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Dear readers,

We are pleased to present the sixth edition of the Kosovo Credit Guarantee Fund newsletter! The newsletter has a simple mission – to inform the public about our work, initiatives and activities during a certain period. This edition is dedicated to a very important topic for economy of Kosovo, Export. Therefore we have titled it “Export - Window of Opportunities”.

Considering the importance as well as linking it with the launch of the new guarantee window, which Kosovo Credit Guarantee Fund in cooperation with USAID Kosovo Compete Activity, it was decided to bring this edition with written opinions from key actors who support the implementation of innovations for export. Also, as all other editions, sixth bulletin includes series of activities of Kosovo Credit Guarantee Fund until the end of December 2022 including: orientation sessions, trainings, presentation in various panels forums, as well as many other activities.

Have a pleasant reading!

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Opinions, beliefs and analysis expressed through the published articles do not necessarily reflect the standpoint of the KCGF or the Institution's approach.

PREFACE

Welcome to the sixth issue of the KCGF Newsletter. In this edition, we have chosen to address exports as, one a strategic segment and one of the main drivers of the economic development of our country.

Economic development opportunities through exports are numerous, and over the years Kosovo has demonstrated it has the potential to export highly competitive products and services. Its location, low cost of production, favorable tax system, and the young population are the advantages of exporting enterprises, for an easier penetration in international markets thus becoming part of the map of suppliers.

However, companies involved in exports often face difficulties in financing, starting from the lack of access to finance due to the lack of collateral, lack of other financing mechanisms relevant to the nature of operations, as these companies are often considered small for international development banks or too risky for commercial banks.

Our goal from the early days was to support this sector, given the importance of export companies and the needs of these companies to fulfill their potentials.

For this purpose, in December 2022 we launched the Export Window, in partnership with our domestic banks, to offer export businesses a new opportunity and thus, in addition to enabling access to finance through the Export Window, accelerate and promote their businesses, and open doors for investments and placement of quality products and services in Kosovo, the region, and beyond. The Export Window which we piloted with our partner banks is dedicated to



NORA ARIFI

Senior Portfolio Manager KCGF



Economic development opportunities through exports are numerous, and over the years Kosovo has demonstrated it has the potential to export highly competitive products and services. Its location, low cost of production, favorable tax system, and the young population are the advantages of exporting enterprises.

all companies which plan to invest in placing their products in foreign markets, or companies who already sell in exports but want to invest in strengthening and further consolidating their position in international markets.

A novelty of this window are the favorable terms, from the high guarantee coverage of up to 500 thousand EUR, value of the loan eligible for this window of up to 3 million EUR, to the coverage of all losses based on the new capital secured by the Government of the Republic of Kosovo (GRB) through a loan from the European Development Bank.

This scheme will support all investments in working capital as well as investments in equipment, technology, and real estate, the objective of which is to allow business to penetrate with the adequate quality in foreign markets.

The non-financial component of this window is another characteristic, implemented with the support of the USAID Compete Activity, which will support KCGF through technical assistance to further add new features to this window in accordance with the market needs, and raise awareness of the sector on the possibilities for financing and the financial mechanisms to support investments. Here at KCGF, we are proud



The Export Window which we piloted with our partner banks is dedicated to all companies which plan to invest in placing their products in foreign markets, or companies who already sell in exports but want to invest in strengthening and further consolidating their position in international markets.

that in addition to fulfilling an early operational objective we are also part of the chain of this success that will spread beyond our national borders.

Finally, we encourage you to read the selected articles in this newsletter, and we thank our guests for contributing with their stories which, we hope, you will enjoy reading.



EXPORT WINDOW – A NEW HORIZON TOWARDS INTERNATIONAL MARKETS FOR KOSOVAR BUSINESSES

RATIONALE

The Export Window, launched on December 15, 2022 by the Kosovo Credit Guarantee Fund (KCGF), marks an important step in the advancement of export financing and, as a result, faster development of Kosovo's economy in general. This initiative is the culmination of the joint endeavor with the USAID Kosovo Compete Activity project, which initially launched the idea for a special window, to address the lack of a specific financial product for this purpose. The exponential growth of exports in the recent years and the sufficient liquidity in the banking sector have also influenced the creation of this window.

The window is made possible through the initial capital provided by the European Investment Bank (EIB), negotiated by the KCGF with the approval of the Government of the Republic of Kosovo. This window will initially mobilize 60 million EUR in loans which will be partially guaranteed/covered by the KCGF through partner banks, further facilitating access to financing for exporting businesses. As symbolic as this credit amount may seem, the impact of this investment in sales' growth, technological improvements, new product development, and workforce can be at least, the double the credit amount made available through this window.

