

QUARTERLY UPDATE

CREDIT FOR AGRICULTURE PRODUCERS (CAP) PROJECT IN UKRAINE



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Issue no. 3

In cooperation with partners, the CAP Project in Ukraine delivered tangible results in the following fields:

Legal & Regulatory Framework

Draft Law on Credit Unions (N° 5125) passed the first reading on June 1st – 267 Members of Parliament (MPs) supported the law

267 MPs in favor

Deposit Guarantee Scheme for credit union members – under development by CAP Project experts, National Bank of Ukraine (NBU) and Deposit Guarantee Fund (DGF)

Draft Law on Financial Services and Financial Companies (N° 5065) passed the first reading on April 27th with support of 247 MPs

Technical Assistance – international expert consultations for NBU and DGF regarding the deposit guarantee fund, capital requirements and supervision of credit unions

PEARLS-based Early Warning System – tailored to Ukrainian credit union sector specifics and presented to NBU

Liquidity Fund

First Tranche of the Liquidity Fund received by the Ukrainian United Credit Union (UUCU) and loaned to qualified target credit unions

127 agriproducers received loans for a total of **UAH 10.5 million (USD 389,000)** through **nine CAP partner credit unions**



Digitalization

Customer Relationship Management (CRM) Integration – provider selected to integrate the CRM system in 10 partner credit unions

Digital Marketing School – 13 webinars covering digital marketing for financial institutions in progress

Software Solutions – three All-Ukrainian Credit Union Association (AUCUA) credit unions signed an agreement with fintech NeoFin KIS for core banking system development

Eco-standards

Environmental manual approved & disseminated

Practical recommendations for performing **environmental screening** to assess borrowers provided to credit unions

Loans issued under Liquidity Fund met the **environmental requirements** as set by the donor

Inclusive Development & Communication

Women's Leadership Group – two in-person training events held

Promotional Video Campaign to Mark Farmer's Day Holiday in Ukraine – five videos produced about successful credit union loans to farmers in different regions of Ukraine



Credit Union Media Awareness Campaign – interview with associations' representatives held, radio adverts recorded

AgriLending

875 agriloans amounting to **UAH 43.6 million (USD 1.6 million)** disbursed by partner credit unions in this quarter. Total of **14,208 agriloans** disbursed during the life of the CAP Project

Technical assistance to partner credit unions: **5Cs Tool** (borrower assessment tool) and **AgriAnalytica platform** support provided to the selected credit unions to introduce and effectively use the tools

5Cs tool & **AgriAnalytica platform**

Loan Product Diversification – presentation on the specifics of lending to dairy producers held to encourage credit unions to adopt new loan products

Land Market – training on land-related legal aspects began for partner credit unions