



# EFSE signs USD 20 million senior loan with Bank Republic in Georgia

## Loan to support the expansion of credit business with Georgian MSEs

**Frankfurt and Tbilisi, 9 October 2013** - The European Fund for South Eastern Europe (EFSE) – initiated by KfW Development Bank (KfW) with the financial support of the German Federal Ministry for Economic Cooperation and Development (BMZ) and the European Commission – agreed to a USD 20 million senior loan facility with Bank Republic to support the bank’s lending activities to medium and small enterprises (MSEs) in Georgia.

Bank Republic is committed to actively pursuing its strategy to grow the MSE lending business over the coming years. The EFSE credit line will be disbursed through Bank Republic’s microfinance distribution channel of 28 branches all over the country, funding over 1,600 new loans.

“We are pleased to have Bank Republic on board as a new Partner Lending Institution in Georgia,” says Monika Beck, Chairperson of the Board of EFSE. “With its dedicated microfinance distribution channels, Bank Republic is a perfect fit to enhance the EFSE’s outreach in this dynamically developing country of the European Neighbourhood region.”

Christian Carmagnolle, CEO of Bank Republic: “Bank Republic offers its business clients MSE loans among other products. With the loan agreement signed with our new partner EFSE, Bank Republic will be able to reach more entrepreneurs who need financing to develop their business. We are pleased to contribute to the development of this important sector of the national economy.”

### **About the European Fund for Southeast Europe**

The European Fund for Southeast Europe (EFSE) aims to foster economic development and prosperity in Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, former Yugoslav Republic of Macedonia, Kosovo, Georgia, Moldova, Montenegro, Romania, Serbia, Ukraine and Turkey. As access to finance is a key success factor in developing the micro, small and medium enterprise segments, the EFSE focuses on assisting local financial sectors in strengthening their ability to ensure adequate and sustainable



financing. The funding the EFSE provides as long-term finance primarily for micro and small enterprises (MSEs) – but also for private households in the form of home improvement loans – is channelled to these loan customers through local partner lending institutions. Supporting the EFSE’s investment activities is the EFSE Development Facility, which provides partner lending institutions with technical assistance, consulting and training services to build operational capacities and professional management.

Initiated by KfW Development Bank (KfW) on 15 December 2005 from four multi-donor programs under its management, the EFSE is the first public-private partnership of its kind and the first privately managed fund in development finance to leverage private funding for MSE finance in the target region. Capital is provided by donor agencies, international financial institutions and private institutional investors, including the German Federal Ministry for Economic Cooperation and Development (BMZ), the European Commission (EC), the Government of Albania, Small and Medium Business Credit Support CJSC (SMBCS), a subsidiary of the Central Bank of Armenia, the Development Bank of Austria (Oesterreichische Entwicklungsbank - OeEB), the Swiss Agency for Development and Cooperation (SDC), the Danish International Development Agency (Danida), KfW as Lead Investor, the International Finance Corporation (IFC), the Netherlands Finance Company (FMO), the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), Sal. Oppenheim and Deutsche Bank.

Oppenheim Asset Management Services S.à r.l, Luxembourg, and Finance in Motion GmbH, Germany, are, respectively, the EFSE’s Fund Manager and Fund Advisor.

For more information about the European Fund for Southeast Europe, please visit: <http://www.efse.lu/>

### **About Bank Republic**

Bank Republic, a member of the Société Générale Group since 2006, is one of the most successful banking institutions in Georgia. Established in 1991, the bank enjoys a leading position in the retail and corporate market. Thanks to its universal business model, Bank Republic Société Générale Group remains a reliable long-term financial partner for its clients. The bank provides simple, transparent and innovative banking products and a superior quality of service via its 39 branches throughout Georgia.

Webpage: [www.br.ge](http://www.br.ge)

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## About Société Générale

Société Générale is one of the largest European financial services groups. Based on a diversified universal banking model, the Group combines financial solidity with a strategy of sustainable growth, and aims to be the reference for relationship banking, recognised in its markets, close to clients, chosen for the quality and commitment of its teams. More than 154,000 employees, based in 76 countries, accompany 32 million clients throughout the world on a daily basis. Société Générale's teams offer advice and services to individual, corporate and institutional customers.

Webpage: [www.societegenerale.com](http://www.societegenerale.com)

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