Early Warning System

IFC-39206

KRK Senior Loan II

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Quick Facts

Countries	Kosovo
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2018-03-30
Borrower	Kreditimi Rural I Kosoves LLC
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 4.24 million
Loan Amount (USD)	$ 4.24 million

Project Description

According to IFC website, the project consists of a senior loan of up to EUR4 million, to Kreditimi Rural i Kosoves (KRK) for on-lending to individual, micro and small enterprises (MSEs) in Kosovo. KRK is an IFC investment client since August 2015 when IFC committed a senior loan of EUR1.5 million. The Company is a leading lender to micro and small enterprises in Kosovo with a special focus to agriculture and agriprocessing (with close to 50% of the loans and 60% of the clients). By continuing engagement with KRK the project seeks to further build a solid platform to expand financing to individuals and entrepreneurs in rural and sub-urban areas, typically underserved by traditional commercial banks. The expected development impacts of the project are:

1. Stimulate access to financing to individuals, micro and small enterprises as a key contributor to country's economy
2. Create job opportunities for entrepreneurs and individuals in the rural area, including women, with direct impact to poverty reduction
3. Serve as demonstration effect to other MFIs in introducing best practices in insurance, environment and social systems

Investment Description

- International Finance Corporation (IFC)

Kreditimi Rural i Kosoves (KRK), formerly known as the Rural Finance Project of Kosovo, is a microfinance institution that aims to assist farmers, rural and semi urban micro-entrepreneurs in restoring and developing production capacity and establishing a sustainable, community-based rural credit scheme. Rural Finance Project of Kosovo was established in the year 2000, as an NGO credit fund licensed by the Central Bank of Kosovo. In 2004, KRK was transformed to a Limited Liability Company. Current shareholding of the company include: The European Fund for Southeast Europe (EFSE) - 42.2%; Nederlandse Financierings-Maatschappijvoor Ontwikkelingslanden NV (FMO) - 29.3%; Crédit Coopératif - 11.2%; and SIDI, (Solidarité Internationale pour le Développement et l'Investissement) - 17.4%.

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.

- Kreditimi Rural i Kosoves (Financial Intermediary)

Private Actors Description

Kreditimi Rural i Kosoves (KRK), formerly known as the Rural Finance Project of Kosovo, is a microfinance institution that aims t entrepreneurs in restoring and developing production capacity and establishing a sustainable, community-based rural credit scheme. Rural Finance Project of Kosovo was established in the year 2000, as an NGO credit fund licensed by Maatschappijvoor Ontwikkelingslanden NV (FMO) - 29.3%; Crédit Coopératif - 11.2%; and SIDI, (Solidarité Internationale pour le

Contact Information

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ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/