Early Warning System

EBRD-56768

DFF Balfin Retail Facility

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Quick Facts

Countries	Albania, Bosnia and Herzegovina, Kosovo, Moldova, Montenegro, North Macedonia, Serbia
Specific Location	Western Balkans and Moldova
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	B
Voting Date	2026-08-04
Borrower	BALFIN SHPK
Sectors	Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 28.83 million
Project Cost (USD)	$ 28.83 million

Project Description

According to the Bank’s website, the project consists of a senior unsecured loan of up to EUR 25 million provided to the Balfin Group.

The proceeds of the loan will finance (i) the expansion of Balfin's retail operations across the Western Balkans and Moldova, including new store openings, refurbishments, market entry, and (ii) working capital needs including the purchase of energy-efficient household appliances.

Early Warning System Project Analysis

Categorised B (ESP 2024). Environmental and Social (E&S) risks associated with the Project are site-specific and can be readily addressed through appropriate mitigation measures. E&S Due Diligence (ESDD) has been undertaken internally consisting of a review of a questionnaire and Group documentation.

The Company is an existing Client and has an established Environmental and Social Management System (ESMS) overseen by the Balfin Group's E&S committee. The Company has capacity to implement the Project in line with the Environmental and Social Requirements (ESRs). A limited Environmental and Social Action Plan (ESAP) is to be agreed with the Company. The Company operates in line with EBRD ESR2 and its Human Resources policies will apply to the retail segments. A Supplier Code of Conduct has recently been developed, and specific supplier due diligence is undertaken by Balfin for contractual manufacturers under the Fuego brand. A Gender-Based Violence and Harassment (GBVH) policy has also been recently developed and the ESAP requires training on the policy and awareness raising among workers of the grievance mechanism.

Store locations will predominantly be leased or acquired on a willing buyer / willing seller basis. Capex investments do not involve challenging or high-risk activities nevertheless; contractors will adopt E&S management plans proportionate to risk. These will cover site-specific mitigation measures, responsibilities and topic-specific measures such as those for waste management, health and safety and emergency preparedness. Operational management plans will align with Balfin's ESMS and Good International Practice and E&S management measures will be in place for buildings emissions, pollution prevention, life and fire safety, ventilation and traffic management.

The Company will apply its stakeholder engagement policy in line with ESR10 and a community grievance mechanism. The ESAP ensures application of Balfin policies to the Project and further measures include training for recent policy updates, a review of corporate social performance indicators and contractor management measures.

The Bank will monitor the Project through annual E&S reports and site visits, if necessary.

Investment Description

- European Bank for Reconstruction and Development (EBRD)

EBRD FINANCE SUMMARY: EUR 25,000,000.00
TOTAL PROJECT COST: EUR 25,000,000.00

Private Actors Description

Balfin Group is an Albanian-based diversified and privately owned conglomerate active across retail, real estate, banking and asset management. Its retail segment is one of the Group's core businesses and comprises retail stores and operations in consumer electronics, white goods, toys and household goods across the Western Balkans.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Balfin Group	Client	-

Contact Information

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ACCESS TO INFORMATION

You can request information by emailing: 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 or you can submit a complaint online using an online form at: 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