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## Investment Plan for Europe: EIF and Societe Generale sign agreement to bring EUR 250 million to over 14,000 small businesses

The European Investment Fund (EIF) and Societe Generale have signed a COSME\* agreement in France, benefiting from the support of the European Fund for Strategic Investments (EFSI), a key pillar of the [Investment Plan for Europe](#)\*\* which aims to revive investment in strategic projects around Europe.

The COSME agreement will allow Franfinance, a subsidiary of Societe Generale specializing in consumer finance & equipment services, to provide EUR 250m of leases to over 14,000 small businesses in France. Under the COSME programme, the EIF will provide Franfinance with a guarantee with financial backing from the European Commission which will thus allow Franfinance to substantially increase its leasing volumes over the next 3 years by providing support to Small and Medium-sized Enterprises (SMEs) that have limited access to finance.

This is the second COSME agreement signed by Societe Generale and the EIF this year. In January, an agreement signed with Komerční banka, a subsidiary of Societe Generale Group in the Czech Republic allowed [over 1,000 SMEs in the country](#) to benefit from financing at favourable conditions.

Commenting on the signature, **EIF Chief Executive, Pier Luigi Gilibert**, said: "14,000 SMEs will be able to benefit from leases as a result of this EFSI COSME guarantee agreement with Societe Generale. In addition to agreements signed last year in France under COSME, this transaction helps us to bring support to more than 80,000 French SMEs. I am confident that this agreement will help entrepreneurs gain access to necessary tools and services in order to grow their businesses."

**Gérard Touati, Chief Executive at Franfinance**, said: "Supporting entrepreneurs in their investment projects and accompanying our partners in their commercial activity to foster their economic development is our core mission. Thanks to the COSME programme and the enlarged access to finance it provides to entrepreneurs, Societe Generale reaffirms its commitment to SMEs, key drivers of the Europe's growth and, more broadly, to the financing of the economy."

Commenting on the agreement, the **EIB Vice-President Ambroise Fayolle** added: "I am delighted with the signature of this new agreement with Societe Generale which is a key partner in the EIB Group's activities in France. It is by combining our skills and resources

that we will be able to meet as best we can the financing and development needs of businesses, in particular SMEs. This is how we support their competitiveness and growth and the dynamism that is vital to our economies. The European Fund for Strategic Investments, a basic component of the Investment Plan for Europe or the 'Juncker Plan', is gathering momentum as is shown by this new contract for French businesses. The EIB Group has already approved more than 200 projects covered by the EFSI guarantee which are expected to mobilise a total investment of EUR 76 billion in 23 EU countries – almost a quarter of the overall target of EUR 315 billion".

The **European Commission Vice-President Jyrki Katainen**, responsible for Jobs, Growth, Investment and Competitiveness, said: "France continues to benefit enormously from the Investment Plan for Europe, and today's EFSI agreement with Franfinance is another great example. I applaud the French banks and intermediaries which have shown initiative and collaborated with the EIF and I encourage banks in other Member States to be as proactive."

This transaction reflects the EIB Group's commitment to respond swiftly to calls from Member States, the European Commission and the European Parliament for the rapid launch of concrete initiatives under EFSI, accelerating lending and guarantee transactions capable of boosting jobs and growth in the EU.



Contract signed in Paris by Gérard Touati, Chief Executive at Franfinance and Pier Luigi Gilibert, EIF Chief Executive. Ceremony hosted in Paris by Frédéric Oudéa - Societe Generale Chief Executive Officer along with Ambroise Fayolle - EIB Vice President and Isabelle Jegouzo - Head of European Commission Representation office in Paris.

## **\* About COSME**

COSME is the EU programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (SMEs) running from 2014 to 2020 with a total budget of EUR 2.3 billion. At least 60% of the programme will be devoted to ease access to finance for SMEs in Europe, with two financial instruments. The COSME Loan Guarantee Facility supports guarantees and counter-guarantees to financial institutions to help them provide more loans and lease finance to SMEs. This facility also includes securitisation of SME debt finance portfolios. The COSME programme also invests through the COSME Equity Facility for Growth in equity funds that provide risk capital to SMEs mainly in the expansion and growth stages. The COSME programme builds on the success of the Competitiveness and Innovation Framework Programme (CIP) (2007-2013) which helped to mobilise more than EUR 20 billion of loans and EUR 3 billion of venture capital to over 377,000 SMEs in Europe.

Businesses can contact selected financial institutions in their country to access EU financing: <http://www.access2finance.eu/>

## **\*\* About the Investment Plan for Europe**

The Investment Plan focuses on removing obstacles to investment, providing visibility and technical assistance to investment projects and making smarter use of new and existing financial resources. The Investment Plan is already showing results. The European Investment Bank (EIB) estimates that by February 2016, the European Fund for Strategic Investments (EFSI) triggered more than €76 billion of investment in Europe.

Find out the latest EFSI figures including a break-down by sector and by country [here](#). For more information see the [FAQs](#).

## **About the EIF**

The European Investment Fund (EIF) is part of the European Investment Bank group. Its central mission is to support Europe's micro, small and medium-sized businesses by helping them to access finance. EIF designs and develops both venture and growth capital, guarantees and microfinance instruments which specifically target this market segment.

## **About Societe Generale and Franfinance**

Societe Generale is one of the largest European financial services groups. Based on a diversified universal banking model, the Group combines financial solidity with a strategy of sustainable growth, and aims to be the reference for relationship banking, recognised on its markets, close to clients, chosen for the quality and commitment of its teams.

Societe Generale has been playing a vital role in the economy for 150 years. With more than 145,000 employees, based in 66 countries, we accompany 31 million clients throughout the world on a daily basis. Societe Generale's teams offer advice and services to individual, corporate and institutional customers in three core businesses:

- **Retail banking in France** with the Societe Generale branch network, Credit du Nord and Boursorama, offering a comprehensive range of omnichannel financial services on the leading edge of digital innovation;
- **International retail banking, insurance and financial services to corporates** with a presence in developing economies and leading specialised businesses;
- **Corporate and investment banking, private banking, asset management and securities services**, with recognised expertise, top international rankings and integrated solutions.

Societe Generale is included in the main socially responsible investment indices: DJSI (World and Europe), FTSE4Good (Global and Europe), Euronext Vigeo (Europe, Eurozone and France), ESI Excellence (Europe) from Ethibel and 4 of the STOXX ESG Leaders indices.

**For more information, you can follow us on twitter  @societegenerale or visit our website [www.societegenerale.com](http://www.societegenerale.com).**

Franfinance is a wholly owned subsidiary of Societe Generale Group. With more than 1000 employees, Franfinance is specialised in the financing of equipment services for corporates.

It also offers consumer credit solutions to individual customers. Franfinance aims to be a reference in these two business areas, recognised in its markets, close to its partners and clients, chosen for the professionalism of its teams.

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