

Dutch Good Growth Fund



Ministry of Foreign Affairs of the Netherlands

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Total Leasing and Finance (TLF)

TLF was established in 2006 as a leasing company in Moldova. In 2010, TLF diversified its financial services by adding a loan product for SMEs. Currently, TLF's product range consists of business loans (55% of the portfolio) and leasing of vehicles and equipment (45% of the portfolio). TLF is focusing primarily on rural areas with 73% of the portfolio allocated outside of the capital city. The majority of TLF's loan sizes vary between EUR 10 thousand and EUR 100 thousand while 25% of the portfolio is allocated to loans above EUR 100 thousand. The SME portfolio is well diversified across different sectors, e.g. production, agriculture, trade and services. TLF finances SMEs with loans denominated in both EUR and local currency. TLF provides loans in local currency to those SMEs, which are highly vulnerable to macroeconomic shocks, such as businesses involved in agricultural activities

Sector(s)

Business loans and leasing of vehicles and equipment

Amount Invested

USD 5 million / EUR 4.5 million. Disbursed and repaid in the local currency, Moldovan leu.

Manager of the Financial Institution

TLF is a leasing and financing company headquartered in Chisinau, Moldova, which provides leasing services and loans to SMEs across all regions of Moldova.

Impact

Due to the recent economic recession and local currency devaluation, local currency funding for SMEs has dried up in Moldova. With this transaction DGGF provides much needed local currency funding to specifically finance SMEs that are particularly vulnerable to the local currency devaluation and that are active in sectors that are strategic for the Moldovan economy. The transaction will finance the acquisition of productive assets for approximately 100 SMEs mostly active in the agricultural sector thereby supporting the growth of these SMEs and generating employment.

Website: <http://www.tlf.md>