



EFSE expands KRK partnership with EUR 1.5 mln loan

The additional funding will support agriculture and rural businesses in Kosovo

Luxembourg and Prishtinë, Kosovo, 23 August 2016 – The European Fund for Southeast Europe (EFSE) today announced a EUR 1.5 million investment in the form of a senior loan to microfinancier Kreditimi Rural i Kosovës (KRK) to foster Kosovar agriculture and micro- and small rural businesses with loans of up to EUR 25,000.

The investment follows previous loans to the rural lender, which has been an EFSE partner since 2007. The loan will help KRK continue to meet the funding demands of its rural clients as more and more farmers are turning to KRK given its agri-lending specialisation.

EFSE Board Chairman Christoph Tiskens said: “KRK is a long-standing EFSE partner, and we are honoured to support the continued growth of their financing business for rural clients, one of our fund’s key sectors.”

KRK Executive Director Lulzim Sadrija said: “KRK provides access to financial services for individuals with low incomes in rural and urban areas of Kosovo that will influence the development of agriculture, rural areas and the economic development of Kosovo in general, and the EFSE’s new investment will help us to continue our mission.”

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 (OesterreichischeEntwicklungsbank - 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 acts as the EFSE’s Fund Manager and Finance in Motion GmbH, Germany as Advisor.

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

About KRK

Kreditimi Rural i Kosoves (KRK) LLC is microfinance institution that provides financial services to low-income clients and has a major focus on micro and SME clients and businesses in rural and urban areas of Kosovo. KRK operates an extensive network comprising 20 branches in Kosovo that cover more than 70% of the local market, concentrated in the most important city of Kosovo and with an important presence in agricultural activities. In 2015/2016, KRK has significantly improved its branch infrastructure and introduced repayment and disbursement transactions at all its branches. KRK one of the three largest MFIs in Kosovo with an outstanding portfolio as of 31.07.2016 of EUR 18.9 mln and 9,664 active clients with very good quality and performance in general. The loan provided by EFSE will allow KRK to follow further growth and enlarge the loan activity for those clients not served by banks. KRK provides a range of loan products adapted to clients’ needs: Agricultural loans with a grace period, investment loans, SME loans, energy efficiency loans, construction/renovation loans, etc.

For more information about Kreditimi Rural i Kosoves, please visit: www.krk-ks.com.



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