

EFSE and Libra Internet Bank join forces to finance MSMEs in Romania

Luxembourg and Bucharest, 15 September 2022 – The European Fund for Southeast Europe (EFSE), an impact investment fund focusing on fostering economic prosperity in Southeast Europe and the Eastern Neighbourhood Region, has extended an EUR 8 million Basel III-compliant Tier 2 subordinated loan facility to Libra Internet Bank. The facility will strengthen the bank’s capitalization and enable it to provide longer-term financing to micro, small and medium enterprises (MSMEs), contributing to increased business resilience and financial intermediation in Romania. The bank will aim to allocate up to 40% of the proceeds to finance MSMEs engaged in sustainable agricultural activities and/or those majority-owned or led by women, young and rural entrepreneurs.

Libra Internet Bank is a dedicated MSME financier that aims at innovative and user-friendly products and services that cater to the needs of its clients. It is also committed to implementing best practices in environmental and social risk management and is hence benefiting from tailored technical assistance from the fund for the development and implementation of an effective environmental and social management system.



EFSE Board Chairperson Dr. Klaus Müller said:

“Through this Basel III-compliant Tier 2 subordinated loan facility, Libra Internet Bank will be able to better absorb potential financial shocks while facilitating longer term funding for MSMEs. At the same time, this capital instrument will enable the bank to promote sustainable agricultural activities in Romania along with the MSME’s social commitments, contributing to more resilient and inclusive economic growth. All working towards our mission to give MSMEs access to responsible financing that achieves positive long-term, systemic impact.”

Emil Bituleanu, CEO of Libra Internet Bank stated: “Over the years, Libra Internet Bank has become an important financier of the Romanian economy, with a significant role in shaping the way banking is being done in our country. In this context, increasing access to finance for entrepreneurs with focus on sustainability and social responsibility is a priority for us, and the partnership with EFSE facilitates this crucial endeavour.”

About EFSE

An impact investment fund established in 2005, the European Fund for Southeast Europe (EFSE) aims to foster economic development and prosperity in Southeast Europe and the Eastern Neighbourhood Region by investing in the success of micro and small enterprises as well as improved living conditions for private households. As access to financial services is key to developing this segment, EFSE focuses on helping local financial sectors strengthen their ability to provide responsible financing for this target group. Alongside its investment activities through local partners, EFSE multiplies its impact through the EFSE Development Facility, which provides technical assistance, training, and other nonfinancial support to entrepreneurs and institutions.

EFSE was initiated by KfW Development Bank with the financial support of the German Federal Ministry for Economic Cooperation and Development (BMZ) and the European Commission. As the first public-private partnership of its kind, EFSE draws its capital from donor agencies, international financial institutions, and private institutional investors.

Finance in Motion GmbH, Germany, serves as EFSE's advisor and Hauck & Aufhäuser Fund Services S.A., Luxembourg, acts as manager.

For more information on the European Fund for Southeast Europe, please visit: www.efse.lu

For more information on Finance in Motion, please visit: www.finance-in-motion.com

About Libra Internet Bank

Libra Internet Bank, member of the American investment group New Century Holdings, is one of the most dynamic banks in Romania in recent years, being specialized in fields such as liberal professions, real estate and agribusiness. The bank pays special attention to modern technology and partnerships with fintechs.

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