

Investment Plan for Europe: €640 million for Greek businesses as EIF and National Bank of Greece sign new EU guarantee agreements

The European Investment Fund (EIF) and the National Bank of Greece (NBG) have signed three guarantee agreements worth €640 million to improve access to finance for small and medium-sized enterprises (SMEs) in Greece. These agreements benefit from the support of the European Fund for Strategic Investments (EFSI), the heart of the [Investment Plan for Europe](#), the Juncker Plan.

Under the new **InnovFin agreement**, NBG will provide loans at favourable terms to innovative SMEs and small mid-caps for two years. EIF's guarantee is provided under the initiative "EU InnovFin finance for Innovators" with the financial backing under Horizon 2020, the EU research and innovation programme. The EU's support for innovative Greek companies under this transaction is expected to generate a portfolio of EUR 100 million of loans.

The **COSME transaction** is an extension agreement, which will allow NBG to provide EUR 500 million of loans to around 1,900 small businesses in Greece over three years. EIF will provide NBG with a guarantee under the [COSME programme](#) backed by the European Commission, allowing the bank to substantially reduce its collateral requirements, whilst making it easier for companies to obtain loans.

In addition, EIF signed an **EaSI microfinance guarantee** transaction with NBG, supporting EUR 40 million of loans to 3,400 micro-borrowers – very small companies – who have difficulties in accessing credit across the country. The EaSI Guarantee scheme, launched in June 2015 is funded by the European Commission and managed by the European Investment Fund.

European Commissioner, Dimitris Avramopoulos, responsible for Migration, Home Affairs and Citizenship, said: *"With today's new financing agreements, the Juncker Plan continues to support Greek companies tangibly and help them grow. From very small businesses and start-ups to mid-sized enterprises, more than 5,000 companies will benefit from loans amounting to EUR 640 million. This makes Greece the top beneficiary of the European Fund for Strategic Investments relative to GDP, and I hope to see many more projects that bring new jobs and sustainable growth in the months to come. The EU continues to support Greece's economy, businesses and, in particular, young and innovative entrepreneurs"*.

Speaking at the signing event in Athens, **EIF Chief Executive, Pier Luigi Gilibert**, commented: *"I am delighted that the EIF can support finance for Greek companies from the smallest micro-enterprises to larger innovative businesses. Working with partners like the National Bank of Greece allows us*

to roll-out a broad range of financing solutions in support of this country's aspiring entrepreneurs. Today's EFSI signatures with NBG confirm EIF's long-term commitment to Greek businesses".

NBG Chief Executive Officer, Leonidas Fragkiadakis, said: "At NBG we are committed to supporting Greece's economic recovery by providing financing to Greek Corporates, and particularly to SMEs which are the backbone and main growth driver of our economy. Our partnership with the EIF under the three programs we are signing today is an exemplary initiative which leverages European and local know-how to significantly expand the reach and accessibility of financing to SMEs".

Background information:

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 the National Bank of Greece

National Bank of Greece was established in 1841 and was the first bank to be set up in the Modern Greek State, going on to play a key role in the economy of Greece throughout its 176-year history. The Bank rightly considers itself to be the preferred bank of families in Greece, as it controls 25% of the retail banking market. Its leading position in savings deposits reflects the trust of its customers who in essence comprise NBG's driving force. Today NBG heads one of the largest financial groups in Greece, playing a key role in the efforts to support the Greek economy and the economic and social transformation of the country. The NBG Group provides a wide range of financial products and services that meet the changing needs of businesses and individuals, including deposit and investment products, various financing facilities, and brokerage, insurance, leasing and factoring services. The vision of the NBG Group is to enhance its leading position in Greece and further strengthen its support role in the Greek economy, working with dedication, consistency and transparency for customers, shareholders and employees alike, while backed by full awareness of its responsibility to society. For any further information: <https://www.nbg.gr/en>

About the Investment Plan for Europe

The [Investment Plan for Europe](#) – the Juncker Plan – focuses on boosting 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 Juncker Plan.

It provides a first loss guarantee, allowing the EIB group to invest in more, often riskier, projects. The [projects and agreements](#) approved for financing under the EFSI so far are expected to mobilise more than EUR 274 billion in investments and support around 600,000 SMEs across all 28 Member States. The latest figures on EFSI by sector and country can be found [here](#).

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, particularly those operating across borders. The COSME programme builds on the experience of the Competitiveness and Innovation Framework Programme (CIP) (2007-2013) which helped to mobilise almost EUR 21 billion of loans and more than EUR 3 billion of venture capital to over 384,000 SMEs in Europe.

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

About InnovFin

The [InnovFin SME Guarantee Facility](#) provides guarantees and counter-guarantees on debt financing of between EUR 25,000 and EUR 7.5 million in order to improve access to loan finance for innovative small and medium-sized enterprises and small mid-caps (up to 499 employees). The facility is managed by EIF, and is rolled out through financial intermediaries – banks and other financial institutions – in EU Member States and Associated Countries. Under this facility, financial intermediaries are guaranteed by EIF against a proportion of their losses incurred on the debt financing covered under the facility.

About the Programme for Employment and Social Innovation (EaSI)

The European Commission's Programme for Employment and Social Innovation (EaSI) aims at supporting EU's objective of high level employment, adequate social protection, fighting against social exclusion and poverty and improving working conditions. The EaSI guarantee scheme was launched in June 2015 by the European Commission and managed by EIF.

It provides support to financial intermediaries that offer microloans to entrepreneurs or finance to social enterprises. The objective is to increase access to microfinance for vulnerable groups who want to set up or develop their business and micro-enterprises, notably through loans of up to EUR 25,000. In addition, for the first time, the European Commission is helping social enterprises through investments of up to EUR 500,000. The microfinance

and social entrepreneurship support is currently being implemented through the EaSI guarantee scheme, which enables financial intermediaries to reach out to micro-entrepreneurs and social enterprises that would not have been able to gain finance otherwise due to risk considerations.