



MGFSME / Bulgaria

The Municipal Guarantee Fund for SMEs is a unique financial instrument launched and developed by the Sofia Municipality in support of the entrepreneurship and innovation ecosystem in Sofia. It aims at raising the competitiveness and success rate of SMEs in Sofia and applying the “Think Small First” principle at the heart of the municipal economic policy. The Fund has the mission of providing loan guarantees for SMEs who have an economically sound project but cannot secure sufficient bankable collateral.

Through its general guarantee scheme, MGFSME partly covers the credit risk associated to loans extended to SMEs by 13 banks - partners of the Fund at a value up to kBGN 100 and/or up to 50% of the principal of the loans.

In 2018, the Fund launched FISP - Financing Innovative Start-ups Programme, which is aimed at facilitating the access of start-up and innovative enterprises to financial resources in connection with the realisation and development of their business projects.

As of end-2021, MGFSME had an outstanding guarantee volume of mEUR 2.8 and supported a total of 460 small and medium-sized enterprises.

AECM accession year	2018
Legal form	Fund
Ownership	Public
Geographical and sectoral coverage	Local All sectors
Products	Loan guarantees, Leasing guarantees, Export guarantees, Coaching, Information and Consultation Services
Counter-guarantee	No counter-guarantee
Website and Social Media	Website

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