QUARTERLY UPDATE

On February 24, 2022, Russia launched an unprovoked and unjustified war against Ukraine. This Quarterly Update provides information on CAP activities conducted prior to and after the war started.

Supporting Industry Associations and United Credit Unions (UCUs)

Business planning tool for credit unions presented to All-Ukrainian Credit Union Association (AUCUA) members; technical sessions on the tool held for two credit unions

Institutional assessment of both United Credit Unions (UCUs) completed

Liquidity Fund

Partner credit unions’ demand assessment to resume agrilending in wartime

14 credit unions in areas not directly affected by the war reported the need for an extra UAH 44 million (USD 1.5 million) for agrilending

Ukrainian United Credit Union received UAH 9.2 million (USD 340,000) and United Credit Union of UNASCU received UAH 3.95 million (USD 135,000) in early April under the second tranche of the Liquidity Fund to revitalize credit union agrilending in areas not directly affected by the war

In total, since inception of the Liquidity Fund in April 2021, a total of 268 MSME borrowers obtained loans for UAH 23.32 million (USD 797,000) through 14 Target Credit Unions
Digitalization

Completed Telemarketing School for building credit union telemarketing capacities:
- attract new customers and retain existing ones
- overcome clients’ objections via phone
- organize telemarketing sales channel
- present products and services through calls
- use messengers to communicate with clients
- draft scripts for different scenarios

16 hours of training + homework
36 employees from 26 associated credit unions participated
All associated credit unions can access the materials through the Business Development Officers

Selection process for vendor to create modern websites for associations finalized

Safe data centers established for UCUs

Members of both Associations can secure their critical data in cloud storage centers provided by CAP that are outside of Ukraine, mitigating the risks of irretrievable data loss

Access to dedicated servers located in the EU countries established for both UCUs, creating remote workstations for UCUs’ staff, ensuring continuity of operations and access to their CBS in wartime

Agrilending

Sub-group “Value chain”

4 pilot credit unions selected
Cherkasy Oblast
Lviv Oblast
Dnipropetrovsk Oblast
Kherson Oblast

Experts hired to perform market and value chain analysis for the selected partners

Wartime Needs led to the adjustment of the scope of work

Specifics of agrifinancing per type of agriproduction

Communication via e-mail
Quarterly webinars to improve the knowledge of partner credit unions regarding the specifics of various forms of agricultural production replaced with sharing developed materials via e-mails in wartime

Shift of focus
Focus of the materials changed – from presentation of the technological specifics in various agricultural sectors to analysis of the current situation in the different sectors, along with the war impacts and possible pricing policies for basic goods

Topics
- grains and oilseeds
- dairy farming
- horticulture and fruits
- vegetables

Cooperation with the Worldwide Foundation for Credit Unions Task Force to support agriproducers and help members of associated credit unions by stimulating agrilending in wartime capacities:

Developed concepts of 2 immediate response aid programs

341 loans totaling UAH 27,732,415 (USD 950,000) disbursed by partner credit unions this quarter

341 loans disbursed by credit unions this quarter

Total of 15,787 new loans disbursed during the life of CAP Project

Women’s Leadership Grouping

Two webinars held for the group participants focusing on ways to deal with women’s double burden at work and home, and effective time management techniques

Activities on hold because of the war

Advocacy for adoption of a new draft law on credit unions, which needs revisions

Developing a mechanism for the provision of payment services by credit unions

Capacity building of two UCUs per the results of institutional assessments performed

Building on-site cooperation between credit unions and agriproducers

Support to credit unions in land purchase financing, given the land market suspension

Support to credit unions located in combat or occupied zones, including eastern credit unions