

QUARTERLY UPDATE

**CREDIT FOR AGRICULTURE PRODUCERS (CAP)
PROJECT IN UKRAINE**

Jan-Mar 2021
Issue no. 2

4 objectives

1 Enabling environment

3 Increased liquidity

2 Associations services

4 Agrilending expansion

Together with our partners CAP delivered tangible results in the following fields:

Legal & Regulatory Framework



Digitalization



Liquidity Fund



Eco-standards



Agrilending



Gender Inclusion



LEGAL & REGULATORY FRAMEWORK



Draft Law on Credit Unions registered (N° 5125) → Ongoing consultations and discussion with the Verkhovna Rada of Ukraine Committee on Finance, Taxation and Customs Policy

Memoranda of Cooperation → Memoranda of Cooperation signed between the CAP Project, National Bank of Ukraine (NBU) and Deposit Guarantee Fund (DGF)

Technical assistance to partners → Joint consultation session for NBU and DGF regarding the deposit guarantee scheme for credit union members

DIGITALIZATION

Legal framework

Analysis of the **legal framework** for credit union **online services** (lending, mobilizing deposits, member acceptance)

CRM Days

Presentation of the **5 CRM products to partners** and discussion of the importance of business automation

Software solutions

Analysis of **3 core banking systems**



LIQUIDITY FUND

Liquidity Fund → Established and ready to receive funding

Risk Manager → Appointed for the Ukrainian United Credit Union (UUCU)

Action Plan → Designed to build risk and liquidity management system in UUCU together with Risk Manager

Loan Product → Development of the Liquidity Fund-related loan product for member credit unions together with Risk Manager

Demands Assessment → Assessment of partner credit unions' demand for Liquidity Fund resources

ECO-STANDARDS

Introductory webinar on environmental risks

Pilot testing of the **draft Manual on Environmental Risks** in 2 credit unions & 2 United Credit Unions

AGRILENDING

3 Subgroups → Subgroups within Agriculture Lending Working Group formed: **5Cs Tool** (borrower assessment tool), **AgriAnalytica**, **Land Market**; introductory meetings held, action plans presented

Collaboration with USAID Economic Resilience Activity (ERA) Project → Joint meeting held with credit unions – partners of both CAP and ERA Projects – and AgriAnalytica to share practical cases of lending to agriproducers and to help eastern credit unions increase agrilending

Diagnostics → Diagnostics for **5 out of 8** new credit unions completed

16
credit unions

are ready to absorb up to UAH

29 million
in 2021 for onlending to agriproducers

GENDER INCLUSION

Women Leadership Group

16 women/aspiring leaders from partner credit unions selected for the **Women's Leadership Program**



Action plan

Action Plan designed for Women's Leadership Program



First session

First introductory session held for Women's Leadership Program



COOPERATION WITH ASSOCIATIONS



Member survey completed

Carried out among UNASCU credit unions to identify their needs in new services



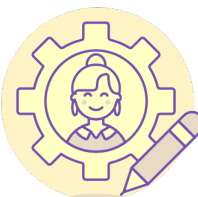
Business plan

AUCUA Business Development Plan designed for 2021



Website training

Training on website management held by AUCUA Business Development Officer



Analysis – Partners

Analysis of the open-data registers conducted (to help evaluate clients' business reputation)



2 new services

Introduced by AUCUA:

- consultancy support on **CRM implementation**
- information support on introduction of **online services** by credit unions