

EBRD: Financing possibilities

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European Bank
for Reconstruction and Development



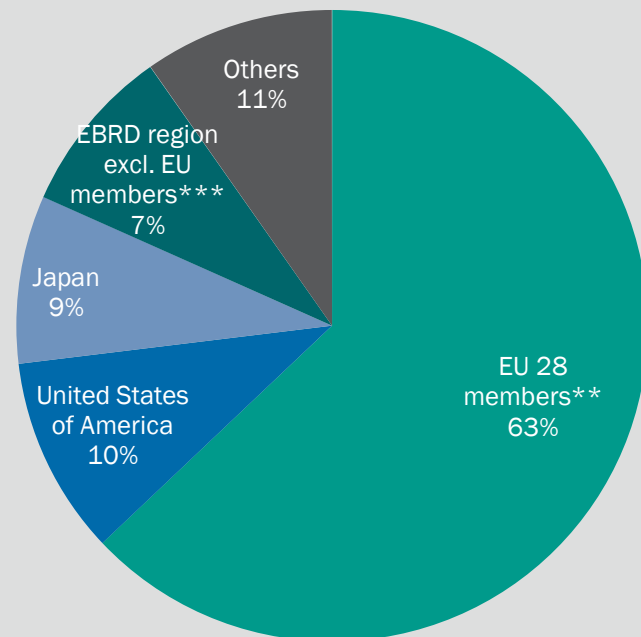
Introduction to
EBRD

EBRD financing

ENEF

- International financial institution, promotes transition to market economies in **38** countries from Central Europe to Central Asia.
- The single largest investor in its existing region.
- Owned by **66** countries and **2** inter-governmental institutions.
- Capital base of **€ 30** billion.
- **1,300+** staff in 61 regional offices.

