

EFSE DEVELOPMENT FACILITY AT A GLANCE

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

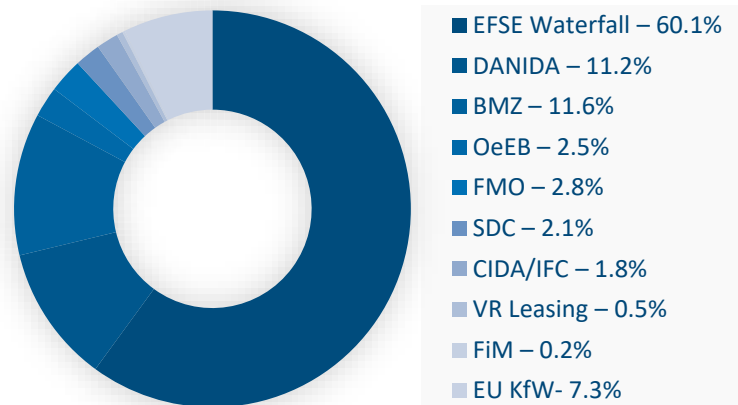
SUPPORT AREAS The EFSE DF provides support in the following areas:

- 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>EUR 42.0 million</p>	<p>Number of projects approved</p> <p>611</p>	<p>Number of institutions supported</p> <p>30 microcredit organisations and microfinance banks, 44 commercial banks, 132 non-PLIs and sector institutions</p>
<p>Beneficiaries</p> <p>Directly trained: approx. 37,146</p>	<p>Average project volume</p> <p>EUR 68,634</p>	<p>Average PLI cost share per capacity building project</p> <p>41% (per individual technical assistance or training project)</p>

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



CONTACT INFORMATION

Finance in Motion
(Advisor)
Jacob Ole Nestingen
T: +49 (0)69 271 035-393
E: ta@finance-in-motion.com

www.efse.lu

Disclaimer

The Fund is registered in the Grand Duchy of Luxembourg as an investment company with variable capital subject to the Law of 13 February 2007 and is reserved for institutional, professional or other well-informed investors as defined by Luxembourg law. The issue document or the assets held in the Fund have, however, not been approved or disapproved by any authority. The information given herein does not constitute an offer or solicitation in a jurisdiction where to do so is unlawful or where the person making the offer or solicitation is not qualified to do so or where a person receiving the offer or solicitation may not lawfully do so nor does it constitute a commitment of the Fund to offer its shares, notes, and/or other instruments to any investor. No guarantee is given as to the completeness, timeliness, or adequacy of the information provided herein. No investment may be made except upon the basis of the current issue document of the Fund. Not for distribution, offer, sale, transfer or resale in or into the United States of America, Canada, Japan or Australia or to any U.S. person or in any other jurisdiction in which such distribution, offer, sale, transfer or resale would be prohibited by applicable law. This document does not necessarily deal with every important topic or cover every aspect of the topics it deals with. The information in this document does not constitute investment, legal, tax or any other advice. It has been prepared without regard to the individual financial and other circumstances of persons who receive it. Neither the Fund nor Finance in Motion nor any of its shareholders, directors, officers, employees, service providers, advisors, or agents makes any representation or warranty or gives any undertaking of any kind, express or implied, or, to the extent permitted by applicable law, assumes any liability of any kind whatsoever, as to the timeliness, adequacy, correctness, completeness or suitability for any investor of any opinions, forecasts, projections, assumptions and any other information contained in, or otherwise in relation to, this document or assumes any undertaking to supplement any such information as further information becomes available or in light of changing circumstances. The content of this information is subject to change without prior notice © European Fund for Southeast Europe (EFSE), 2020. All rights reserved.

All figures and other information contained in this factsheet refer to 31 December 2022.

LuxFLAG Disclaimer Investors must not rely on LuxFLAG or the LuxFLAG Label with regard to investor protection issues and LuxFLAG cannot incur any liability related to financial performance or default of the Fund. The LuxFLAG label has been granted to the Fund until 31 December 2022.