

EFSE and ProCredit Bank to expand local currency financing for Ukrainian SMEs

Top-up loan to foster growth and development of SMEs in Ukraine

Luxembourg, 15 November 2018 – The European Fund for Southeast Europe (EFSE) has provided ProCredit Bank Ukraine (PCB) with a senior loan in Ukrainian hryvnia equivalent to EUR 20 million. The new facility continues the successful cooperation between EFSE and ProCredit Bank, and aims to secure much-needed local currency funding to support business and economic development in Ukraine.



An EFSE partner since 2015, ProCredit Bank enjoys a solid and ever-growing market position as a house bank for small and medium-sized enterprises (SMEs) in Ukraine. The bank offers tailored credit products and dedicated business advice, enabling the sustainable growth and development of its clients. The top-up loan from EFSE will support PCB in meeting the growing credit demand from SMEs in a responsible manner.

EFSE Board Chairman Christoph Tiskens said: “EFSE strongly believes in the instrumental role local currency plays in promoting responsible financial sector development and ensuring sustainable access to financial services. Smaller businesses can be especially vulnerable to exchange rate fluctuations; by providing access to longer-term local currency financing through our long-standing partner ProCredit Bank, we are reaffirming our commitment to responsible finance and sustainable economic development in Ukraine.”

General manager of ProCredit Bank Ukraine Victor Ponomarenko added: “Businesses in Ukraine still face limited access to affordable and long-term financing, especially in local currency, which is imperative for promoting investments and development. Therefore, our cooperation with EFSE today is more valuable than ever and helps ProCredit Bank to successfully fulfil its role as a reliable financial intermediary and increase its loan portfolio to SMEs.”

About the European Fund for Southeast Europe

The European Fund for Southeast Europe (EFSE) was initiated by KfW Development Bank (KfW) with the financial support of the German Federal Ministry for Economic Cooperation and Development (BMZ) and the European Commission. It aims to foster economic development and prosperity in Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, former Yugoslav Republic of Macedonia, Kosovo, Georgia, Moldova, Montenegro, Romania, Serbia, Ukraine and Turkey.

As access to finance is a key success factor in developing the micro, small and medium enterprise segments, EFSE focuses on assisting local financial sectors in strengthening their ability to ensure adequate and sustainable financing. The funding EFSE provides as long-term finance is channelled to loan customers – primarily micro and small enterprises (MSEs), but also private households for home improvement – through local partner lending institutions. Supporting EFSE’s investment activities is the EFSE Development Facility, which provides partner lending institutions with technical assistance, consulting and training services to build operational capacities and professional management.

Initiated by KfW Development Bank (KfW) on 15 December 2005 from four multi-donor programs under its management, EFSE is the first public-private partnership of its kind and the first privately managed fund in development finance to leverage private funding for MSE finance in the target region. Capital is provided by donor agencies, international financial institutions and private institutional investors, including the German Federal Ministry for Economic Cooperation and Development (BMZ), the European Commission (EC), the Government of Albania, Small and Medium Business Credit Support CJSC (SMBCS), a subsidiary of the Central Bank of Armenia, the Development Bank of Austria (Oesterreichische Entwicklungsbank, OeEB), the Swiss Agency for Development and Cooperation (SDC), the Danish International Development Agency (Danida), KfW as Lead Investor, the International Finance Corporation (IFC), the Netherlands Finance Company (FMO), the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), and Deutsche Bank.

Hauck & Aufhäuser Fund Services S.A., Luxembourg, acts as EFSE’s Fund Manager and Finance in Motion GmbH, Germany, as Advisor.

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About ProCredit Bank

As a specialised bank for small and medium-sized enterprises, ProCredit Bank offers a wide range of banking services and top-quality customer service and experience. ProCredit Bank is a member of the international ProCredit Group. The bank’s shareholders include reputable financial institutions such as ProCredit Holding (Germany) and the German Development Bank KfW (Germany). Fitch Ratings, a global rating agency, has assigned ProCredit Bank the highest possible rating in Ukraine. Strong backing from the bank’s shareholders, its membership in the international ProCredit Group and supervision by the German Federal Financial Supervisory Authority (BaFin) are factors that guarantee ProCredit Bank’s stability and reliability.

For more information about ProCredit Bank in Ukraine, please visit: www.procreditbank.com.ua

Media contact EFSE

Nikki Eggers
Senior Officer, Marketing & Communications
Email: press@efse.lu
Phone: +49 (0)69 271 035-470

Media contact ProCredit Bank

Kalynovska Olga
Senior Marketing and Public Relations Specialist
Email: Olga.Kalynovska@procredit-group.com
Phone: +38 (044) 590 10 41