Shareholding Structure



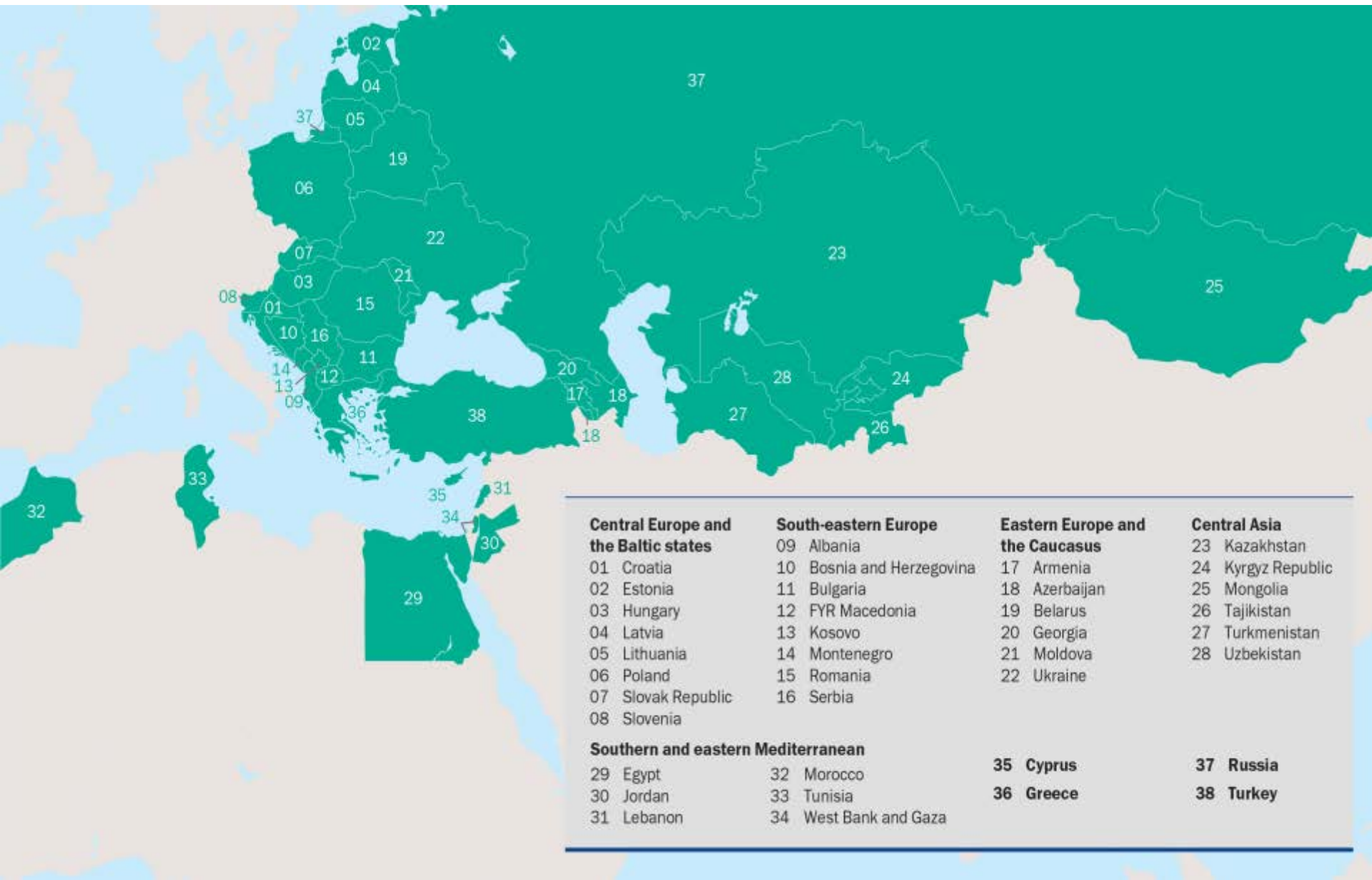
As at 31 December 2015

** Includes European Community and European Investment Bank (EIB) each at 3%. Among other EU countries: France, Germany, Italy, and the UK each hold 8.6%
*** Russia at 4%

Where we invest



European Bank
for Reconstruction and Development



Central Europe and the Baltic states

- 01 Croatia
- 02 Estonia
- 03 Hungary
- 04 Latvia
- 05 Lithuania
- 06 Poland
- 07 Slovak Republic
- 08 Slovenia

South-eastern Europe

- 09 Albania
- 10 Bosnia and Herzegovina
- 11 Bulgaria
- 12 FYR Macedonia
- 13 Kosovo
- 14 Montenegro
- 15 Romania
- 16 Serbia

Eastern Europe and the Caucasus

- 17 Armenia
- 18 Azerbaijan
- 19 Belarus
- 20 Georgia
- 21 Moldova
- 22 Ukraine

Central Asia

- 23 Kazakhstan
- 24 Kyrgyz Republic
- 25 Mongolia
- 26 Tajikistan
- 27 Turkmenistan
