



Hrvatska banka za obnovu i razvitak



## HBOR and EIF signed the CIP Guarantee Agreement

### *From autumn onwards easier access to loans for micro-entrepreneurs*

Zagreb, 7<sup>th</sup> August 2014 – European Investment Fund (EIF) and Hrvatska banka za obnovu i razvitak (HBOR) signed the Guarantee Agreement under the Competitiveness and Innovation Framework Programme (CIP) with the goal to encourage commercial banks to extend loans to micro-entrepreneurs, especially start-ups. The Agreement has been signed by Mr Vladimir Kristijan, the President of the Managing Board of HBOR, Martina Jus, the Member of the Managing Board of HBOR and Pier Luigi Gilibert, Chief Executive of EIF.

Following the CIP Guarantee Agreement, small companies will have easier access to loan funds due to significantly lower collateral requirements. At the beginning of autumn, HBOR will launch a new micro-loan programme that will be implemented under the CIP guarantee, owing to which bills of exchange and debentures or pledge on the financed equipment will be sufficient collateral. Loans will be approved with a tenor of up to 5 years, up to 1-year grace period included. Maximum amount of loan will be EUR 25 thousand in kuna equivalent value. The loan programme will be implemented through commercial banks having signed a co-operation agreement with HBOR.

By signing this Agreement, HBOR continues its active role in creating the preconditions for a facilitated access to funding sources for small entrepreneurs with an objective of promoting self-employment and entrepreneurship development.

### **About CIP**

The Competitiveness and Innovation Framework Programme (CIP), which spans from 2007 to 2013, has been put in place to boost European productivity, innovation capacity and sustainable growth, whilst simultaneously addressing complementary environmental concerns.

Within the framework of the CIP, the European Investment Fund (EIF) has been allocated EUR 1.1bn to be split between venture capital – with the High Growth and Innovative SME Facility (GIF) - and guarantees – with the SME Guarantee Facility (SMEG).



EIF's investment is funded by the European Union, through the Competitiveness and Innovation Framework Programme (CIP). CIP is a EUR 1.1bn facility managed by EIF, which is split between Venture Capital and Guarantees. It covers the period 2007- 2013. CIP's objectives are to generate economic growth and create more jobs as well as boost productivity, competitiveness and innovation in the EU, optimising the use of European Union funds to support SME's access to finance

