Early Warning System

EBRD-49714

Piraeus Bank Romania

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Quick Facts

Countries	Romania
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Active
Bank Risk Rating	U
Voting Date	2018-04-26
Borrower	Piraeus Bank Romania
Sectors	Finance
Investment Type(s)	Equity

Project Description

According to EBRD website, EBRD has acquired a 19% stake in Piraeus Bank Romania (PBR) from Piraeus Group (Greece), alongside J.C. Flowers (JCF), a private equity fund, and PBR management. The EBRD and JCF own shares in a Luxembourg investment vehicle that in turn owns 95.1% of the share capital of PBR, while bank management owns the remaining 4.9%. This will provide financial resources and restructuring expertise needed to expand PBR's operations and market share. The change of ownership will also help strengthen the fragmented Romanian financial sector.

Further, the project's transition impact will be derived from demonstration of successful turnaround, providing the financial resources to strengthen PBR's core banking operations and expand its market share in the country.

Investment Description

- European Bank for Reconstruction and Development (EBRD)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- Piraeus Bank Romania SA (Financial Intermediary)

Private Actors Description

Piraeus Bank Romania is among the largest retail banks in Romania with total assets of €1,446 million and equity of €149 million at end-2016. PBR was earmarked for sale by Piraeus Group as part of the latter's commitment to the European Commission for the disposal of its non-core assets.

Contact Information

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ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent. You can contact the PCM at pcm@ebrd.com or you can submit a complaint online using an online form, http://www.ebrd.com/eform/pcm/complaint_form?language=en. You can learn more about the PCM and how to file a complaint at http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html.