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The strange connection between the EBRD and OTP Bank in Ukraine

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I've written articles for years about the European Bank for Reconstruction and Development using fraud to promote dictatorships and organised crime, especially Russian President Vladimir Putin's oligarchy. The EBRD is funded by 76 countries including Malta to foster transparency, democracy, and development. However, evidence from

multiple reliable sources which has been openly available since 2010 shows that the EBRD is doing exactly the opposite.

I'm knowledgeable about the EBRD racket because I was whistleblower when the assets of the largest bank in Latvia were embezzled by oligarchs connected with Putin. The result of my whistleblowing was that I got chased out of Latvia with threats and the Latvian government secretly paid the EBRD to pretend to invest in that bank thus covering up my whistleblowing and causing national economic collapse.

That happened between 2004 and 2009 however since that time I've noticed the EBRD is systematically protecting Putin's looters and money launderers in other countries also. The evidence comes from the European Commission's Eurostat, the archives of the Dutch Parliament and Latvian Parliament, and other sources.

The EBRD supported the Putin Regime in Russia for many years. It officially stopped supporting Putin when Russia annexed Crimea in 2014 however the EBRD still owns investments in Russia now in 2025 and still supports Putin Regime banks in other countries. The EBRD supported the Lukashenko Regime in Belarus for many years and still owns investments in Belarus.

The EBRD right now in 2025 actively supports the Aliyev Regime in Azerbaijan, the Ivanishvili Regime in Georgia, the Nazarbayev-Tokayev Regime in Kazakhstan, and the Mirziyoyev Regime in Uzbekistan. The supposedly altruistic development bank founded to help the Soviet nations transition from totalitarianism to democracy backs all of the tyrannical dictators from the Soviet security services who have re-established totalitarianism and squashed democracy in all these countries.

Returning to the European Union, another country besides Latvia which has government policies to protect Putin is Hungary. Hungary's political leader during most of the years from 1998 to 2025 has been Viktor Orban who doesn't even bother to keep his alliance with Putin secret. And this brings us to OTP Bank of Hungary.

HSBC Group is in the process of selling its 70% stake in HSBC Bank Malta. So far, the main prospective buyers are APS Bank of Malta and OTP Bank. The Maltese are currently debating whether it would be better for OTP or APS to take over HSBC Malta. Right now Malta has five banks with retail networks around the island. If HSBC merges with APS then that number will decrease to four so there will be less consumer choice. But is the alternative, allowing OTP to enter Malta, worse because OTP might be connected with Viktor Orban, and maybe even Putin? The government will need strong arguments if OTP submits the highest bid and the government denies HSBC Group permission to accept a lower bid from APS.

OTP is headquartered in Hungary. The Chairman and CEO of OTP, Sandor Csanyi, is personal friends with Viktor Orban according to Wikipedia, but OTP officially says it is politically neutral.

OTP owns a subsidiary bank in Russia and this could imply that OTP is supporting Russia's current war efforts in Ukraine. However, OTP Hungary claims it stopped providing funding to OTP Russia when Russia's full-scale Ukraine invasion began. OTP management expressed a desire to sell the Russian subsidiary however they are blocked by a Russian government decree.

This brings us to OTP's subsidiary bank in Ukraine. Is that bank helping the Ukrainian people or hurting them? Unfortunately it's difficult to determine what OTP is doing in Ukraine because OTP's partner in Ukraine is the secretive and fraudulent EBRD which is often doing the opposite of what it claims to be doing.

EU Neighbours East is a website managed by the EU-funded Regional Communication Programme for the Eastern Neighbourhood which comprises Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine. From those countries, which all have dealings with the EBRD, Azerbaijan, Belarus, and Georgia have current governments which are pro-Putin. Armenia, Moldova, and Ukraine have current governments which are pro-EU and pro-NATO.

According to *EU Neighbors East*, the EBRD launched a fifth lending program in cooperation with OTP Bank Ukraine in January 2025 . This

new lending program is an “unfunded portfolio risk-sharing facility” from the perspective of the EBRD, meaning the EBRD won’t put up any money.

