Early Warning System

EBRD-52190

RF- VISP: Raja Constanta

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Quick Facts

Countries	Romania
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Voting Date	2020-06-23
Borrower	RAJA SA
Sectors	Water and Sanitation
Investment Type(s)	Loan
Loan Amount (USD)	$ 5.66 million

Project Description

A stand-by liquidity facility of up to EUR 5 million to help RAJA SA ("RAJA" or "Company"), the largest regional water and wastewater company in Romania, withstand the adverse impacts caused by the Covid-19 pandemic on its product demand and operations. The funds will be used for working capital needs, to alleviate receivables collection problems RAJA expects to encounter over the next year.

RAJA serves many tourist areas, including the two largest in the country: the seaside resorts in Constanta and the mountain resorts in Brasov. The company relies on groundwater for 93% of its water supply, thereby incurring large energy costs for extraction. Of all water supply in the system, 59% is non-revenue water (i.e. lost due to spillages along the distribution network, and not invoiced). Thus, the company incurs large fixed costs, while part of the demand is tourism-dependent (45% of revenues come from non-residential consumers).

Investment Description

- European Bank for Reconstruction and Development (EBRD)

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.

Bank Documents

- Framework: Resilience Framework