IMPORTANCE

Why was such a window important? Most businesses, particularly the manufacturing ones, have had significant investments and rapid growth in the last decade. However, most of them have reached a saturation in the ability for additional financing and credit requirement coverage, which are still based mainly on collateral. Therefore, these challenges with adequate financing (larger loan amounts, longer grace periods, technology improvement, etc.)



ARTAN XËRXA

Diversified Finance Expert
USAID Kosovo Compete Activity



This window will initially mobilize 60 million EUR in loans which will be partially guaranteed/covered by the KCGF through partner banks, further facilitating access to financing for exporting businesses.

will be the focus of the Export Window. In addition, the timely purchase of basic materials (raw materials and other inputs) are very important for the competitiveness of a business and the timely and quality fulfillment of export contracts.

THE INCREASE IN EXPORTS ALSO AS A RESULT OF OPPORTUNITIES FROM NEARSHORING OPPORTUNITIES

For illustration purposes, several Kosovo export indicators in the following table in the period 2017 - October 2022, reflect a significant and exponential increase from 2020, with EUR 474 million, compared to the previous year with EUR 383 million. Despite that 2020 was a Covid-19 pandemic year, with closures and openings of businesses and business activities, there was an increase of EUR 91 million, or 23.7%. The growth trend continues, with the most significant increase in 2021 compared to 2020,

with EUR 281 million, or 59.1%. 2022 (10 months, until October) compared to 2021 also marked an increase of EUR 108 million, or 14.3%. This exponential growth can be attributed to the increase in demand from the European and American markets, and the diversification of their supplies from Asian countries, due to cost increases the cost of products and transportation. This new opportunity for Kosovo and Western Balkans businesses allowed for this exponential increase in exports. Adding here the figures from the export of services¹ led by Information and Communication Technology (ICT) businesses, exports of products and services would see values many times higher.



Source – Kosovo Agency of Statistics (2017-2021) & Tradeineconomics (October 2022)



1 According to the Kosovo Investment and Enterprise Support Agency (KIESA), the export of services in the period January - October 2022 reached 2.2 billion EUR.

QUALITY AND STANDARDS

The increase in exports for many Kosovo companies has created a new reality, which is why quality control and consistency in the delivery of contracted products and services are of outmost importance and will reflect in their further growth or stagnation. Many Kosovo companies have had challenges and issues in this regard, and those who responded timely saw advancement and increased their activity. Therefore, obtaining technical and management certifications (standards) have a positive impact in increasing the quality of products/services from Kosovo and increases the credibility of the products/services offered. Businesses should be careful in renewing them after their expiry, as some providers of certifications offer renewals only based on the corresponding payments from the business. This may seem easier for many businesses, but it can cost them in a reduced quality and potentially loss of market and customers if product quality declines.

BENEFITS FROM INCREASED EXPORTS

The benefits from the increase in exports are manifold, and lead to an increase in internal generation by strengthening the suppliers value chain of, supporting services, as well as contribute to the growth of the Kosovo economy. They also replace imports to a certain extent, even though the ratio between import and export of goods in 2022 was 80 to 20 percent, in favor of import. Therefore, with the progressive increase in exports, the trend can further improve, generating other advantages for the Kosovo economy, translated into more employment, increase of the state budget, advancement of skills of the workforce, and gradual improvement of the trade balance, among others.

CONCLUSIONS AND RECOMMENDATIONS

We can conclude that the increase in exports and the benefits from nearby markets are evident and Kosovo companies have benefited from the "momentum" created, where companies



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and individuals from the Diaspora have made an indisputable contribution, especially in the markets of German-speaking countries (DACH – Germany, Austria, and Switzerland), followed by Benelux and Scandinavian countries.

At the end, some key recommendations emerge: i) expansion of penetration in the European and American markets through an increase in the variety and quality of the products; ii) improvement of production/processing technology and optimization of internal processes; iii) creation of new partnerships with prestigious companies in different sectors (e.g. wood processing/furniture, or food processing); iv) better promotion and branding of products through professionals in these fields; v) constant improvement of workforce skills and adequate and merit-based stimulation for workers and staff; vi) adequate representations at fairs and meetings with existing and potential partners in current and target markets.



**Eksporti, dritare
drejt zhvillimit
ekonomik!**



THE CHALLENGE FUND

(Kosovo Challenge Fund KCF & Regional Challenge Fund RCF)

Enhancing Employability and competitiveness through supporting Vocational Education and Training (VET)

I-CONTEXT

The Western Balkan region, including Kosovo has a high potential for growth but that is restricted by lack of skilled personnel. The Western Balkan region is characterized by high rate of unemployment specially among young people, while the businesses are facing the lack of suitably qualified candidates. The reason for this paradox lies in a professional training approach that is not tailored to the needs of the labour market .

Additional challenges include a severe lack of funding for Vocational Education and Training (VET) schools and outdated or even absent infrastructure and training equipment. Furthermore, teachers often lack the necessary practical or methodological competencies to adequately transmit the required skills based on state-of-the art equipment.