Under this fifth program, OTP will lend €200 million right now in 2025 to Ukrainian businesses. This will support private investment into agriculture, energy, manufacturing, and transport. Some of the loan money will fund “EU-compliant and green technologies.”

Obviously making loans in Ukraine is considered as high risk as OTP could face signficant losses due to the ongoing war. That’s why there is a “risk-sharing” feature where up to 50% of “first cover” losses will go not to OTP, but instead to donors. The main donor is the European Union and this is done under the Ukraine Investment Framework.

The EBRD will earn fees as intermediator and also because of the “technical expertise” they claim to have regarding business lending.

This all appears wonderful, as it is presented by *EU Neighbours East*, OTP, and the EBRD. Readers are expected to assume that the EBRD’s goal is to help Ukrainians and the EBRD selected OTP as partner because of OTP’s integrity and competence.

But let’s consider what the EBRD has done with other banks. In Latvia with Parex Bank, the EBRD used fraud to cover-up embezzlement by Putin-connected oligarchs. In Lithuania with Ukio Bank, the EBRD used fraud to cover-up embezzlement by Putin-connected oligarchs. And most recently at Megabank in Ukraine, the EBRD acted as straw owner while a Ukrainian oligarch lent the bank’s money to himself and the bank collapsed.

In all three of those cases, Parex, Ukio, and Megabank, the banks were known to be controlled by criminal oligarchs before the EBRD invested. Could this imply that the EBRD selected OTP for the newest project because OTP is also controlled by criminal oligarchs?

And what does this mean about the “expertise” of the EBRD? What I have witnessed is a track record of making fake unrecoverable loans to

oligarchs thus causing bank collapses. Staff at the EBRD are experts in this with a lot of experience.

Next is the question of why the European Union is putting up the money for the “risk-sharing” while entrusting the EBRD, which isn’t an EU institution, to manage the program. The key person promoting the EBRD in Brussels for years is Valdis Dombrovskis, Executive Vice President of the European Commission. He pushes for the EU to use the EBRD as conduit for grants and lending to Ukraine. And, he knows from direct personal experience that the EBRD is a pro-Putin fraud. In 2009, as Prime Minister of Latvia, he signed the fake privatisation deal with the EBRD which covered-up the looting of Parex Bank by Putin’s oligarchs. And ever since 2009 he has been continuously blaming Sweden for the collapse of that bank even though Sweden didn’t steal even one cent. Sadly, the mainstream media usually presents his baseless Sweden story as what really happened.

There is something Malta can do right now to clarify what OTP is doing with the EBRD and confirm whether or not OTP is corrupt. Malta is a shareholder in the EBRD. Malta can ask the EBRD to buy back Malta’s shares. Malta can do this in a quiet way without any big media announcement, giving the excuse that the Finance Ministry decided to invest the money elsewhere. I’ve been suggesting this to people in Malta’s government for years however the authorities never replied to these proposals.

Or, Malta can exit the EBRD in a loud and public way. Malta can make an announcement that Eurostat documents show the EBRD is using false accounting to protect Putin-linked banks. Then Malta can demand its investment back. In this case, Malta would be less likely to get the investment back because the EBRD house-of-cards could potentially collapse. However Malta could do something more important which is to expose and terminate the Putin Regime’s secret in Europe: that the EBRD is helping them steal and launder many billions of Euros. Exposure of the EBRD’s fraud racket might even cause Putin’s whole Mafia to collapse since they’ll lose access to their offshore slush funds.



John Christmas

John Christmas is the exiled whistleblower of the EBRD-Latvia fraud, and co-author of award-winning book "KGB Banker".

EBRD EU EU Neighbours East
European Bank for Reconstruction and Development European Union Fraud
Hungary OPT Bank Ukraine Valdis Dombrovskis Viktor Orban

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One response to "The strange connection between the EBRD and OTP Bank in Ukraine"

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Hurray for The Maltese Herald publishing important fraud and corruption information that most media groups won't touch!

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