

 Early Warning System

IFC-40689

Bank of Georgia SME Loan



## Quick Facts

<b>Countries</b>	Georgia
<b>Financial Institutions</b>	International Finance Corporation (IFC)
<b>Status</b>	Proposed
<b>Bank Risk Rating</b>	B
<b>Voting Date</b>	2018-11-30
<b>Borrower</b>	JSC BANK OF GEORGIA
<b>Sectors</b>	Finance
<b>Investment Type(s)</b>	Loan
<b>Investment Amount (USD)</b>	\$ 100.00 million
<b>Loan Amount (USD)</b>	\$ 100.00 million



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## Project Description

According to IFC website, the Project consists of an investment up to GEL 200 million (not exceeding US\$ 100 million equivalent) in Joint Stock Company Bank of Georgia. The purpose of the proposed IFC investment is to support and expand the Bank's lending program to small and medium enterprises in Georgia and at least 25 percent of proceeds will support the Bank's lending operations to women-owned businesses.



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### People Affected By This Project

The Project would support one of the leading private banks having a good geographical coverage in SME segment. The proceeds will be used for financing SMEs and women-owned SMEs, supporting their access to long term local currency funding. IFC's funding would help Bank of Georgia in responding to its clients' long-term funding needs while matching maturities more effectively. The Project would strengthen IFC's role of increasing access to finance for women by partnering with a financially sustainable bank by supporting it in areas of strategic interest such as banking on women.



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## Investment Description

- International Finance Corporation (IFC)

## 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 Bank of Georgia](#) (Financial Intermediary) **is owned by** [Bank of Georgia Group PLC](#) (Parent Company)



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### Private Actors Description

JSC Bank of Georgia is one of the largest banking groups in Georgia. The Bank is a major part of a group of companies that provide banking, leasing, brokerage and investment management services to corporate and individual customers. As of June 30, 2018 99.55% shares of JSC Bank of Georgia are owned (directly and indirectly) by Bank of Georgia Group PLC (“the BOGG”). BOGG is listed on the London Stock Exchange and represents the Bank’s ultimate parent company. The shares of BOGG are admitted to the premium listing segment of the Official List of the UK Listing Authority and to trading on the London Stock Exchange PLC’s Main Market for listed securities. As of 30 June 2018 the top three shareholders of the BOGG are JSC Georgia Capital (19.9%), Harding Loevner LP (6.82%) and Schroder Investment Management (3.57%).



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## 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](mailto:CAO@worldbankgroup.org). You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org/>