- 28 Uzbekistan

Southern and eastern Mediterranean

- 29 Egypt
- 30 Jordan
- 31 Lebanon
- 32 Morocco
- 33 Tunisia
- 34 West Bank and Gaza

35 Cyprus

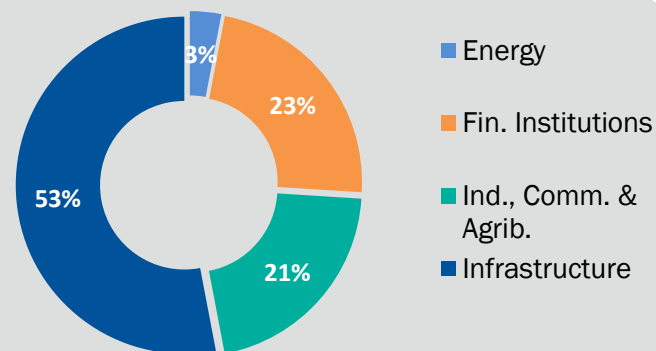
36 Greece

37 Russia

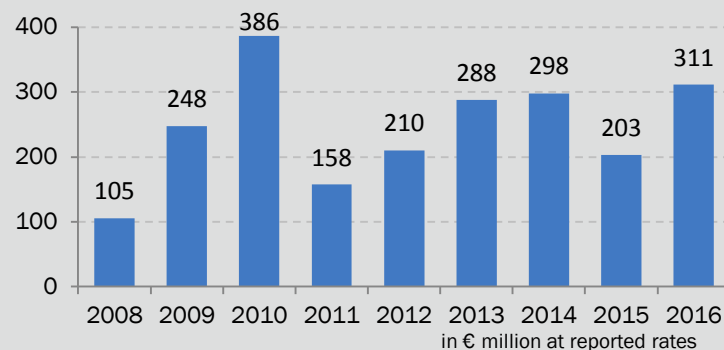
38 Turkey

- The EBRD is one of the largest investors in **Croatia** with realized investments of over **€ 3.6 billion** in **198 projects** since 1994.
- The Bank has proved its commitment to development of market oriented economy as **€ 2.49 billion (69%)** of its realized investments is comprised of **private corporate investments**.
- Further, equity investments amount to more than **€ 571 million (16%)** of its realized investments.
- In **2016** the EBRD realized **€ 311 million** investments in **12 projects** with **€ 107 million** of additional financing mobilized **through commercial banks**.

