

 Early Warning System

EIB-20221001

PBZ LRS ENHANCED SUPPORT FOR MIDCAPS



## Quick Facts

<b>Countries</b>	Croatia
<b>Financial Institutions</b>	European Investment Bank (EIB)
<b>Status</b>	Approved
<b>Bank Risk Rating</b>	U
<b>Voting Date</b>	2024-10-16
<b>Borrower</b>	Privredna Banka Zagreb d.d.
<b>Sectors</b>	Finance, Industry and Trade
<b>Investment Type(s)</b>	Loan
<b>Investment Amount (USD)</b>	\$ 108.59 million
<b>Loan Amount (USD)</b>	\$ 108.59 million
<b>Project Cost (USD)</b>	\$ 304.05 million



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## Project Description

According to the EIB, 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 or other debt instruments to mid-caps in Croatia.

Through the intermediation of PRIVREDNA BANKA ZAGREB DD (PBZ), the new loan portfolio will support the final beneficiaries in their investment efforts as well as in funding their working capital needs.

EIB and PBZ are aiming to further catalyse access to finance for mid-caps and diversify the lending products to Croatian corporates through the experimental issuance of mini-bonds for mid-caps.

The EIB guarantee will enhance lending capacity and risk appetite of the financial intermediary on a semi granular portfolio of mid-cap loans which would benefit from a financial advantage in their risk pricing and cost of lending.



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## Investment Description

- European Investment Bank (EIB)

## 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.

- [Privredna Banka Zagreb d.d.](#) (Financial Intermediary) **is owned by** [Intesa Sanpaolo S.p.A.](#) (Parent Company)



## Private Actors Description

As stated on the company's website, Privredna banka Zagreb d. d. is one of Croatia's top banks with a long and continuous history of banking operations.

It was established in 1966 and it is the legal successor of Banka NRH, founded in 1962. In all stages of its history, Privredna banka Zagreb has been supporting major investment programs for the development of tourism, agriculture, industry, shipbuilding, electrification and road building, and has become a byword for the economic vitality, continuity and identity of Croatia.

The privatization of Privredna banka Zagreb was successfully brought to an end in December 1999. Having purchased 66.3 percent of the shares of Privredna banka Zagreb, former Banca Commerciale Italiana (BCI) became its majority shareholder, while the Croatian State Agency for Deposit Insurance and Bank Rehabilitation kept a stake of 25 percent plus two shares. BCI later became part of Gruppo Intesa, the leading banking group in Italy which ranks in the top ten banking groups in Europe. Privredna banka Zagreb has thus become a bank of Gruppo Intesa.

The European Bank for Reconstruction and Development (EBRD) acquired a minority stake in PBZ in 2002. In January 2007, after the merger of Banca Intesa and Sanpaolo IMI, Privredna banka Zagreb became a member of the Intesa Sanpaolo Group. In June 2015, by acquisition of shares from the EBRD, Intesa Sanpaolo increased its majority stake in the share capital of PBZ to 97.47 percent.

Privredna banka Zagreb still focuses its business strategy on modern forms of banking and new products, living up to its image of a dynamic and modern European bank that responds to the demands of the market and its clients. From its very foundation Privredna banka Zagreb has been one of the leading banks in Croatia. It has received a number of prestigious international and Croatian awards for excellence.



## Contact Information

*No project contacts provided at the time of disclosure.*

### Financial Intermediary - Privredna Banka Zagreb d.d.:

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Website: <https://www.pbz.hr/en/>

## 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>