

Jordan: #Team Europe: EIB and MFW support micro-entrepreneurs with €2.7 million



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The **European Investment Bank (EIB)** has provided €2.7 million (**\$3.3 million**) to [Microfund for Women](#) to boost the financing of micro-enterprises in [Jordan](#) during and after the [COVID-19](#) pandemic. The new financing is expected to support around 9 100 new beneficiaries, more than 90% of whom will be women.

This new financing is a top-up of the €4.1 million (\$5 million) financing agreement signed in November 2018 to provide microloans to micro-entrepreneurs running income-generating activities in both urban and rural areas, including self-employed individuals, sole proprietors and micro-entrepreneur groups.

The EIB financing comes under [Team Europe](#)'s response to the COVID-19 pandemic. It is carried out under the Southern Neighbourhood Microfinance Facility (SNMF) – a €71.3 million lending facility that supports investments in microfinance markets in Southern Neighbourhood countries. The facility blends EIB resources with European Commission resources under the Neighbourhood Investment Facility.

EIB Vice-President Dario Scannapieco commented on the new financing: "We are pleased to strengthen our partnership with Microfund for Women. The additional €2.7 million in financing will increase the outreach of MFW to support more Jordanian micro-entrepreneurs, mainly women, during these difficult times. Micro-entrepreneurs are the most vulnerable to the new challenges arising from the spread of the COVID-19 pandemic. As the Bank of the European Union, we are keen to support entrepreneurship in Jordan to

sustain and create jobs.”

EU Ambassador to Jordan H.E. Maria Hadjitheodosiou welcomed this new operation with Microfund for Women as a part of the Team Europe initiative, indicating that “this project reflects the European Union’s commitment to supporting partner countries, such as Jordan, addressing the impact of the COVID-19 pandemic and at the same time fostering women’s empowerment in Jordan, by helping them achieve sustainable livelihoods for themselves and their families, alongside other women empowerment projects supported by the European Union.”

Muna Sukhtian, MFW Managing Director, also commented “we value our long term partnership with the EIB and we look at it as a success story. We are fully aware of the challenging times that our beneficiaries are going through due to the effects of the COVID-19 pandemic so we are carefully studying their situations. We are pleased that we will be utilising this EIB financing to offer new solutions to beneficiaries such as refinancing and rescheduling, in addition to empowering them in rebuilding their businesses by helping them secure various new marketing channels. The funds will also be used to attract potential young entrepreneurs and women interested in setting up new projects.”

“Previously, the first loan we received from the EIB was used to offer more than 1 250 microloans, 91.5% of which went to women and 26.6% to young entrepreneurs, covering the following sectors: trade, production and services,” added Muna Sukhtian.

The EIB has been collaborating with the Microfund for Women since 2014. It is the leading microfinance institution (MFI) in Jordan dedicated to empowering micro-entrepreneurship. Currently, the Fund has more than 124 000 active borrowers with a strong focus on women.

Background information

The European Investment Bank (EIB) is one of the leading development finance players in the Mediterranean region. The Bank’s goal is to support economic and social development by improving people’s living conditions. The EIB aims to establish a tangible presence in partner countries, focusing on their economic and social priorities. It not only contributes its financing capacity, but also adds value in project implementation and the modernisation of public policies thanks to its technical and financial expertise and advisory services.

The [Risk Capital Facility for the Southern Neighbourhood](#) provides access to equity and debt financing to MSMEs in the Mediterranean region in order to support private sector development, inclusive growth and private sector job creation. Set up by the European Commission and EIB, it builds on the success of the ENPI-FEMIP Risk Capital mandate 2007-2013 which was fully deployed despite the unprecedented geopolitical turmoil in the target region.