

€300 Million for Nordic SMEs

Stockholm (HedgeNordic) – Swedish asset manager Finserve Nordic AB has signed a credit guarantee agreement with the European Investment Fund to support Nordic small and medium-sized enterprises (SMEs). The guarantee, deployed through alternative direct lender **Scandinavian Credit Fund I**, will make available €300 million in new, advantageous lending for Swedish, Danish and Finnish companies hit by COVID.

The guarantee falls under the “European Guarantee Fund” and is meant to ensure that Nordic SMEs have sufficient financing available to mitigate the economic impacts of the COVID-19 crisis. The European Guarantee Fund is part of the European Union’s €540 billion COVID-response package agreed last year. According to the agreement, the team running Scandinavian Credit Fund I will take the guarantee into account when calculating the price of new loans, thereby enabling improved terms for its borrowers.

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“We, in the investment team that manages Scandinavian Credit Fund I, are proud to have been included in the credit program by the EIF. Being included means that our rigorous analyzing processes as well as our policies and instructions have been extensively tested and approved by the EIF,” comments Fredrik Sjöstrand (*pictured*), Head of Investments and Portfolio Manager of the Scandinavian Credit Fund I. “Backed by the guarantee program, we are now able to choose to include new credits under the 70% guarantee that the EIF has enabled us to. Furthermore, we are able to adjust the interest rate in a beneficial way for the borrower.”

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“The European Guarantee Fund allows the EIF to do even more of what it does best; providing finance to European SMEs, allowing them to grow,” says European Investment Fund’s Chief Executive, Alain Godard. “As in other countries, Nordic businesses have had to deal with the restrictions related to the COVID pandemic and the EIF is glad to be able to partner with Finserve to make sure that this much-needed financing is channeled their way.”