



MGFSME / Bulgaria

The **outstanding guarantee volume** reaches **mEUR 3** as of mid-December 2020

460 SMEs under the auspices of **MGFSME** (H1 2020)

The **Average guarantee size** remains at **kEUR 35.7** as of mid-December 2020

In order to limit the negative economic consequences of the covid pandemic, the **Sofia Municipal Guarantee Fund for small and medium enterprises (MGFSME)** has launched in May 2020 a new guarantee instrument in support of SMEs in Sofia.

The fund issues guarantees to banks on loans to self-employed persons, micro, small and medium-sized enterprises (SMEs), whose activities are affected by the pandemic.

The guarantee capacity of this instrument is mBGN 1 (= kEUR 511). The fund will provide up to 50% of the principal on each loan approved under this guarantee scheme, with a maximum guarantee volume of KBGN 15 per beneficiary.

The guarantee is valid for up to 24 months from the date of their issuance and no fees or commissions are charged.

In addition, the Municipality of Sofia set up an additional guarantee portfolio in the amount of kBGN 300 managed by a commercial bank licensed by the Bulgarian National Bank (BNB). A loan to one SME can be guaranteed both by the Sofia Municipal Guarantee Fund and by the financial intermediary in the amount of up to 80% of the principal.

More information on measures by the **MGFSME** can be found under the following link: <https://ogf-sofia.com/en/>

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