

## EFSE expands partnership with ProCredit Bank Serbia

### New EUR 15 million loan from EFSE earmarked for financing of small and medium-sized enterprises

**Frankfurt and Belgrade, 11 February 2014** - The European Fund for Southeast Europe (EFSE) and ProCredit Bank Serbia signed a new EUR 15 million loan agreement to finance small and medium-sized enterprises (SMEs) in Serbia. Thanks to this credit facility, ProCredit Bank will provide long-term financing that Serbian SMEs require for their investments.

As part of the ProCredit group, ProCredit Bank is strongly focused on business and agricultural lending. It is Serbia's market leader in this area.

"EFSE and ProCredit Bank enjoy a long-standing partnership", says Monika Beck, Chairperson of the Board of EFSE. "ProCredit Bank has proven to be an excellent fit for EFSE, especially when it comes to maximising outreach to the Fund's target groups such as SMEs."

"As a reliable partner to small and medium enterprises in Serbia, our bank is always trying to provide domestic SMEs with the best credit lines and with continual advisory support, aiming to contribute to the further development of their business, increase their competitive advantage and create new jobs. For this reason, we have successfully cooperated with EFSE for years. This latest loan agreement underscores the strength of our cooperation as well as the fact that we share the same goals in supporting the Serbian economy", said Svetlana Tolmačeva Dingarac, Chairperson of the Executive Board of ProCredit Bank.

#### **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 ProCredit Bank Serbia**

ProCredit Bank has invested more than three billion euros in Serbia. The Bank approved more than 375,000 loans, of which 80 per cent were loans to small and medium-sized enterprises, entrepreneurs and farmers. The deposit base of ProCredit Bank exceeds EUR 315 million. The Bank issued 200,000 credit cards. The total number of customers exceeds 250,000. At the same time, ProCredit attaches significant importance to responsible banking and the development of a savings culture among clients. ProCredit Bank is part of the ProCredit group, which comprises 22 financial institutions operating in three continents (Europe, Africa and Latin America). Majority shareholder of ProCredit Bank Serbia is ProCredit Holding, based in Frankfurt, Germany.

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***ProCredit Bank***

