Early Warning System

IFC-39302

OBS MFI

Quick Facts

Countries	Serbia
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	C
Voting Date	2017-08-01
Borrower	Opportunity Bank Serbia
Sectors	Finance
Ring Fence	Small & Medium Enterprises
Investment Type(s)	Loan
Investment Amount (USD)	$ 9.97 million
Loan Amount (USD)	$ 9.97 million

Project Description

According to IFC website, International Finance Corporation (IFC) proposed financing of up to EUR 8.5 million, local currency equivalent, is to support the Bank’s lending portfolio for the purpose of micro and small enterprises lending in local currency. The expected development impacts are:

1. Secure access to finance to underserved segments in the Serbian economy
2. Develop a positive economic impact by propping up economic growth, improving access to finance in economically and geographically excluded regions, generating new jobs and improving quality of life
3. Help the Bank reduce its foreign currency exposure, better manage assets and liabilities and improve its risk profile

Investment Description

- International Finance Corporation (IFC)

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.

- Opportunity banka a.d. Novi Sad (Financial Intermediary)
- Opportunity Bank Serbia (Financial Intermediary) **is owned by** Opportunity International (Parent Company)

Private Actor Relationship

There is often limited information publicly available about what development banks are funding through financial intermediaries. In 2021, the Early Warning System partnered with Oxfam International to incorporate information on high-risk projects being funded by financial intermediaries receiving funding from the International Finance Corporation (IFC) and the Dutch Development Bank (FMO).

The information listed below describes the relationship between the different private actors linked to high-risk sectors and subprojects of IFC and FMO's financial intermediary investments and/or the financial intermediary's parent companies made from 2017 through 2020, including any associated ring fences.

The database, however, does not explicitly or implicitly imply that IFC or FMO have material exposure to or are contractually or legally accountable to the sub-projects financed by their financial intermediaries or the financial intermediary's parent companies. It only shows a seemingly financial relationship among the different private actors, the financial intermediaries, and IFC or FMO.

Private Actors Description

Opportunity banka a.d. Novi Sad provides various financial services to individuals, small and medium size enterprises, and agricultural customers in Serbia and internationally. Opportunity Bank a.d. Novi Sad is a wholly-owned subsidiary of Opportunity Transformation Investments Inc., a holding company owned by charitable organization Opportunity International.

Opportunity International operates through 39 microfinance institutions in Africa, Eastern Europe, Central and East Asia and Latin America. With a loan portfolio of US$1 billion, as of end of 2016, Opportunity International serves 14.3 million entrepreneurs in 24 countries around the world.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Opportunity International Inc.	Parent Company	-

Contact Information

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ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/