



PRESS RELEASE

Luxembourg/Zagreb, 21 February 2017

Investment Plan for Europe: HRK 350 million for Croatian SMEs

The European Investment Fund (EIF) and Privredna banka Zagreb (PBZ) have signed a COSME agreement in Croatia that will allow PBZ to provide HRK 350 million (ca. EUR 45.7 million) of loans to small and medium-sized Croatian businesses. This agreement was made possible by the support of the European Fund for Strategic Investments (EFSI). EFSI is the central pillar of the European Commission's [Investment Plan for Europe](#).

Today's agreement will allow PBZ to launch three new loan products for SMEs – two loan products for micro and small businesses i.e. investment loan and working capital loan, and instrument loan for medium sized enterprises.

The loans will be made available with substantially reduced collateral requirements as a result of an EIF guarantee under the COSME programme with financial backing from EFSI. Around 600 Croatian SMEs are expected to benefit from the loans which will be approved in the course of the next three years. The loans will enable SME businesses to expand, innovate and create new jobs.

European Commissioner for International Cooperation and Development, Neven Mimica said: *"SMEs are a driving force for jobs and growth in Croatia. Today's EFSI-backed agreement, the third to support Croatian SMEs, demonstrates that the Investment Plan is working to give small businesses the tools they need to innovate, expand and create jobs. I look forward to hearing the success stories that will surely follow today's announcements."*

EIF Deputy Chief Executive, Roger Havenith, said: *"Support for businesses and the creation of jobs and growth, lies at the heart of EIF's strategy. EIF is committed to supporting Croatian SMEs and is pleased to be signing, in less than a year, another EFSI SME agreement in the country, with our long standing partner PBZ. As one of the largest banks in Croatia, I am convinced that PBZ is well-placed to reach out and enhance access to finance for companies across the country."*

Božo Prka, PBZ's CEO, said *"Privredna banka Zagreb has been active for many years in establishing and supporting programs aimed at the further development of SMEs, thereby, showing that the bank plays a significant role in its commitment to strong growth of the country's SME segment. This is also underlined in its participation, firstly in the CIP programme and now in the COSME programme. COSME programme provided us with the opportunity to structure three new products for SME businesses aiming to support their growth and development."*

About EIF

The European Investment Fund (EIF) is part of the European Investment Bank group. Its central mission is to support Europe's micro, small and medium-sized businesses (SMEs) by helping them to access finance. EIF designs and develops venture and growth capital, guarantees and microfinance instruments which specifically target this market segment. In this role, EIF fosters EU objectives in support of innovation, research and development, entrepreneurship, growth, and employment. More information on EIF's work under the EFSI is available [here](#).

About PBZ

Privredna banka Zagreb d.d. ([PBZ](#)), a member of the Intesa Sanpaolo Group, is the second largest Bank in Croatia, with more than 1.6 million customers and the most extensive network of 195 branches. On top of its core banking services the PBZ Group offers a diverse range of specialised services including credit card services, leasing, real estate business and fund management.

About COSME

COSME is the EU programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (SMEs) running from 2014 to 2020 with a total budget of EUR 2.3 billion. At least 60% of the programme will be devoted to easing access to finance for SMEs in Europe, with two financial instruments. The COSME Loan Guarantee Facility supports guarantees and counter-guarantees to financial institutions to help them provide more loans and lease finance to SMEs. This facility also includes securitisation of SME debt finance portfolios. The COSME programme also invests through the COSME Equity Facility for Growth in equity funds that provide risk capital to SMEs mainly in the expansion and growth stages. The COSME programme builds on the success of the Competitiveness and Innovation Framework Programme (CIP) (2007-2013) which helped to mobilise more than EUR 21 billion of loans and EUR 3 billion of venture capital to almost 400,000 SMEs in Europe.

Businesses can contact selected financial institutions in their country to access EU financing: <http://www.access2finance.eu/>

About the Investment Plan for Europe

The Investment Plan for Europe is one of President Jean-Claude Juncker's top priorities. It focuses on boosting European investments to create jobs and growth by making smarter use of new and existing financial resources, removing obstacles to investment and providing visibility and technical assistance to investment projects.

The European Fund for Strategic Investments (EFSI) is the central pillar of the Investment Plan. It provides a first loss guarantee, allowing the EIB to invest in more, often riskier, projects. The EFSI is already showing concrete results. The [projects and agreements](#) approved for financing under the EFSI so far are expected to mobilise over EUR 168 billion in total investments and support over 387,000 SMEs across all 28 Member States.

In September 2016, President Juncker proposed to extend the EFSI by increasing its firepower and duration as well as reinforcing its strengths. You can find the latest EFSI figures by sector and by country [here](#).

Press contacts:

EIF: David Yormesor

Tel.: +352 42 66 88 346, E-mail: d.yormesor@eif.org

PBZ: Dražen Dumančić

Tel.: + 385 1 63 60259, E-mail: drazen.dumancic@pbz.hr

European Commission (Brussels): Enda McNamara

Tel.: + 32 22964976, E-mail: enda.mcnamara@ec.europa.eu

European Commission (Zagreb): Rima Joujou Deljkic

Tel.: + 385 1 4681 301, E-mail: Rima.JOUJOU@ec.europa.eu