

## EFSE DEVELOPMENT FACILITY AT A GLANCE

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**EFSE FUND** The European Fund for Southeast Europe (EFSE) aims to foster economic development and prosperity in Southeast Europe and the European Eastern Neighbourhood Region. EFSE works with local partner lending institutions (PLIs) to meet the financing needs of micro and small enterprises (MSEs) and low-income private households.

**EFSE DEVELOPMENT FACILITY** The EFSE Development Facility (DF) is a technical assistance facility which operates independently from the Fund in a fiduciary arrangement under Luxembourg law. The EFSE DF's mission is to deploy effective, targeted and innovative technical assistance to maximise the impact and outreach of the Fund's development finance mandate in its target countries. The Development Facility Committee comprising members from KfW, OeEB, and FMO is responsible for assessing and approving all project proposals and provides strategic guidance to the DF.

### **OUR ACTIVITIES** **CAPACITY BUILDING AND TRAINING**

Strengthening (potential) partner institutions through:

- Individual capacity building and training projects tailored to the needs of each partner institution
- Joint development of projects with institutions to serve their needs, with a cost-share principle to ensure ownership

### **FINANCIAL SECTOR SUPPORT**

Support the development of responsible financial systems through:

- Support to sector institutions, e. g. central banks, microfinance and banking associations or credit information bureaus in guiding transformational processes in the financial sector
- Fostering sector-wide dialogue and advancement via workshops on Responsible Finance
- Raising financial literacy and risk awareness through educational materials

### **APPLIED RESEARCH**

Pushing the knowledge frontier through:

- Increasing knowledge on key topics such as on level of indebtedness and foreign currency risks and local currency opportunities
- impact assessment through comprehensive impact studies, for example on the effects of access to finance on job creation

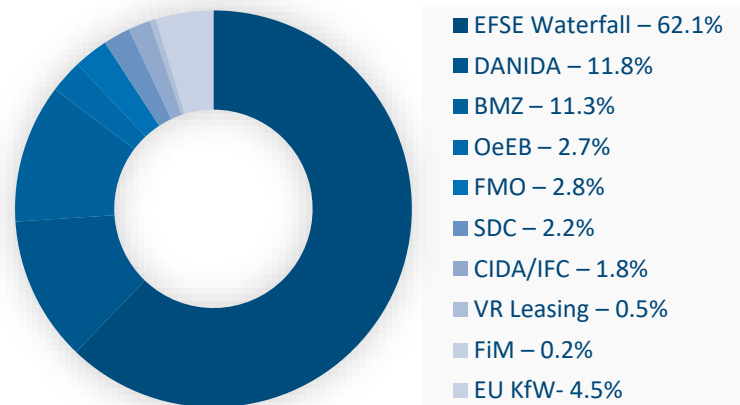
**SUPPORT AREAS** The EFSE DF provides support in the following areas:

- Responsible finance including financial literacy for MSEs and households
- Strategy, business planning and transformation
- Product development, e.g. MSE finance, mobile/branchless banking, housing finance, agricultural finance,
- Credit risk and delinquency management
- Operational efficiency and Impact assessment
- Internal audit and internal controls
- Training and staff development

EFSE DEVELOPMENT FACILITY IN FIGURES  
SINCE INCEPTION IN 2006

<p>Aggregated project volume approved</p> <p><b>EUR 40.4 million</b></p>	<p>Number of projects approved</p> <p><b>592</b></p>	<p>Number of institutions supported</p> <p><b>30 microcredit organisations and microfinance banks, 42 commercial banks, 96 non-PLIs and sector institutions</b></p>
<p>Beneficiaries</p> <p><b>Directly trained: approx. 35,404</b></p>	<p>Average project volume</p> <p><b>EUR 68,163</b></p>	<p>Average PLI cost share per capacity building project</p> <p><b>41% (per individual technical assistance or training project)</b></p>

DONOR CONTRIBUTION TO EFSE DF  
PROJECTS SINCE INCEPTION IN 2006  
(% OF VOLUME)



CONTACT INFORMATION

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