

Investment Committee of the InvestEU Fund

Meeting no 35 of 5-6 December 2024

Room Schuman, Foyer Européen

European Commission, Luxembourg

10 rue Heinrich Heine, L-1720 Luxembourg (Gare)

EIB SISW – QREDITS LOAN FOR MICRO & SMEs (NL)

INVEU-ICR-0088-2024 – Social Investments and Skills Window (SISW)

Short description of the financing or investment operation and its objectives

Name of the final recipient	STICHTING QREDITS MICROFINANCIERING NEDERLAND
Type of final recipients	SMEs
Country of implementation	The Netherlands
Implementing partner	European Investment Bank (EIB)

The proposed operation finances small scale projects by micro and small SMEs by microfinance platform Qredits. It aligns with the InvestEU objective of promoting social investments, specifically, microfinance, ethical finance, social enterprise finance, and the social economy. The Project will target the smallest enterprises, including the self-employed and start-ups. This segment is often overlooked by large lenders who focus on financing larger, well established corporate borrowers.

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 5 December 2024 for the above-mentioned operation.

Micro-SMEs and the self-employed thus face significant barriers to accessing credit due to their smaller size and thinner asset base, which is in turn hindering their investment capacity. The current economic uncertainty, exacerbated by the cost-of-living crisis and the Ukraine war, has intensified these challenges which include the increased cost of financing.

By expanding Qredits' lending capacity at favourable terms, this operation is addressing this market gap, enabling investments and thus supporting micro-businesses' employment, sustainability, competitiveness, and potential future growth.

The EIB's involvement is crucial, delivering funding diversification for the financial intermediary and a transfer of financial benefits to final beneficiaries. The ability of Qredits to continue providing microfinance support greatly depends on its access to diverse credit sources, which in turn allow to grow the existing loan portfolio and mitigate the refinancing risk, in the absence of access to capital markets. The InvestEU support not only enables the Project as a whole but also has a signalling effect to other lenders.

The project would not have been carried out to the same extent by the E/8 without the InvestEU support.