

EU4Business: EIB and JSC MFO Crystal support microenterprises in Georgia through a new financing operation



- EIB loan is expected to improve access to finance for around 10,000 micro-entrepreneurs
- Women, young and disadvantaged people living in rural areas will benefit most
- Second EIB Group microfinance operation in Georgia

The European Investment Bank (EIB) is providing a US dollar loan worth the equivalent of up to EUR 4.1m to JSC MFO Crystal, a leading microfinance company in Georgia. This operation will fund micro enterprises with fewer than 10 employees. They will receive loans of up to EUR 25,000 that are geared towards women, young people and entrepreneurs living in rural areas. The operation is expected to provide around 10,000 entrepreneurs with better access to long-term financing.

The operation will support the priorities of the EU and the Georgian Government, which are aiming to develop the private sector and increase financial inclusion in Georgia. It will contribute to ensuring sustained, inclusive and long-term economic growth, full and productive employment and decent jobs. This is the second EIB microfinance investment in Georgia following the investment in Credo Bank in November 2017. Both operations fall under the framework of the EU4Business initiative, and they are partially financed by the Neighbourhood Investment Facility of the European Union.

EIB Vice-President Vazil Hudák commented: *"This microfinance operation will support microbusinesses, representing the most vulnerable segment of the Georgian economy. This type of funding is in high demand not only in Georgia but also in the wider region; it helps entrepreneurs to develop their activities, which ultimately boost the economy and general wellbeing in the country."*

EU Ambassador to Georgia Carl Hartzell stated: *"So far over 30,000 Georgian businesses have benefitted from EU-financed advice, funding or technical assistance, as part of our support to small medium enterprise development. Today's partnership with JSC MFO Crystal aims at assisting an additional 10,000 local entrepreneurs to start and develop their businesses and create additional income and jobs in the country. We wish them every success and remain committed to supporting the private sector in Georgia."*

Crystal CEO Ilia Revia commented: *"We are delighted to start promising and long-term cooperation with the European Investment Bank. Crystal has signed an important agreement, which aims to reach and support local entrepreneurs and consists of the financing of micro and small enterprises operating in Georgia. In collaboration with the EIB, Crystal will effectively move forward in our mission of becoming a platform for the development of Georgia's micro-entrepreneurs and farmers."*