

EBRD and EU boost SMEs in North Macedonia via Sparkasse Leasing

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SMEs in North Macedonia will be able to lease electric vehicles and other equipment

- **EBRD extends €1 million loan to Sparkasse Leasing in North Macedonia under SME Competitiveness Support Programme in the Western Balkans**
- **EU supports programme aimed at making companies compliant with EU criteria**
- **EBRD's first leasing project in North Macedonia**

Small and medium-sized enterprises (SMEs) in North Macedonia (<https://www.ebrd.com/north-macedonia.html>) are set to benefit from new financing provided by the European Bank for Reconstruction and Development (EBRD) to invest in commercial vehicles and equipment with higher

standards and meeting EU Directives in areas such as environmental protection, occupational health and safety and product quality and safety.

In its first investment in the country's leasing sector, the EBRD is extending a €1 million loan to Sparkasse Leasing, a company owned by its longstanding client, Sparkasse Bank Macedonia. Established in 1992, the bank is now part of Erste Group and has a market share in North Macedonia of more than 4 per cent.

The majority of the financing will be related to green projects that cut greenhouse gas emissions. SMEs will be able to extend and improve their operations by leasing EURO 6-compliant trucks, buses, electric and hybrid vehicles and construction machines in line with EU requirements.

The transaction is part of the SME Competitiveness Support Programme in the Western Balkans, which is supported by the European Union (<https://www.ebrd.com/who-we-are/structure-and-management/shareholders/european-union.html>) (EU) and focuses on improving operating and product standards of small companies to compete locally and in the EU market.

Participating SMEs are eligible for a grant incentive equivalent to 15 per cent of the sub-lease amount.

The EBRD is strongly committed to supporting SMEs, which are crucial economic players in the country and have been hit hard by the coronavirus (<https://www.ebrd.com/what-we-do/coronavirus-solidarity>) pandemic. This is the Bank's second transaction since the outbreak of the disease and aims to increase the private sector's access to finance in North Macedonia.

"We are very proud to conclude today our first project in the leasing sector in the country and the first under the Competitiveness Support Programme overall. The transaction will improve SMEs' access to finance and help them invest in additional resources. It will also increase their awareness about the benefits of meeting EU standards", Andi Aranitasi, EBRD Head of North Macedonia, said.

"The EU has mobilised an emergency package of €66 million in grants to help North Macedonia face the health and socioeconomic-related consequences of the Covid-19 crisis. This comes in addition to the EU's regular support aimed at bringing the country closer to the EU, benefiting both citizens and businesses. Under this competitiveness programme, the EU provides a 15 per cent grant element for credits and lease arrangements for SMEs. For credits, this has already proven to be very successful in reducing the cost of financing for companies. We expect this to be equally attractive in the case of lease arrangements", said Nicola Bertolini, Head of Cooperation at the EU Delegation in North Macedonia.

The EBRD is a major institutional investor in North Macedonia. To date, it has invested €2 billion in 132 projects in the country.

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