

EBRD and EU support OTP Leasing in Ukraine

By Anton Usov (mailto:usova@ebrd.com)

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OTP Leasing has been a well-established market player in Ukraine for a decade

- **EBRD four-year UAH 324 million (€10 million equivalent) loan to OTP Leasing Ukraine**
- **Long-term local currency lending to support Ukrainian SMEs**
- **Project supported by incentive grant of €1 million under EU4Business initiative**

The EBRD is providing a local currency loan of up to UAH 324 million (€10 million equivalent) to OTP Leasing (OTPL) in Ukraine (<http://www.ebrd.com/ukraine.html>) for long-term leases to small and medium-sized enterprises (SMEs) across the country.

SMEs will also benefit from grant funding of up to €1 million available under the European Union (<http://www.ebrd.com/who-we-are/structure-and-management/shareholders/european-union.html>)'s EU4Business (<http://eu4business.eu/>) initiative, which helps small firms to invest and benefit from the Deep and Comprehensive Free Trade Area (DCFTA) (https://en.wikipedia.org/wiki/Deep_and_Comprehensive_Free_Trade_Area) between Ukraine and the EU (<https://www.ebrd.com/cs/Satellite?c=Content&cid=1395237785806&d=Mobile&pagename=EBRD%2FContent%2FContentLayout>). By joining the EBRD programme, which is linked to the DCFTA, OTPL and its clients will also benefit from expert advice in the form of training and support provided by consultants.

The grants will be provided as investment incentives to eligible SMEs to reduce the cost of their capital expenditure on upgrades of technology and production processes in line with EU standards and regulations.

OTPL Leasing, a limited liability company incorporated in Ukraine and owned by OTP Bank PLC of Hungary, has been a well-established market player in Ukraine for a decade. The latest EBRD loan will allow OTPL to increase the terms of leases it offers and provide them in local currency. This will enable the leasing provider to diversify its customer base, especially by targeting smaller companies. The use of local currency will shield local borrowers from foreign exchange risks.

EU4Business (<http://eu4business.eu/>) is an EU initiative that supports private sector in the Eastern Partnership countries, including Ukraine. It aims to improve business climate by offering professional advice and access to financing for small and medium-sized businesses. Support under the EU4Business initiative is provided jointly with other organisations such as the EBRD.

The EBRD is the largest international financial investor in Ukraine. To date, the Bank has made a cumulative commitment of almost €12.1 billion across some 400 projects since the start of its operations in the country in 1993.