

EFSE and ACBA-CREDIT AGRICOLE Bank to expand access to finance for Armenian entrepreneurs

Local currency funding equivalent to USD 20 million supports sustainable small business growth

Luxembourg and Yerevan, 3 April 2019 – Today the European Fund for Southeast Europe (EFSE) provided a local currency loan equivalent to USD 10 million to partner ACBA-CREDIT AGRICOLE BANK to support the bank’s efforts in expanding access to finance for micro and small enterprises (MSEs) in Armenia. The facility represents the second loan under a larger financial package of USD 20 million in Armenian dram funding and tailored technical assistance to enhance the bank’s sales capacities and value proposition. The funding is expected to enable ACBA-CREDIT AGRICOLE Bank to issue over 8,000 sub-loans to Armenian entrepreneurs in their own local currency, thus contributing to sustainable business and economic growth in the country.

ACBA-CREDIT AGRICOLE Bank is the fourth largest bank in Armenia and the leading provider of financing to micro, small, and medium enterprises. An EFSE partner since 2013, the bank has assisted the fund in spreading financial inclusion in the European Eastern Neighbourhood Region by channelling responsible financing to entrepreneurs in an effective and impactful way.



EFSE Board Chairman Christoph Tiskens said: “ACBA-CREDIT AGRICOLE Bank is a very valuable partner to EFSE. Its high commitment to serving micro and small enterprises helps us support the business development of these entrepreneurs in a targeted manner – which in turn bolsters our efforts to promote economic development and prosperity in Armenia and the Eastern Neighbourhood Region.”

Hakob Andreasyan, Chief Executive Officer of ACBA–CREDIT AGRICOLE Bank, said: “We are proud to sign the second loan agreement under the financial package of USD 20 million funding equivalent in Armenian dram with our strong partner and one of our top lenders. This new funding will enable us to expand financing to micro and small enterprises both in urban and rural areas in local currency, protecting our clients from foreign currency associated risks.”

About EFSE

One of the largest development finance funds worldwide, 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 ACBA-CREDIT AGRICOLE BANK

ACBA-CREDIT AGRICOLE Bank is one of the leading banks in Armenia. Its primary strategic focus is on providing financial services to micro, small and medium enterprises (MSMEs) with a particular focus on rural areas. The bank’s extensive network of 59 branches in all regions of Armenia allows it to reach out to many potential clients country-wide.

As at the end of 2018, ACBA-CREDIT AGRICOLE Bank held total assets of USD 706 million, equity of USD 127 million, and a loan portfolio of USD 426 million.

For more information, please visit: www.acba.am

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