

EFSE, MI-BOSPO to Fund Micro Enterprises in Bosnia and Herzegovina

The EUR 2 million loan provides support for micro-businesses in rural areas

Luxembourg and Tuzla, 26 July 2017 - The European Fund for Southeast Europe (EFSE) has expanded its partnership with MI-BOSPO by providing the non-profit financial institution with a EUR 2 million senior loan to support the development of micro enterprises in Bosnia and Herzegovina, with half of the funds earmarked for rural regions.

MI-BOSPO has been an EFSE partner for more than 10 years and has used the resulting financing for nearly 16,000 sub-loans to rural businesses and micro and small enterprises (MSEs). The most recent EFSE investment is expected to fund more than 3,000 loans to MSEs, many of which have had difficulty securing financing through more traditional channels.

EFSE Board Chairman Christoph Tiskens said: “Our latest investment in MI-BOSPO will further advance the EFSE goal of expanding access to responsible finance and signifies the success of our ongoing partnership.”

Mi-BOSPO Director Nejira Nalić said: “The EFSE continues to provide important support to MI-BOSPO, and this latest investment will encourage entrepreneurs – especially those in agriculture – to develop their businesses.”

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 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 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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