Early Warning System

IFC-46482

DCM RBRO MREL 2

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Quick Facts

Countries	Romania
Financial Institutions	International Finance Corporation (IFC)
Status	Active
Bank Risk Rating	B
Voting Date	2022-08-03
Borrower	RAIFFEISEN BANK SA
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 100.00 million
Loan Amount (USD)	$ 100.00 million

Project Description

According to the bank website:

> The proposed project is to invest up to US$100 million equivalent (in RON and/or EUR) for IFC's own account in Minimum Requirement for Own Funds and Eligible Liabilities (MREL) eligible bonds (senior preferred, SP, and senior non-preferred, SNP) with up to 7 years tenor to be issued by Raiffeisen Bank S.A. (RBRO or the Bank), in line with its funding plan. The bonds will be issued under the Bank's recently developed Sustainability Bond Framework which is aligned with ICMA's Green Bond Principles, Social Bond Principles, and Sustainability Bond Guidelines, as confirmed by an independent second party opinion provider, and as such will support the growth of a sustainable economy in Romania.

Investment Description

- International Finance Corporation (IFC)

Under the proposed project, IFC would invest on its own account up to US$100 million equivalent in RON and/or EUR denominated MREL-eligible bonds to be issued by RBRO under its sustainability bonds program. IFC's investment in each issuance, including both SP and SNP bonds, will depend on market interest and allocation resulting from a book-building process.

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.

- Raiffeisen Bank SA (Financial Intermediary)

Private Actors Description

According to the IFC, RBRO is a subsidiary of Raiffeisen Bank International (RBI) and is one of the systemic banks in Romania. The Bank currently ranks 3rd by net loans with a 9.2% market share (as of December 31st, 2021), has an extended history on the local market and offers a wide range of banking services with a nationwide presence. As of December 31, 2021 RBRO served 2.25 million clients, with over 4,600 employees and 300 outlets. The Bank holds a Long-Term Counterparty Risk Rating and a Long-Term Deposit rating of Baa1/stable outlook from Moody’s.

RBI is Austria's second-largest bank with a balance sheet total of EUR193 billion and equity of EUR15.8 billion as of March 31, 2022. RBI regards Austria, where it is a leading corporate and investment bank, as well as Central and Eastern Europe (CEE) as its home market, operating in 13 countries. RBI has around 47,000 employees which service 18 million customers through around 1,800 business outlets. RBI is listed on the Vienna Stock Exchange since 2005 with a 41.2% free float. RBI holds a Long-Term Counterparty Risk Rating of A2/stable outlook from Moody’s and an Issuer Credit Rating of A-/negative outlook from S&P.

Contact Information

Raiffeisen Bank S.A.
Romulus Mircea
Director of Balance Sheet and Portfolio Management
+40733104293
romulus.mircea@raiffeisen.ro
246D Floreasca Avenue, Bucharest
www.raiffeisen.ro

ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://disclosures.ifc.org/#/inquiries

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

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

Campaign Documents

- Banktrack: Raiffeisen Bank International