

# Dutch Good Growth Fund



Ministry of Foreign Affairs of the Netherlands

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## LLC Microinvest (“Microinvest”)

Microinvest is a Limited Liability company established in 2003 as the spin-off of the Moldova Microfinance Alliance, an NGO that was founded in 1997. The institution operates through 12 branches of which 9 are located in the rural areas of the country. Microinvest serves over 18,000 clients and has a total loan portfolio of EUR 27 million, of which 75% is allocated to businesses in the agriculture sector. The institution is focused on further growing its SME portfolio. Through its presence in the rural areas of Moldova, Microinvest is well-positioned to serve the needs of underserved SMEs in the country.

### Sector(s)

Agriculture

### Amount Invested

DGGF will provide a loan to Microinvest in local currency, equivalent to EUR 7 million. .

## Name of Financial Institution (FI)

LLC Microinvest (“Microinvest”) is a limited liability company specialised in lending to microenterprises and SMEs in Moldova.

## Impact

SMEs in Moldova face a temporary funding gap; in the wake of the country’s recent financial crisis Moldovan banks have significantly slowed down lending to SMEs. Microinvest is one of the few players with a sizable SME portfolio, which it is looking to expand, particularly with loans to entrepreneurs in the agricultural sector. The long tenor of the DGGF loan enables Microinvest to provide asset financing, including loans for the purchase of agribusiness equipment. By providing a local currency loan, DGGF allows the institution to viably grow its SME portfolio without transferring the FX risk to the end-client. The loan is expected to finance approximately 350 SMEs and Microinvest will pay special attention to reaching out to women-owned SMEs.

**Website:** <http://microinvest.md/en/>