

Bulgaria: EIB and Raiffeisen Leasing join forces to support corporate investment

- EUR 30m intermediated loan will improve access of some 150 small and medium-sized companies to leasing services
- EIB funds will support smaller projects in agriculture, manufacturing, transportation and storage

The European Investment Bank (EIB) has signed an intermediated loan agreement of EUR 30 million with Raiffeisen Leasing Bulgaria to finance projects of small and medium-sized enterprises and mid-cap companies. The loan will allow Raiffeisen Leasing Bulgaria to better address the needs of SMEs and mid-caps, which are the backbone of the Bulgarian economy.

The partners expect that the loan will benefit more than 150 companies operating in Bulgaria in agriculture, manufacturing, transportation and storage.

For the EIB, this operation takes forward its long-standing successful cooperation with the Bulgarian subsidiaries of Raiffeisen Bank International going back to 2002. This financial institution has proved to be a strong and reliable partner in intermediated lending, with a well-developed network of branches across Bulgaria and a profound knowledge of the country's SMEs market.

EIB Vice-President Vazil Hudák said: *"Support to SMEs is crucial for further development of the Bulgarian economy. Improved access to long-term financing strengthens the competitiveness of recipient companies that employ 1.5 million Bulgarian citizens and create two thirds of the value added of the Bulgarian economy".*

Dobromir Dobrev, Deputy CEO of Raiffeisenbank (Bulgaria), responsible for corporate banking, capital markets and the leasing company, said: *"Thanks to our good cooperation with the EIB, we will further expand our support to Bulgarian businesses. So far, the Raiffeisenbank (Bulgaria) Group and the EIB have signed global loan transactions for EUR 160 million for the bank and the leasing company. Under this last agreement with the EIB, through Raiffeisen Leasing Bulgaria, we will provide new lease financing in BGN and EUR for a wide range of customers for purchases of equipment, trucks and trailers, light commercial vehicles and passenger car fleets, etc."*

"Raiffeisen Leasing has traditionally supported small and medium-sized Bulgarian companies in their investment activities for over 14 years. This new credit facility from the EIB will enable our clients to enjoy leasing conditions similar to their competitors in Central Europe, and we believe this will not only support their investment plans but will also increase their competitiveness." Dobrev added.