

EFSE and TBC Bank bolster financial support for entrepreneurship in Georgia

Investment in Georgian lari equivalent to USD 10 million addresses the financing gap for micro, small and medium-sized enterprises

Luxembourg and Tbilisi, 22 October 2021 – The European Fund for Southeast Europe (EFSE) is providing a loan in Georgian lari equivalent to USD 10 million to its longstanding partner lending institution TBC Bank to support micro, small and medium-sized enterprises (MSMEs) and finance traditionally underserved groups such as rural businesses, as well as female and young entrepreneurs in Georgia.

TBC Bank is Georgia's largest financial institutions with a 39% market share by assets and became an EFSE partner in December 2015.

EFSE Board Chairperson Klaus Müller said, "We are proud to strengthen our longstanding partnership with TBC Bank. Their strong performance, and especially their resilience throughout the recent health crisis have been very impressive. I am particularly pleased to note that EFSE's investment will contribute to reducing the MSME finance gap. Facilitating access to underserved groups is core to EFSE, and TBC Bank is a perfect example for what can be achieved at the most micro level while positively impacting the whole economy."



Vakhtang Butskhrikidze, CEO, TBC Bank, commented: "We are delighted to continue a trusted and successful partnership with EFSE. This facility is another testimony of our efforts to support micro, small and medium-sized enterprises (MSMEs) in rural and urban areas in Georgia and provide financing for local currency loans, which are in high demand. We look forward to more years of productive partnership."

Through this investment, TBC Bank will contribute primarily to the UN Sustainable Development Goals (SDG) 8: Decent work and economic growth and SDG 9: Industry, Innovation and Infrastructure.

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 TBC Bank

TBC is a leading universal financial group in Georgia with a strong presence across all our major business segments – retail banking, micro, small and medium enterprises (MSMEs) and corporate banking. TBC offers a wide range of traditional financial services paired with innovative digital solutions, creating a seamless customer experience.

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