Portfolio Composition



Annual Bank Investment



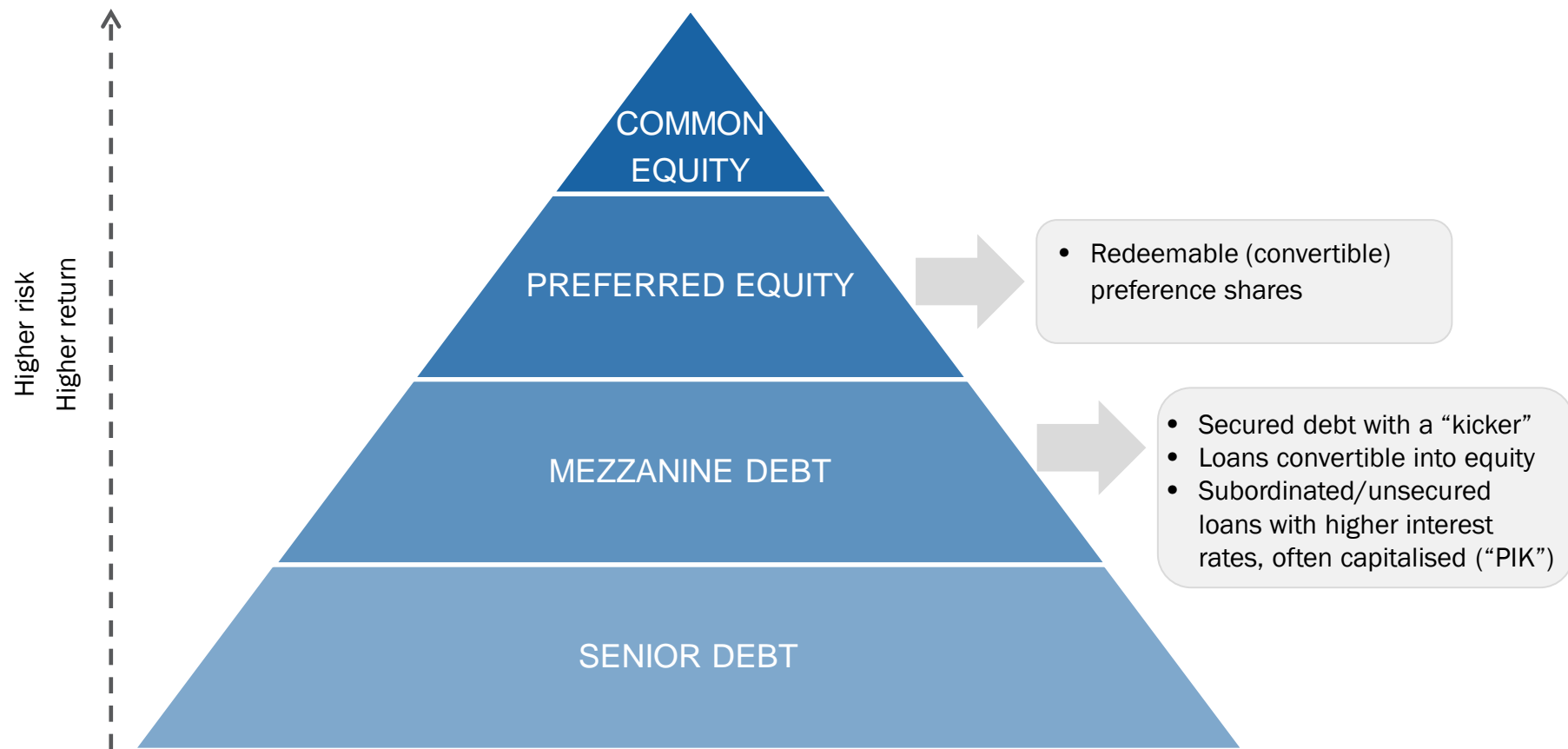
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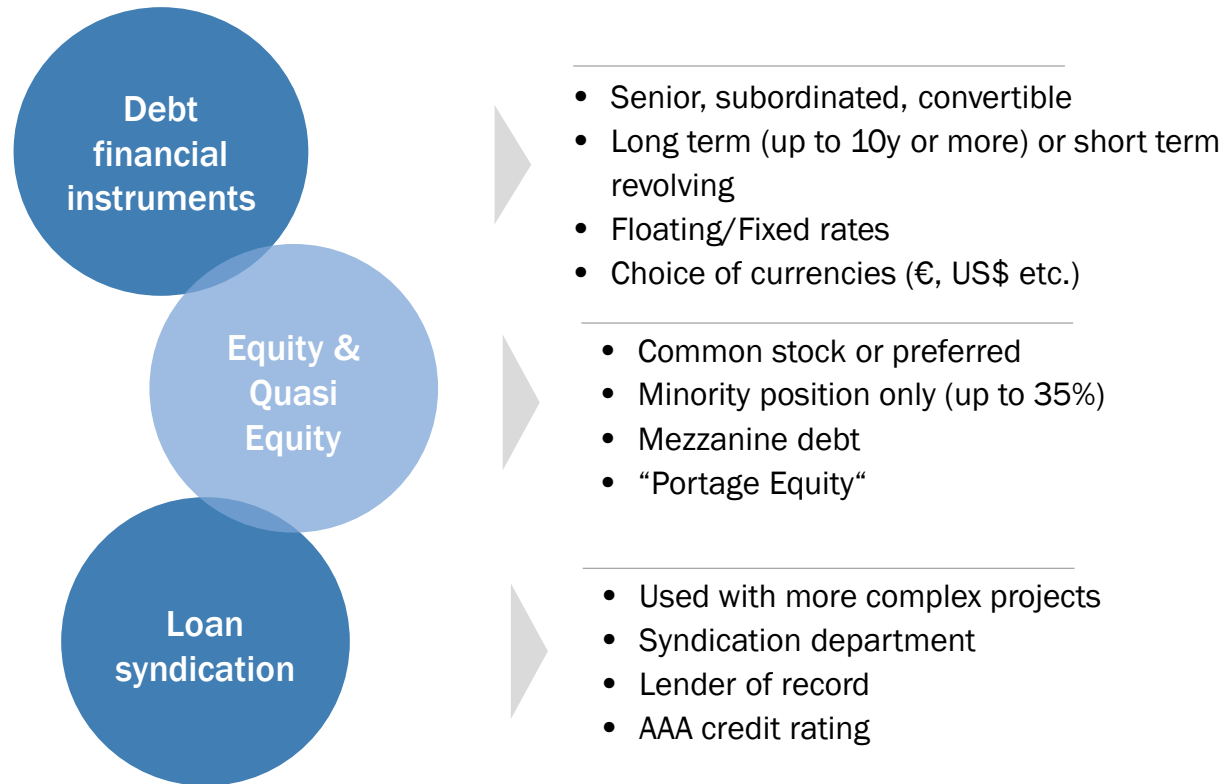
ENEF



