

MICROFINANCE

EMPOWERING THE SMALLEST BUSINESSES



European
Investment
Bank

The EU bank





Small companies and entrepreneurs are the engines of economic development. Around the world, more than 1.7 billion adults don't have a bank account and can't get a loan. This lack of finance makes it hard to start a business, and it hurts the whole economy.

At the European Investment Bank, strengthening small businesses, including micro-enterprises, is one of our priorities. We work with the European Commission and all EU countries to make our loans and other financing more inclusive, especially for people who feel left out of the economy.

We help the most vulnerable by providing loans and other support to microfinance institutions and investment funds. In turn, these institutions grant loans and give advice to small businesses and entrepreneurs, with a focus on activities that provide an income to women, young people and those living in rural and poorer communities.

SUSTAINING THOUSANDS OF JOBS

Since 1992, the EIB has signed €1.3 billion in microfinance investments with 85 institutions and investment funds in Europe, Africa, the Caribbean and EU neighbouring countries.

A talented Syrian dressmaker in Jordan bought more fabric and expanded her business because of our help. In Zambia, a trader was able to buy bags of fish, freeze them and sell them later at a profit because he received a small loan. A group of micro-entrepreneurs bought equipment to set up a day care centre in Palestine. These entrepreneurs and many others were given an opportunity to expand their businesses, which would not have been possible without the European Investment Bank's support.

EIB microfinance investments help the most underserved parts of society by focusing on people excluded from the economy and banking. In particular, we help to:

- sustain jobs;
- empower women and girls;
- build resilient economies;
- support rural communities.

For instance, an €8.5 million EIB loan to the Tunisian microfinance institution Enda Tamweel is expected to support 26 000 loans to micro- and small enterprises. 64% of these enterprises are run by women.

RESPONSIBLE INVESTMENTS AND SOUND ADVICE

Our assistance promotes sustainable and responsible investing by micro-enterprises and gives people opportunities to create and expand their businesses.

The EIB's assistance includes loans to microfinance institutions, small banks and other financial service providers, equity investments for private equity funds, and guarantees. We also support new technologies that improve lives and help businesses run efficiently. We invest in mobile banking and money transfer services that can be used by people in remote locations.

We also offer customised technical assistance for local financial institutions. We support these institutions so they can become more efficient and we advise them on how to help their clients better manage their companies and ultimately sustain jobs.

The EIB helped Ethiopia's M-Birr mobile money service to expand. The service, used by millions of people, enables swift money transfers between people, businesses and banks.



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