

EFSE DF, FED Invest to Foster Rural Development in Albania

3-year partnership will enhance financial inclusion in Albania's rural areas

Frankfurt am Main, Germany and Tirana, Albania, 17 October 2016 -- The Development Facility of the European Fund for Southeast Europe (EFSE DF) together with the Netherlands Ministry of Foreign Affairs and Rabo International Advisory Services (RIAS) have confirmed their commitment to facilitate FED Invest's transformation to a leading financial institution for rural areas and enterprises. EFSE DF will cover part of the costs of a multi-year capacity building plan to reach the objective of fostering economic development and improving the standard of living in Albania's rural areas.

FED Invest – formerly known as Albanian Savings and Credit Union (ASCU) – is a financial service provider which was set up through the merger of 70 savings and credit associations (SCA) that have been serving local farmers since 1992.

The EFSE DF began supporting the ASCU in its transformation in 2014. Since then the institution has successfully grown both in terms of membership and geographical coverage; it now covers 1,080 villages and about one third of rural Albania.

EFSE DF Committee Chairman Markus Aschendorf said: "The consolidation of SCAs and the formation of FED Invest is a very important first step towards a broader outreach and better service for small and medium enterprises in rural areas. During this process, the EFSE DF's support, together with that of the Netherlands Ministry of Foreign Affairs and Rabobank, will be crucial."

Zana Konini, CEO of FED Invest, emphasised the importance of the project for agricultural development in Albania: "With the support of the EFSE DF, the Netherlands Ministry of Foreign Affairs and Rabobank, we are entering a new strategic development phase and we are fully aware of the need for extra energies and contributions, investments in technology and human resources, which then will be translated into better services for the development of our farms and villages, as a continuous obligation toward our members."

About the EFSE DF

The Development Facility of the European Fund for Southeast Europe (EFSE DF) was created in 2006 to support the fund's development finance mandate. It deploys effective, targeted and innovative technical assistance to maximise the impact and extent of the Fund's development finance mandate in target countries. The services of the facility encompass capacity building and training, financial sector support and applied research with the aim to strengthen the internal capacities and operations of the fund's partner lending institutions. The facility operates independently from the fund in a fiduciary arrangement under Luxembourg law. The Development Facility Committee, comprising members nominated by KfW Development Bank, the Swiss Agency for Development and Cooperation, the development bank of Austria OeEB, and the Dutch development bank FMO, is responsible for assessing and approving all project proposals and providing strategic guidance to the facility.

About the European Fund for Southeast Europe

The European Fund for Southeast Europe (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. It aims to foster economic development and prosperity in 16 countries in Southeast Europe and the European Eastern Neighbourhood. As access to finance is a key to successfully developing micro, small and medium enterprises (MSMEs), the fund seeks to improve the ability of local financial sectors to ensure adequate and sustainable financing. Although it offers funding for private households in the form of home improvement loans, the EFSE primarily provides long-term finance for MSMEs. Funds are channelled to these loan customers through local partner lending institutions. Initiated by KfW in 2005 from four multi-donor programs under its management, the EFSE was the first public-private partnership of its kind and the first privately managed fund in development finance to leverage private funding for MSME finance in the target region. 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/>

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