

 Early Warning System

EBRD-55832

Bank Millennium Synthetic Securitisation



### Quick Facts

Countries	Poland
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Voting Date	2024-12-04
Borrower	Bank Millennium S.A.
Sectors	Finance, Industry and Trade
Investment Type(s)	Guarantee
Investment Amount (USD)	\$ 69.75 million
Project Cost (USD)	\$ 69.75 million



### Project Description

According to the EBRD, the project consists of up to PLN 284 million credit protection guarantee to Bank Millennium S.A. ("BM"), a commercial bank incorporated in Poland, by participating in a synthetic balance sheet securitisation of a performing SME and corporate loans as well as factoring portfolio, originated by Bank Millennium. The structure uses a bilateral unfunded financial guarantee, passing on to EBRD the credit risk of the mezzanine tranche of the securitised portfolio.

The project boosts the resilience of a systemic bank in Poland, by allowing Bank Millennium to achieve a risk-weighted assets' ("RWA") relief and optimise its regulatory capital requirements, while the RWA relief achieved will be redeployed to new on-lending to the real economy. As such, Bank Millennium will utilise this capacity to finance new eligible SME and corporate loans, out of which BM will allocate funds in the amount of 150% of the Bank's guarantee for financing new GET eligible projects.



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## Early Warning System Project Analysis

The EBRD categorized the project risk as FI.



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### 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.

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



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### Private Actors Description

As stated by the EBRD, Bank Millennium is the 7th largest commercial bank in Poland by total assets and is designated as O-SII. It is listed on the WSE with the market capitalisation of EUR 2.1bn as of end-October 2024. Bank Millennium is majority owned by Banco Commercial Portugues SA. Bank Millennium operates a traditional universal banking model and has a well-established market franchise. It has a market share of c.5.0% in loans and 6.0% in customer deposits.



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## Contact Information

### Financial Intermediary - Bank Millennium S.A.:

Website: [www.bankmillennium.pl/en/](http://www.bankmillennium.pl/en/)

Address: Stanislaw Zaryna Str. 2A, 02-593 Warsaw, Poland

### 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>