Early Warning System

EBRD-55953

GEFF III REPower - NLB Banka Sarajevo

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Quick Facts

Countries	Bosnia and Herzegovina
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Voting Date	2025-10-21
Borrower	NLB Banka d.d. Sarajevo
Sectors	Energy, Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 2.32 million
Loan Amount (USD)	$ 2.32 million
Project Cost (USD)	$ 2.32 million

Project Description

As stated by the EBRD, the project consists of the provision of a senior unsecured loan of up to EUR2 million to NLBSA for on-lending to the residential sector in Bosnia and Herzegovina ("BiH"). The loan is envisaged under the Western Balkans Green Economy Financing Facility III - REpower ("WB GEFF III"). This will enable the bank to promote green economy investments in the country.

The proceeds of the loan will be used to provide financing to NLBSA for gender-responsive on-lending to eligible sub-borrowers in the residential sector for investments supporting Green Economy Transition ("GET") - eligible residential renewable energies and energy efficient technologies.

ADDITIONALITY

Additionality is achieved by combining the necessary medium-term financing with TC, targeted investment incentives and policy dialogue into a package that promotes residential green economy investments in Bosnia and Herzegovia.

ENVIRONMENTAL AND SOCIAL SUMMARY

Categorised FI (ESP 2024). NLBSA is a new client of the EBRD. However, the bank's parent company, NLB Group has received financing from the EBRD. Eligible subprojects will support Energy Efficiency and Renewable Energy related technologies. The subprojects are expected to carry low environmental and social (E&S) risk. The main E&S risks relate to the client's capacity to implement its Environmental and Social Management System ("ESMS"), potential impacts arising from the financed subloans, and related supply chain risks, and labour and occupational health and safety issues. E&S due diligence has been undertaken through a review of the client's completed E&S questionnaire, publicly available information and supporting documentation. NLBSA has an ESMS, which is considered commensurate with the risk profile of the eligible subprojects, with a cap on the maximum sub-loan size and the GEFF consultant's support providing an additional risk mitigant.

The project is determined aligned with the Paris Agreement based on the application of the EBRD's Paris alignment approach for indirectly financed investments. The alignment determination is based on the application of pillar 1 (counterparty commitment to the Paris Agreement) and pillar 2 (sub-transactions filter). 100% of the EBRD financing is classified as green finance, as it supports activities to achieve climate mitigation objectives.

TECHNICAL COOPERATION AND GRANT FINANCING

The project will be supported by a comprehensive technical assistance package to NLBSA and sub-borrowers to facilitate the project preparation and successful implementation of the WB GEFF III programme. The source for TC is funded by Japan-EBRD Cooperation Fund and the EU via Western Balkans Investment Framework ("WBIF") through European Western Balkans Joint Fund ("EWBJF"). The source for non-TC funding is provided by the EU via WBIF through EWBJF.

Investment Description

- European Bank for Reconstruction and Development (EBRD)

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.

- NLB Banka d.d. Sarajevo (Financial Intermediary) **is owned by** NLB Banka (Parent Company)

Private Actors Description

As stated by the EBRD, NLB Banka d.d. Sarajevo ("NLBSA") is a universal commerical bank operating in the Federation of BiH entity and Brcko District through its network of 34 business units. The bank is ranked eighth in terms of total assets (4.6% market share), loan portfolio (4.9% market share) and deposits (4.7% market share) at YE 2024.

Contact Information

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ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form: https://www.ebrd.com/eform/information-request

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at: http://www.ebrd.com/eform/pcm/complaint_form?language=en

You can learn more about the PCM and how to file a complaint at: http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html