

EFSE and MI-BOSPO to support micro and small enterprises in Bosnia

EFSE provides EUR 1.5 million loan to Bosnian microfinance institution

Frankfurt and Tuzla, 10 March 2015 - The European Fund for Southeast Europe (EFSE, the Fund) and MI-BOSPO signed a EUR 1.5 million senior loan contract to support micro enterprises in Bosnia and Herzegovina.

MI-BOSPO is Bosnia and Herzegovina's fourth largest microfinance institution with 24 branch offices mostly located in northeast Bosnia. MI-BOSPO, which concentrates on providing access to credit for low-income women entrepreneurs, has been a partner lending institution of the EFSE ever since the Fund was launched in 2005.

"Being one of EFSE's first partner lending institutions, MI-BOSPO remains an important partner of the EFSE playing a key role in providing financing to local micro enterprises in Bosnia and Herzegovina," says Monika Beck, Chairperson of the Board of EFSE. "We are delighted to be able to continue strengthening this successful partnership."

"The EFSE's support is proof of our commitment to responsible finance, and we are proud to make a difference in motivating more women to continue starting up and growing their businesses to generate income for themselves and their families," adds Nejira Nalić, CEO of MI-BOSPO.

About the European Fund for Southeast Europe

The European Fund for Southeast Europe (EFSE) was 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. It 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 MI-BOSPO

Microcredit Foundation MI-BOSPO, based in Tuzla, Bosnia and Herzegovina, provides access to credit as well as non-financial services to the general population, but especially to women entrepreneurs with a low income to strengthen their economic and social status. MI-BOSPO promotes responsible financing through the application of the principles of consumer protection while striving to be a significant factor in the development of women's entrepreneurship. MI-BOSPO serves clients fairly and responsibly, building trust and long-term partnerships.

For more information about MCF MI-BOSPO, please visit: <http://www.mi-bospo.org/>

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