

 Early Warning System

EBRD-55211

GarantiBBVA Romania - Tier 2 Subordinated Loan



### Quick Facts

Countries	Romania
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Voting Date	2024-11-06
Borrower	Garanti Bank Romania
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 53.66 million
Project Cost (USD)	\$ 53.66 million



### Project Description

According to the Bank's website, the project consists of the provision of a subordinated Tier 2 loan of up to EUR 50 million to Garanti Bank Romania S.A. ("GBR"). The loan is compliant with the European Union's Capital Requirements Regulation and Capital Requirements Directive IV (commonly referred to as CRR/CRD IV or Basel III). In addition, the loan aims to support GBR in building the funding base for the minimum requirement for own funds and eligible liabilities ("MREL").

EBRD is seeking to support the resilience of GBR, by contributing to the optimisation of its capital structure through the increase of Tier 2 capital and thus support the bank's growth plans. Moreover, the proceeds from the loan will be used by GBR to support investments in the green economy in Romania, in line with EBRD's Green Economy Transition approach.



### Early Warning System Project Analysis

Categorised FI (ESP 2019): Garanti Bank Romania has been a client of the Bank previously. Reporting by the client has confirmed that GBR has in place the necessary environmental and social (E&S) policies, procedures, and risk assessment tools in line with the Bank's E&S requirements.



### Investment Description

- European Bank for Reconstruction and Development (EBRD)

A subordinated Tier 2 loan of EUR 50 million.

### 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.

- [Garanti Bank S.A.](#) (Financial Intermediary)



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### Private Actors Description

*Garanti Bank Romania* ("GBR") is a mid-sized universal bank in Romania, ultimately owned by financial group Banco Bilbao Vizcaya Argentaria ("BBVA"). The bank operates across Romania via 71 branches and had 1,121 employees as at 31 December 2023.



### Contact Information

#### COMPANY CONTACT INFORMATION

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#### ACCESS TO INFORMATION

You can request information by emailing: [accessinfo@ebrd.com](mailto:accessinfo@ebrd.com) or by using this electronic form:

<https://www.ebrd.com/eform/information-request>

#### 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](mailto:pcm@ebrd.com) or you can submit a complaint online using an online form at:

[http://www.ebrd.com/eform/pcm/complaint\\_form?language=en](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>