PrivatBank:

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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

Bank Documents

- PSD translation (Ukrainian)

Other Related Projects

- EBRD-55527 RLF - RLG PrivatBank - 2024