Early Warning System

IFC-41132

Ukrgasbank Support

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Quick Facts

Countries	Ukraine
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Voting Date	2019-09-19
Borrower	UKRGASBANK JSB
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 33.29 million
Loan Amount (USD)	$ 33.29 million

Project Description

According to IFC websites, the proposed project consists of a senior unsecured loan of up to EUR30 million to a state owned PUBLIC JOINT STOCK COMPANY JOINT STOCK BANK UKRGASBANK, with an option to convert into up to 20 percent equity share of UGB to finance eligible Energy Efficiency / Renewable energy projects in Ukraine, including to SMEs. The tenor of the loan of up to five years with a bullet repayment. The option to convert the loan into UGB’s equity will be at IFC’s full discretion.

People Affected By This Project

The most significant, expected project-level outcome is increased access to climate mitigation finance in Ukraine. Beyond the project-level outcome, IFC anticipates that the Project will promote greater market competitiveness through anticipated privatization and promotion of the climate finance products via capacity building, demonstration, and market enabling channels. Also, the investment will promote the sustainability through sustainable lending products that meet green lending standards establishing and promoting these standards in the banking industry through capacity building and demonstration channels.

Investment Description

- International Finance Corporation (IFC)

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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.

- Urkgasbank (Financial Intermediary)

Private Actors Description

JSB UKRGASBANK is a universal commercial bank, 95% owned by the Government of Ukraine. It is the fourth largest bank in Ukraine in terms of assets (almost US$3 billion equivalent as of YE2018 or 5% of the market). The Bank has wide presence in Ukraine, with 23 Regional offices, 248 branches and 4250 employees, servicing 1.9 million customers.

Contact Information

No contact information provided at the time of disclosure.

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/