

 Early Warning System

IFC-49983

AIK MREL



Quick Facts

Countries	Serbia
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Voting Date	2024-11-30
Borrower	AIK BANKA AD
Sectors	Finance, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	\$ 81.22 million
Project Cost (USD)	\$ 81.22 million



Project Description

According to the Bank's website, the proposed investment consists of an up to EUR75 million or its equivalent in Serbian Dinar (RSD) for IFC's own account to AIK Banka a.d. in Serbia in Minimum Requirement for Own Funds and Eligible Liabilities (MREL) eligible senior instruments, to be issued in loan or bond format over the next 24 months, for tenors up to four years. The proceeds from IFC's investment are to be entirely deployed for climate finance of corporates and Medium, Small and Micro Enterprises (MSMEs) in Serbia.



Early Warning System Project Analysis

The activities supported under the project are expected to have medium to high E&S risks and include a limited number of business activities that may have potentially high E&S risks or impacts and might be addressed through mitigation measures. Therefore, this project has been categorized as FI-2 in accordance with IFC's Sustainability Policy.



Investment Description

- International Finance Corporation (IFC)

The proposed investment comprises MREL investments in AIK Banka a.d. Belgrade of up to EUR 75 million or its RSD equivalent, for IFC's own account.

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.

- [AIK BANKA AD](#) (Financial Intermediary)



Private Actors Description

AIK Bank is a universal commercial bank domiciled in Serbia with a market share of around 7%. Incorporated in its current form in 1993 and headquartered in Belgrade, the Bank is the 6th largest on the market, operating across the entire country through a network of 61 branches. In November 2023, AIK Bank acquired “Eurobank Direktna A.D.” (Serbia), the full merger is expected to be completed in 2025.

The ultimate shareholder of the Bank is Mr. Miodrag Kostic (the “Sponsor”), who owns the “MK Group”, a holding with multiple businesses in agriculture, logistics, tourism and banking. Mr. Kostic owns the Bank through legal entities registered in Serbia, Switzerland, Cyprus and Netherlands. The immediate shareholder entity of the Bank is “M&V Investments”, a brokerage company domiciled in the Republic of Serbia.



Contact Information

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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>