

EFSE and BT Mic join forces to provide local currency financing for Romanian MSEs

Luxembourg and Bucharest, 9 January 2020 – The European Fund for Southeast Europe (EFSE) has provided BT Microfinanțare (BT Mic), part of Banca Transilvania Financial Group, with a second loan in Romanian leu equivalent to EUR 7 million to expand access to local currency finance for micro and small enterprises (MSEs) in the country.

BT Mic focuses on financing MSEs: a largely underserved segment in Romania but a key contributor to employment and economic growth. The company has grown dynamically since its foundation in 2016 to become the largest microfinance institution in the country – financing more than 10,000 entrepreneurs. BT Mic has been an EFSE partner lending institution since December 2018, benefiting so far from both dedicated financing and tailored technical assistance aimed at increasing the company's institutional capacities in serving MSEs and its visibility among local entrepreneurs.

EFSE Board Chairman Christoph Tiskens said: “We are proud to be supporting BT Mic. EFSE recognises the crucial role MSEs play in developing the economy of Romania; the new loan facility will allow BT Mic to provide financing to more than 800 growing businesses in their own local currency, thus protecting them from exchange rate risk.”

BT Mic CEO Cristina Sindile said: “EFSE decided to join us in this journey more than one year ago, and now we are glad to expand our collaboration. We share the same vision and goals with regard to the MSE sector and we aim to contribute more to its development through a sustainable lending approach.”

About the European Fund for Southeast Europe

Established in 2005, the European Fund for Southeast Europe (EFSE) aims to foster economic development and prosperity in Southeast Europe and the Eastern Neighbourhood Region by investing in the success of micro and small enterprises as well as improved living conditions for private households. As access to financial services is key to developing this segment, EFSE focuses on helping local financial sectors strengthen their ability to provide responsible financing for this target group. Alongside its investment activities through local partners, EFSE multiplies its impact through the EFSE Development Facility, which provides technical assistance, training, and other nonfinancial support to entrepreneurs and institutions.

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. As the first public-private partnership of its kind, EFSE draws its capital from donor agencies, international financial institutions, and private institutional investors.

Finance in Motion GmbH, Germany, serves as EFSE's advisor and Hauck & Aufhäuser Fund Services S.A., Luxembourg, acts as manager.

For more information on the European Fund for Southeast Europe, please visit: www.efse.lu

For more information on Finance in Motion, please visit: www.finance-in-motion.com

About BT Microfinantare

BT Mic, part of Banca Transilvania Financial Group (BT), is dedicated to the financing of small businesses, complementing the role of BT in supporting Romanian entrepreneurs. It targets entrepreneurs with an annual turnover up to RON 1 million, regardless of the field of activity and the form of organization – commercial companies, authorized individuals, enterprises/family associations, sole proprietorships, self-employed persons, or persons who practice economic activities. To date, more than 10,000 micro-companies are supported by BT Mic.

For more information about BT Mic, please visit: www.btmic.ro

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