

High-level roundtable tackles sustainable financing for entrepreneurs in Armenia

EFSE and Central Bank of Armenia gather financial sector players to drive financial inclusion for local businesses

Luxembourg and Yerevan, 8 April 2019 – The European Fund for Southeast Europe (EFSE) teamed up with the Central Bank of Armenia (CBA) on April 4 to hold the first Bankers' Roundtable on Sustainable Financing for Entrepreneurs in Yerevan. The gathering of influential bank executives from Armenia explored the role of the banking sector in achieving maximum sustainability and impact for providing financial services to micro and small enterprises (MSEs).



Moderated by George Kadagidze, former Governor of the National Bank of Georgia, the event combined national and international experience to explore recent developments in MSE finance and share insights across the banking sector. Special focus was devoted to the importance of lending in local currency: Participants discussed ways to overcome challenges in providing local currency financing and exchanged on improving and deepening access to local currency loans for Armenian entrepreneurs.

EFSE Board Chairman Christoph Tiskens said: “Micro and small enterprises are the main engine for economic growth and employment in Armenia. As a fund that promotes MSE financing and job



creation in the European Eastern Neighbourhood Region, EFSE aims to help build an enabling environment for sustainably supporting this important segment. The Central Bank of Armenia has been a particularly valuable ally in this respect by contributing funds that expand EFSE's ability to offer local currency loans to its partners."

Arthur Javadyan, Chairman of the Central Bank of Armenia, added: "We are proud to see that EFSE's portfolio is continuously growing both in value and in the number of partner lending institutions in Armenia. As of today, we can state that the results gained from the type of programs offered by EFSE are pleasing. We are looking forward to the further extension of our collaboration."

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 the Central Bank of Armenia

The Central Bank of the Republic of Armenia is a legal entity empowered with state functions. The primary goal of the CB is price and financial stability in the Republic of Armenia. Established by the law on the Central Bank of the Republic of Armenia in April 1993, it succeeded the Armenian branch of Gosbank (State Bank), which had operated in Armenia since 1893. The bank operates under the law adopted on 30 June 1996. It performs all central banking activities, including banking supervision.

For more information please visit: www.cba.am



About EU4Business

The EU4Business Initiative covers all EU support for small and medium-sized enterprises (SMEs) in the region of the Eastern Partnership which brings together the EU, its member states and six partner countries: Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine.

The European Union contributed significant funding to EFSE's L-share class to strengthen local currency financing in the European Eastern Neighbourhood Region, including Armenia.

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