

 Early Warning System

EIB-20220559

COMMERZBANK LRS ENHANCED SUPPORT



## Quick Facts

|                               |                                |
|-------------------------------|--------------------------------|
| <b>Countries</b>              | Germany                        |
| <b>Financial Institutions</b> | European Investment Bank (EIB) |
| <b>Status</b>                 | Proposed                       |
| <b>Bank Risk Rating</b>       | U                              |
| <b>Voting Date</b>            | 2022-12-07                     |
| <b>Borrower</b>               | COMMERZBANK AG                 |
| <b>Sectors</b>                | Finance                        |
| <b>Investment Type(s)</b>     | Loan                           |
| <b>Loan Amount (USD)</b>      | \$ 210.24 million              |
| <b>Project Cost (USD)</b>     | \$ 588.67 million              |



## Project Description

According to the bank website, the project includes the operation supporting mid-caps in Germany and other EU Member States in sectors that are in line with the EIB's long-term mission.

The project consists of an unfunded risk participation scheme under a full delegation approach by which the EIB will cover up to 50% of the losses with respect to each defaulted loan of a portfolio of loans to mid-caps. Access to finance remains constrained for the time being as a result of the economic uncertainty exacerbated by the war in Ukraine, supply chain bottlenecks, energy security, and lasting effects of the pandemic. A pressing constraint for financial intermediaries is lending capacity, particularly as the unfolding economic crisis may lead to substantial downgrades in their existing lending books and corresponding increases in their minimum capital requirements. This leads to a vicious circle of a procyclical shift of remaining lending capacity into "lower-risk" assets, which was a main contributor to the last financial crisis. Therefore, the objective of the operation is to provide financing to mid-cap companies.



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## Investment Description

- European Investment Bank (EIB)



## Contact Information

No contact information was provided at the time of the disclosure.

### ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.eib.org/en/infocentre/registers/request-form/request-form-default.htm>

### ACCOUNTABILITY MECHANISM OF EIB

The EIB Complaints Mechanism is designed to facilitate and handle complaints against the EIB by individuals, organizations or corporations affected by EIB activities. When exercising the right to lodge a complaint against the EIB, any member of the public has access to a two-tier procedure, one internal - the Complaints Mechanism Office - and one external - the European Ombudsman. A complaint can be lodged via a written communication addressed to the Secretary General of the EIB, via email to the dedicated email address: [complaints@eib.org](mailto:complaints@eib.org), by completing the online complaint form available at the following address: <http://www.eib.org/complaints/form> via fax or delivered directly to the EIB Complaints Mechanism Division, any EIB local representation office or any EIB staff. For further details, check: [http://www.eib.org/attachments/strategies/complaints\\_mechanism\\_policy\\_en.pdf](http://www.eib.org/attachments/strategies/complaints_mechanism_policy_en.pdf)

When dissatisfied with a complaint to the EIB Complaints Mechanism, citizens can then turn towards the European Ombudsman. A memorandum of Understanding has been signed between the EIB and the European Ombudsman establishes that citizens (even outside of the EU if the Ombudsman finds their complaint justified) can turn towards the Ombudsman on issues related to 'maladministration' by the EIB. Note that before going to the Ombudsman, an attempt must be made to resolve the case by contacting the EIB. In addition, the complaint must be made within two years of the date when the facts on which your complaint is based became known to you. You can write to the Ombudsman in any of the languages of the European Union. Additional details, including filing requirements and complaint forms, are available at: <http://www.ombudsman.europa.eu/atyourservice/interactiveguide.faces>



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**Other Related Projects**

- EIB-20220534 LRS - EU PL RISK SHARING INSTRUMENT