EBRD direct financing: Capital Structure Pyramid

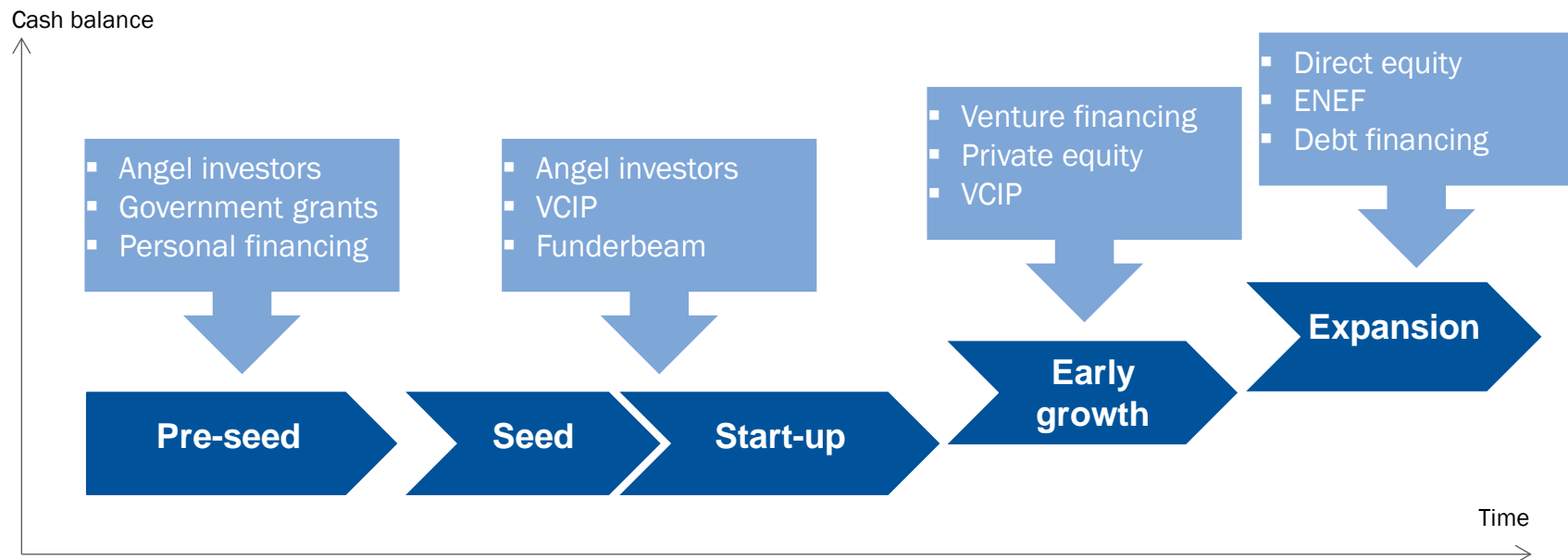


Main EBRD instruments



- **MSME credit lines** - loans to micro, small & medium enterprises – financing of all business needs (capex i working capital).
- **Women in Business credit lines**
- **REENOVA+ credit lines** - Financing of working capital, procurement financing for products, materials and equipment that meets the set technical requirements for energy efficiency. The program is intended for suppliers, manufacturers, installers, or sellers of energy-efficient products. Users of this funding program can also request free technical assistance from consultants, including all the explanations on energy-efficient equipment, possible savings, optimal combination of energy efficiency measures, required project documentation, and all implementation steps.
- **MSME leasing** – financing the procurement of equipment and vehicles for business purposes through leasing. Designed for micro, small and medium-sized businesses.

EBRD Support Throughout Financing Life-Cycle of SMEs



High Risk <----->

EBRD secured support to **Funderbeam SEE**, a crowdfunding platform for start-up companies that is based on **blockchain** technology.



Financial support to ZSE to assess the feasibility of establishing an exchange operated regional **SME growth market** in Croatia and Slovenia.



Low risk



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ENEF Overview: EUR 97m fund dedicated to Western Balkans

- Established in 2014 and financed jointly by the **EBRD, EU, EIF, DEG, OeEB and the Italian Government** - EBRD acts as Investment Advisor.
- Total of €48.5 million capital provided by EBRD (€21 million), EIF, DEG, OeEB (€5 million each), EU (€9.5 million) and the Italian Government (€3 million), and matched one-for-one by a co-financing facility provided by the EBRD for a total of €97.0 million
- Technical Cooperation funds provided by the EU for project preparation, pre- and post-investment technical assistance
- A team of dedicated bankers at the EBRD located in London and the EBRD's resident offices in Belgrade, Podgorica, Pristina, Sarajevo, Skopje, Tirana and Zagreb

Eligible Instruments

- Quasi-equity instruments: subordinated unsecured loans, mezzanine loans, convertible loans and loans having a performance-related remuneration
- Equity instruments: straight equity, warrants and rights for acquiring shares, preferred shares

Eligible Sectors

- Eligible sectors in line with EBRD policy
- Prohibition of financing of gambling, weapons etc.

Investment size

- Individual investment range from €1 million up to €14 million (including the co-financing provided by the EBRD)

Target Investees

- All private companies operating in eligible sectors irrespective of the size (including, medium and large enterprises and SMEs)
- At least EUR €15 million to be invested in SMEs based on EU definition (up to €50 million sales or €43 million assets)

Investment Horizon

- Period between 3 and 10 years (usually 5 to 7 years)

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