



**AGRÁR-VÁLLALKOZÁSI
HITELGARANCIA ALAPÍTVÁNY**
A vidékért kezesskedünk

AVHGA / Hungary

AVHGA - the Rural Credit Guarantee Foundation was established in 1991 in the framework of the EU pre-accession fund PHARE Programme, by the Ministry of Agriculture and by 5 commercial banks. It cooperates with the whole Hungarian banking system. Thanks to AVHGA's guarantee, small businesses reach improved creditability and more favourable risk rating by mitigating banks' exposure.

AVHGA provides on-demand credit-default guarantees to micro, small and medium-sized enterprises which are engaged in the agricultural sector or whose activity is related to rural areas. These guarantees promote financing of enterprises that lack sufficient collaterals which cause high risks to banks.

AVHGA acts in form of a foundation, as a financial enterprise equivalent to banks, which status is unique in the Hungarian financing sector. The Foundation's status ensures that credit institutions apply more favourable risk rating owing to the guarantee in the financing process, improving the creditability of the SMEs and mitigating banks' risk exposure.

The Hungarian State grants 85% counter-guarantee for guarantees issued by the Foundation. Since 2016, the EIF provides AVHGA with 50% counter-guarantee under the COSME programme.

Based on Q3 2022 results, AVHGA had an outstanding guarantee volume of bEUR 1.4. It supported a total of 23,790 small and medium-sized companies.

AECM accession year	1997
Legal form	Foundation
Ownership	Private - Public mixed
Geographical and sectoral coverage	National Agriculture
Products	Loan guarantees, Guarantees on factoring, Guarantees on leasing
Counter-guarantee	EU and national counter-guarantee
Website and Social Media	Website LinkedIn

Budapest/Brussels, 16th November 2022