Early Warning System

# IFC-41672

## SLGP RSF TEB - Kosovo

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### Quick Facts

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|---|---|
| **Countries** | Kosovo |
| **Financial Institutions** | International Finance Corporation (IFC) |
| **Status** | Hold |
| **Bank Risk Rating** | B |
| **Voting Date** | 2020-03-23 |
| **Borrower** | TEB Sh.A. |
| **Sectors** | Finance |
| **Investment Type(s)** | Guarantee |
| **Investment Amount (USD)** | $ 11.21 million |

## Project Description

According to the IFC, the project consists of a risk-sharing facility for a portfolio with TEB Sh.A. under IFC's Small Loans Guarantee Program ("SLGP") which is supported by the IDA18 IFC-MIGA Private Sector Window's Blended Finance Facility ("IDA PSW-BFF") to de-risk and scales up lending to SMEs, in this case with a focus on underserved very small enterprises ("VSEs"), women-owned SMEs (WSMEs) and agri-SMEs in Kosovo.

The project is expected to have a strong development impact as follows:

(i) Scaling up small loan financing to SMEs, including underserved segments such as women entrepreneurs and farmers in Kosovo, which in turn supports job creation;

(ii) With the risk sharing facility, encouraging alternative financing structures and promote cash flow-based lending in a market dominated by collateral-based lending; and

(iii) Promoting growth in agribusiness, a key economic sector: Approximately 60% of the country's poor live in rural areas and depend on the agricultural sector for their livelihoods. In this context, the project will reach the base of the pyramid by directly supporting the most vulnerable segments of the population.

### Investment Description

- International Finance Corporation (IFC)

According to the IFC, the Project includes a risk sharing facility in the aggregate portfolio amount of up to EUR20 million (to be committed into two tranches of up to EUR10 million each), with a maximum exposure for IFC of up to EUR10 million to support lending by TEB Sh.A. to qualifying VSEs and SMEs in Kosovo.

### 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.

- TEB Sh.A. (Subsidiary) **is owned by** TEB Holding A.S (Financial Intermediary)

### Private Actors Description

According to the IFC, TEB Sh.A. is 100% owned by TEB Holding A.S., a Turkish financial holding company and a joint venture on a 50%/50% basis among BNP Paribas and Colakoglu family in Turkey.

## Contact Information

*Project contacts not available 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/