

EFSE loans EUR 3.5 million to Patria Credit in local currency to support rural entrepreneurs and farmers in Romania

Luxembourg, 16 December 2020 – The European Fund for Southeast Europe (EFSE) has provided to Patria Credit a senior loan in local currency equivalent to EUR 3.5 million. Through the investment, the partners aim to boost the supply of local currency loans for Romania’s farmers and rural entrepreneurs, providing much-needed resources for this important sector to combat the economic effects of the global pandemic.

Patria Credit is one of the leading microfinance institutions in Romania that is particularly committed to reaching otherwise underserved micro agricultural producers and farmers as well as small enterprises in rural areas. It has been an EFSE partner since 2006, successfully on-lending dedicated funding to boost rural business development in the country. With the new facility in Romanian leu, EFSE and Patria Credit aim to provide entrepreneurs with crucial financing to overcome the challenges of the COVID-19 crisis while safeguarding them from potentially hazardous exchange rate fluctuations.



EFSE Board Chairperson Klaus Müller said: “Patria Credit has been an important ally in enabling EFSE to pursue its mission of economic development in the region almost since the fund’s very beginning. Today, we are glad to continue this valuable partnership as we extend additional responsible finance to support agricultural and rural entrepreneurs during a turbulent period. By working together to sustain jobs and production, we are investing in the future prosperity of the country.”

Raluca Andreica, General Manager of Patria Credit, said: “We are committed to further advancing business and economic development in the rural areas of Romania by enabling access to financial products and services to small and micro farmers. Especially in these challenging times of a global health crisis, we are glad that with the help of EFSE we can offer our financial and non-financial support to rural businesses.”

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 Patria Credit

Patria Credit is a non-bank financial institution (IFN) specialized in financing farmers and micro-enterprises, especially in rural areas. Patria Credit is a member of the Patria Bank Group, a group owned by the Emerging Europe Accession Investment Fund (EEAF), a private equity fund whose main investors are EBRD (European Bank for Reconstruction and Development), EIF (European Investment Fund, part of the European Investment Bank Group), DEG (Development Bank, part of the KfW banking group), BSTDB (Black Sea Development Bank). Patria Bank Group includes Patria Bank, Patria Credit IFN and Patria Asset Management.

For more information, please visit: www.patriacredit.ro

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