



## **FNGCIMM / Romania**

The National Credit Guarantee Fund for Small and Medium Enterprises (FNGCIMM SA-IFN) is a non-banking financial institution established to facilitate the access of SMEs to financing, by granting guarantees for financing instruments contracted from commercial banks or from other sources. FNGCIMM SA-IFN (hereinafter referred also as the Fund) acts as a policy maker vector, implements government programmes aimed at economic recovery, development of the business environment, as well as the creation and support of jobs, operating as a joint-stock company, with the Romanian state as the sole shareholder, through Ministry of Finance, under the prudential supervision of the National Bank of Romania.

The FNGCIMM SA-IFN guarantee is a maximum of 80% of the loan value, without exceeding the amount of mEUR 2.5 per beneficiary and is issued at the request of partner financing institutions, for approved financing, based on the analysis of the documents presented by the financier. FNGCIMM SA -IFN collaborates with the most important financial institutions in the Romanian banking market, based on working agreements.

The decision to create this institution was based on a study by consultant to the relevant ministry, which highlighted the need to establish a credit guarantee fund for small and medium-sized enterprises, with a shareholding of state and which, by the nature of its structure, will not encumber the country's public debt. The first guarantee granted by the Fund was issued in August 2002, just 8 months after its establishment. The establishment of the National Credit Guarantee Fund for Small and Medium Enterprises was motivated by the importance of the SME sector in the overall national economy and its potential to participate in the creation of the gross domestic product, the development of exports, as well as the creation of new jobs.

The Fund collaborates on market conditions with financial institutions on the basis of working agreements, which stipulate the obligations of the signatory parties, the amount and method of payment of the guarantee commission, the calculation and method of payment of the guarantee granted. The Fund's guarantee is issued at the request of the financial institutions for approved financing, based on the Fund's own analysis of the documents presented by the bank, which attests to the beneficiary's eligibility and his ability to pay his payment obligations. Pari passu principle is applied accordingly.

As of end 2021, FNGCIMM had an outstanding guarantee volume of almost bEUR 4.5 (guarantees in the name and on the account of the state) and supported around 34,500 SMEs.

The National Credit Guarantee Fund for Small and Medium Enterprises, the largest non-banking financial institution operating in Romania, has expanded its territorial network to 7 branches and 10 representative offices, thus completing the decentralization process, by delegating to the regional centres the activities of evaluation, granting of guarantees and monitoring of related contracts.

AECM accession year	2004
Legal form	Non-banking financial institution, incorporated as company
Ownership	Fully public
Geographical and sectoral coverage	National All sectors
Products	Loan guarantees, Housing guarantees, Leasing guarantees, Advisory services (guarantees, in general)
Counter-guarantee	n/a
Website and social media	<a href="#">Website</a> <a href="#">Facebook</a> <a href="#">Twitter</a>