

 Early Warning System

EIB-20220893

NB LRS ENHANCED SUPPORT FOR MIDCAPS



## Quick Facts

<b>Countries</b>	Portugal
<b>Financial Institutions</b>	European Investment Bank (EIB)
<b>Status</b>	Approved
<b>Bank Risk Rating</b>	FI
<b>Voting Date</b>	2023-12-07
<b>Borrower</b>	Novo Banco SA
<b>Sectors</b>	Finance
<b>Investment Type(s)</b>	Guarantee
<b>Investment Amount (USD)</b>	\$ 161.85 million
<b>Project Cost (USD)</b>	\$ 453.17 million



## Project Description

According to the EIB, the project consists in a Linked risk-sharing operation (own-resources; full delegation) to support mid-caps and public sector entities primarily based in Portugal.

The guarantee aims to promote and accelerate private sector investments as well as facilitating access to finance for Mid-Caps, a backbone, together with SMEs, in terms of growth and employment for the Portuguese economy. The operation will help addressing the working capital, liquidity needs and investment constrains of Mid-Caps, which have been exacerbated by supply chain constraints, inflation and raising interest rates among others. The economic impacts in the economy have been widespread as value chains have been disrupted and consumer demand has slowed down due to the high inflation rates. SMEs and Mid-Caps are facing financial stress and bankruptcies and, without continuing to address their investment needs, the adverse economic effect of the pandemic could be long-lasting also considering the recent war in Ukraine and the additional challenges for SMEs and Mid-Caps in the form of increased input costs, which cannot be fully passed to end customers, thus creating pressure on margins.



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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.

- [Novo Banco, S.A.](#) (Financial Intermediary)



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### Private Actors Description

As stated on the company's website, Novobanco is the 4th largest bank operating in the Portuguese market, with 1.6 million customers, assets of 43.5 billion euros and a 9.8% market share in 2023.



## Contact Information

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

### Financial Intermediary - Novo Banco SA:

Address: Avenida da Liberdade 195, 1250-142 Lisboa

Email: [info@novobanco.pt](mailto:info@novobanco.pt)

Website: <https://www.novobanco.pt/>

## 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>



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### Other Related Projects

- EIB-20220534 LRS - EU PL RISK SHARING INSTRUMENT