

 Early Warning System

EBRD-55412

RLF - RLG - OTP Leasing 2024



Quick Facts

Countries	Ukraine
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Voting Date	2024-04-30
Borrower	OTP LEASING LLC
Sectors	Agriculture and Forestry, Finance
Investment Type(s)	Guarantee
Investment Amount (USD)	\$ 21.33 million
Project Cost (USD)	\$ 85.33 million



Project Description

According to the Bank's website, Resilience and Livelihoods Guarantee ("RLG" or the "Project"), under the Resilience and Livelihoods Framework ("RLF"), in the form of an unfunded portfolio risk-sharing instrument covering up to 50% of the credit risk in newly originated sub-leases with the total value of up to EUR 80 million equivalent (the "Covered Portfolio") to be originated by LLC OTP Leasing ("OTPL", the "PFI") in Ukraine.

The Project will be delivered in two equal tranches each amounting to up to EUR 40 million of the Covered Portfolio, with Tranche B being uncommitted.

The Project will include a sub-limit under the SME Competitiveness and Inclusion programme in the European Union's ("EU") Eastern Partnership blended programme within the Financial Intermediaries Framework ("EaP SMECI sub-limit", assigned with a separate EBRD project number 55374) to finance long term capital investments of micro-, small-, and medium sized enterprises ("MSMEs") to upgrade their technologies and equipment to EU standards, including investments in sustainable and green technologies (at least 70% of EaP SMECI sub-limit), thereby enhancing MSMEs' competitiveness. Eligible sub-borrowers will also receive EU funded technical assistance and grant support in the form of investment incentives upon the completion of their eligible investment projects.

The Project will support lending to Ukrainian companies operating in the primary and secondary agriculture and other critical industries (inter alia food processing, retail, logistics), with the ultimate goal of preserving livelihoods in Ukraine.



Investment Description

- European Bank for Reconstruction and Development (EBRD)

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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.

- [OTP LEASING LLC](#) (Financial Intermediary)



Private Actors Description

OTP LEASING LLC - LLC OTP Leasing is an existing EBRD client and the leading leasing company in Ukraine with ca. 41% market share in terms of leasing portfolio (USD 268M) at YE2023, proven track record and a viable business model. OTPL provides financial leases and fleet management services to corporate and MSME clients across the country.



Contact Information

COMPANY CONTACT INFORMATION

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ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form:

<https://www.ebrd.com/eform/information-request>

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at:

http://www.ebrd.com/eform/pcm/complaint_form?language=en

You can learn more about the PCM and how to file a complaint at: <http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html>



Bank Documents

- [Framework project: Resilience and Livelihoods Framework](#)



Other Related Projects

- EBRD-54359 RLF - RLG - OTP Leasing 2023