

 Early Warning System

IFC-48480

EFSE gender



Quick Facts

Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	U
Voting Date	2023-12-04
Borrower	The European Fund For Southeast Europe S.A., SA (Finance in Motion GmbH)
Sectors	Agriculture and Forestry, Finance, Industry and Trade
Investment Type(s)	Fund
Investment Amount (USD)	\$ 53.08 million



Project Description

As stated by the IFC, the proposed project is an investment of up to EUR50 million or its USD equivalent in A-shares of The European Fund for Southeast Europe S.A., SICAV-SIF. IFC's proceeds will support financing of the Fund's micro, small and medium enterprises with at least 40 percent of the proceeds to finance women-owned MSMEs.

EFSE is a structured debt fund channeling long-term capital for on-lending to MSMEs through bank and non-bank financial institutions (FIs). In addition, EFSE's Development Facility provides technical assistance to FIs and entrepreneurs to complement the Fund's impact. The Fund's assets under management stand at EUR1.2 billion as of June 30, 2023, diversified among 71 FIs in Southeast and Eastern Europe and Türkiye.

Domiciled in Luxembourg, the Fund invests in 16 countries in Southeast and Eastern Europe, Türkiye, and European Neighborhood.



Investment Description

- International Finance Corporation (IFC)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- [European Fund for Southeast Europe \(EFSE\)](#) (Financial Intermediary) **is owned by** [Finance in Motion GmbH](#) (Parent Company)



Private Actors Description

As stated by the IFC, the Fund has a variable capital structure, comprised of six types of securities: (i) junior C shares, (ii) junior L shares (iii) mezzanine B shares, (vi) senior A shares, (v) junior notes, and (vi) senior notes. KfW Entwicklungsbank is the promoter for the Fund.

KfW Entwicklungsbank is the Fund's initiator. IFC has been an investor in the Fund since its inception in 2005.

EFSE is advised by Finance in Motion GmbH. Finance in Motion is responsible for managing the Fund's investment activities.



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ACCESS TO INFORMATION

You can submit a request for information disclosure at: <https://disclosures.ifc.org/#/inquiries>

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org>