

 Early Warning System

ADB-49137-001

Improve Financial Service Outreach for Agriculture - Finca Azerbaijan



### Quick Facts

<b>Countries</b>	Azerbaijan
<b>Financial Institutions</b>	Asian Development Bank (ADB)
<b>Status</b>	Approved
<b>Bank Risk Rating</b>	FI
<b>Voting Date</b>	2015-04-22
<b>Borrower</b>	Finca Azerbaijan
<b>Sectors</b>	Finance
<b>Investment Type(s)</b>	Loan
<b>Investment Amount (USD)</b>	\$ 25.00 million
<b>Loan Amount (USD)</b>	\$ 25.00 million



### Project Description

According to ADB documents, ADB has supported the development of private finance in Azerbaijan since 2005 with interventions to build up banks that finance micro, small, and medium-sized enterprises (MSMEs). Initially, this support largely benefited banks and enterprises centered in the capital. To support increased access to finance in secondary towns and rural regions, ADB provided in 2013 a loan to ABA who expanded its regional footprint through branch openings and support to farmers and small trade and service businesses. However, an enhanced focus is needed to advance the outreach of custom-suited financial products for agriculture through sound financial institutions and, especially in the short term, to respond to the adverse devaluation impact.

The proposed ADB assistance entails two direct senior, unsecured loan facilities for (i) ABA of up to \$75 million (or AZN equivalent) with a maximum 7-year tenor, and (ii) FIA of up to \$25 million comprising, of an A-loan of up to \$20 million (or AZN equivalent) with a maximum 6-year tenor, and a B-loan of up to \$5 million with a 4-year tenor to be funded by participating commercial banks.



### Investment Description

- Asian Development Bank (ADB)

B-Loan: USD 5.00 million (Proposed)

7747/3254

Loan: USD 20.00 million (Approved)



### Contact Information

Project Officer: Flegler, Paul Robert

Private Sector Operations Department

No contact information provided at the time of disclosure.

### ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: <http://www.adb.org/site/accountability-mechanism/main>.



## Bank Documents

- [Kənd Təsərrüfatı üçün Maliyyə Xidməti Əhatəsinin Təkmilləşdirilməsi - Finca Azərbaycan : Layihə Data](#) [Original Source]
- [Project Disclosure PDF](#) [Original Source]
- [Proposed Senior Loans to AccessBank Azerbaijan and Finca Azerbaijan Improving Financial Service Outreach](#) [Original Source]