

# New partnership to advance micro and small enterprise finance in Romania

## EFSE and BT Mic team up to provide local currency financing for sustainable business growth

**Luxembourg and Bucharest, 17 January 2019** – The European Fund for Southeast Europe (EFSE) has provided BT Microfinanțare (BT Mic) – part of Banca Transilvania Financial Group – with a loan in Romanian leu equivalent to EUR 7 million to expand access to finance for micro and small enterprises (MSEs) in the country.

Though relatively new in the market, BT Mic has rapidly developed into one of the largest microfinance institutions in the country, leveraging on its experienced staff and membership in the Banca Transilvania Financial Group. BT Mic is exclusively focused on financing MSEs, a still largely underserved segment in Romania, but a key contributor to employment and economic growth in the country. To date, BT Mic supports the business development of over 7,000 entrepreneurs; with the EFSE loan, the institution is expected to further increase its outreach.

EFSE Board Chairman Christoph Tiskens said: “The ability for micro and small businesses to access financing appropriate to their needs is crucial for the development of this important sector. Ensuring that entrepreneurs can take out loans in their own local currency protects these vulnerable small businesses from exchange rate risks that can seriously threaten their sustainability and success. We are proud to be joining BT Mic in driving financial inclusion in Romania.”

“The EFSE and BT Mic partnership is an important pillar in expanding access to financing for start-ups or small businesses, allowing us to support more business ideas and more young entrepreneurs,” stated Cristina Șindile, CEO, BT Microfinanțare.

The loan is not EFSE’s first collaboration with BT Mic. In the spirit of fostering a robust ecosystem for entrepreneurial success, the fund is also active in the country through its Development Facility – an arm of EFSE that offers training, mentorship, capacity building, and other support to strengthen the local financial sector. Prior to the loan, the EFSE Development Facility had provided BT Mic with tailored technical assistance to enhance its institutional capacities in serving MSEs. The Development Facility also funded a series of inspiring video profiles of BT Mic clients to illustrate the institution’s impact on local entrepreneurs and increase visibility among its target group. The video series can be found on [Banca Transilvania’s YouTube channel](#).

## **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, EFSE focuses on assisting local financial sectors in strengthening their ability to ensure adequate and sustainable financing. The funding EFSE provides as long-term finance is channelled to loan customers – primarily micro and small enterprises (MSEs), but also private households for home improvement – through local partner lending institutions. Supporting 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, 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), and Deutsche Bank.

Hauck & Aufhäuser Fund Services S.A., Luxembourg, acts as EFSE’s Fund Manager and Finance in Motion GmbH, Germany, as Advisor.

For more information about the European Fund for Southeast Europe, please visit [www.efse.lu](http://www.efse.lu)  
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## **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 7,000 micro-companies are supported by BT Mic.

For more information about BT Mic, please visit [www.btmic.ro](http://www.btmic.ro)

**Media contact EFSE**

Nikki Eggers  
Senior Officer, Marketing & Communications  
Email: [press@efse.lu](mailto:press@efse.lu)  
Phone: +49 (0)69 271 035-470

**Media contact BT Microfinanțare – Banca Transilvania Financial Group**

Laura Petrehuș  
Deputy Manager, Communication & PR  
Email: [comunicare@btrl.ro](mailto:comunicare@btrl.ro)  
Phone: +40724 567 364