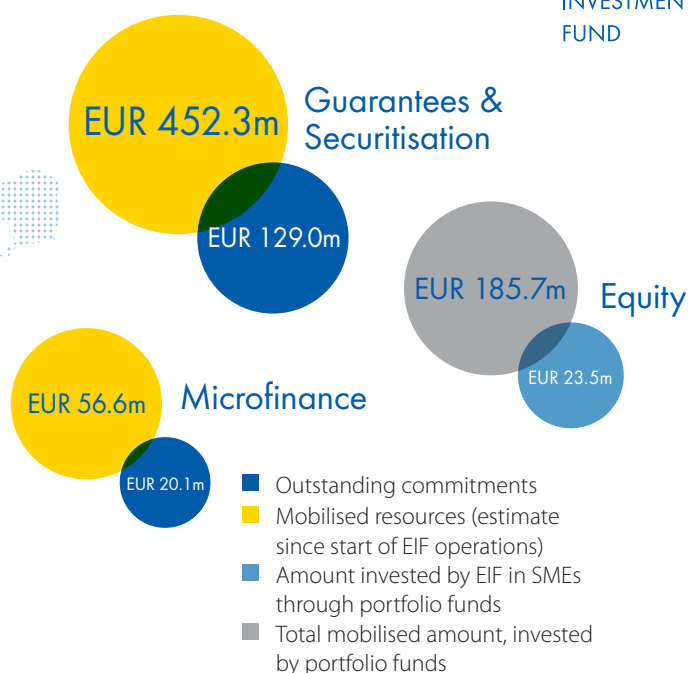


EIF in Romania



Key figures (at 31.12.2013)

- First EIF operation in Romania: 2001
- 8 supported private equity funds investing in Romanian SMEs
- 10 partner finance and guarantee providers
- 6,100 Romanian SMEs supported

Support to SMEs in regionally specific ways through EU structural funds

In Romania, under the JEREMIE (Joint European Resources for Micro to Medium Enterprises) initiative, EIF manages a EUR 150.0m Holding Fund, which has been set-up with resources made available by the Government of Romania from the Sectoral Operational Programme "Increase of Economic Competitiveness", co-financed through the European Regional Development Fund (ERDF).

JEREMIE, launched in cooperation with the European Commission, offers EU Member States, through their national or regional Managing Authorities, the opportunity to use part of the EU allocated Structural Funds to enhance access to finance to SMEs by means of equity, loans or guarantees, through a revolving Holding Fund. Under this initiative, EIF cooperates with Banca Comerciala Romana (Erste Group), Banca Transilvania, BRD (Groupe Société Générale), ProCredit Bank, Raiffeisen Bank and UniCredit Tiriac Bank, which have made available EUR 185.0m of new loans to over 2,000 SMEs.

Equity

EIF investments in Romania cover a wide range of the equity spectrum, from early-stage operations to mezzanine funding. We support SMEs in their early and growth stages through an investment into Emerging Europe Accession Fund. In particular, under JEREMIE, EIF has committed up to EUR 17.5m into 3TS Catalyst Romania Fund - managed by a local team of 3TS Capital Partners - having as final closing EUR 25.0m to invest in local SMEs primarily active in ICT and services sectors.

Besides the JEREMIE-sponsored fund, EIF has invested into 17 regional funds focusing on Central and Eastern Europe, which are also benefitting Romanian companies, especially in the manufacturing and services industries.

Guarantees & Securitisation

EIF has actively supported Romanian SMEs primarily through risk sharing, senior loans and guarantees operations under JEREMIE.

Thanks to an agreement signed with EIF under the Competitiveness and Innovation Programme (CIP), ProCredit Bank is able to provide up to EUR 50.0m of new loans at favourable conditions to local SMEs.

Microfinance

Under the Progress Microfinance initiative, EIF cooperates with Banca Transilvania, Patria Credit and Societatea de Finanțare Rurală (FAER) to provide support to micro-entrepreneurs and the self-employed. Additionally, under the JASMINE initiative, EIF provided technical support to 7 different Romanian microfinance institutions.

EIF at a glance

EIF's mission is to support Europe's micro, small and medium sized businesses (SMEs) by helping them to access finance. EIF primarily designs equity and debt financial instruments which specifically target this market segment through a wide range of selected financial intermediaries across Europe. In this role, EIF fosters EU objectives in support of innovation, research and development, entrepreneurship, growth, and employment. EIF is a public-private partnership whose tripartite shareholding structure includes the European Investment Bank (EIB, 62.1%), the European Union represented by the European Commission (30%) and 25 financial institutions from 14 European Union Member States and Turkey (7.9%).

The EIF manages resources on behalf of the European Commission, the EIB and further national institutions. Since 2000, EIF is part of the EIB Group. EIF has an authorised capital of EUR 3.0bn, divided into 3,000 shares of EUR 1.0m each.

Case study

Claudy and his wife are just two of the many entrepreneurs who have benefited from the EU support through the Progress Microfinance initiative. Progress allowed Patria Credit, their local finance provider, to give them the much needed resources to start a small farm and carry out their ambitions.



Company:
Farm in Poiana Mare, Romania

Type of business:
Farm

**EU-guaranteed loan
from Patria Credit:**
EUR 5,000

After losing their jobs in a mining company, Claudy and his wife decided to return to their home village Poiana Mare to start a small farm.

In November 2011, they took a EUR 5,000 loan from the Romanian microfinance provider Patria Credit to build a greenhouse. One month later they signed a contract to supply around 35 tonnes of vegetables this year to the biggest 'cash & carry' retailer in Romania.

They have already started employing three temporary employees for two days a week. Their 11 greenhouses currently house 5,000 cucumbers, 3,000 green peppers, 7,000 tomatoes, 5,000 cabbages, 4,000 onions and other vegetables which, in addition to cash & carry sales, are also sold at markets in two nearby cities. After a bumper year in 2011, Claudy bought a high-capacity water pump and is hoping for another fruitful year in 2012.

European Investment Fund

15, avenue J.F. Kennedy - L-2968 Luxembourg
☎ (+352) 2485-1 📠 (+352) 2485-81200
🌐 www.eif.org ✉ info@eif.org