This inadequate alignment of the education provided with the requirements of the business community, results in the challenge that VET trainees do not acquire those skills that are urgently sought by potential employers. On the other hands, VET systems in the region suffer from low engagement of the private sector in defining and training required qualifications.

II- CHALLENGE FUND

Employment can only be successfully promoted if graduates are adequately equipped for entering the labour market by matching the training provided by



BAHRIJE DIBRA

Senior Sector Specialist
Finance and Energy Sector - KfW



The Challenge Funds (KCF & RCF) are a financing facility designed to increase youth employability and boosts competitiveness of enterprises in Kosovo and region by funding investments in equipment and infrastructure for selected cooperative training projects that are implemented through partnership between vocational training institutes and the enterprises.

VET schools with the needs of the private sector. This is the Challenge Fund's key objective, to strengthen vocational education and training through targeted investments.

The Challenge Funds (KCF & RCF) are a financing facility designed to increase youth employability and boost competitiveness of enterprises in Kosovo and region by funding investments in equipment and infrastructure for selected cooperative training projects that are implemented through partnership between vocational training institutes and the enterprises. The grants are allocated through competitive national/regional challenge. The Kosovo Challenge Fund is an initiative undertaken German Development Bank (KfW) and financed by German Federal Ministry of Economic Cooperation and Development (BMZ) with 5.8 million EUR for the grants. The main implementation partner is the Ministry of Education, Science and Technology (MEST) in Kosovo.

In parallel, a regional approach -Regional Challenge Fund is being developed for the Western Balkan region including Kosovo, Albania, Macedonia, Serbia, Bosnia-Herzegovina and Montenegro. The Regional Challenge Fund is commissioned

by the German Federal Ministry for Economic Cooperation and Development BMZ to KfW Development Bank and executed by the Western Balkans 6 Chamber Investment Forum (WB6-CIF), a joint initiative of chambers of commerce from the region. The Fund's volume of 62 Million EUR, obtained through the German Financial Contribution, is increased by approximately 10 Million EUR thanks to the contribution of the Swiss Agency for Development and Cooperation (SDC), aiming at upscaling approach through additional calls for proposals with increased funding.

Both funds (KCF & RCF) implementation is supported by Fund Management Unit carried out by an independent, international implementation consultancy

III-FINANCING APPROACH

VET Consortia comprised of the nationally recognized or accredited public and/or private Vocational training Institutes (VTI) and private companies may apply for Challenge Funds to implement cooperative VET projects. The funds are provided through a competitive process and the proposals, jointly developed and submitted by VET consortia will be selected by an independent panel of technical experts based on predefined



criteria. Those consortia that are successful will subsequently be supported by a Fund Management team in the implementation process, to ensure the best possible outcome is achieved.

It is envisaged that, on average, each proposal will receive €150-600K while the private consortium partners are expected to contribute to each initiative approximately 10-15% of the fund costs. VTIs will benefit from VET relevant infrastructure such as workshops and equipment as well as VET teacher training for use of this equipment. Private companies will benefit from the skilled workforce and training measures on cooperative VET.

The competitive process is developed by open calls published by KCF (www.kcf-kosovo.com) and RCF (www.rcf-wb6.org) and up to now, the Funds published two calls. The first call on KCF ended up in four winning VET consortia with investments around 2million Euros to be implemented on VET sector.

The high interest expressed for RCF from Kosovo's VET consortia resulted 10 winning consortia which will bring the investments of over 5 million euros into a VET sector in Kosovo.

IV-IMPACT

The project's investments will lead to more labour market relevant vocational education and training. As such, this will produce graduates with increased employability, leading to **improved employment prospects and opportunities (project goal; SDG 4)**. The project is first and foremost aiming at the youth and adult VET trainees including returnees who are participating in the project measures (target group).

The private sector will benefit from an increase of potential employees acquiring the training and skills that they desire. This will result in an increased **creation of formal and more secure jobs (SDG 8)**. In the long term, the project will contribute **to a reduction in poverty** as a consequence of having a better paid and more **stable skilled workforce (SDG 1)**.

Furthermore, countries will be supported in the gradual alignment of their VET standards with the EU standards (contribution to the "EU Integration Process"). This will also facilitate an increase of mobility of skilled labour force within the Western Balkans. The increased regional exchange will contribute to increased stability and peace in the region.



THE IMPACT OF LEASING ON THE GROWTH OF MANUFACTURING AND EXPORTS IN KOSOVO

Historically, Kosovo is known for its low rate of exports. However, in 2022 Kosovo made a turning point, a change which may have been influenced by a number of factors yet to be specified through scientific research. The pandemic has hit the world with a supply chain crisis, and the war in Ukraine and the crisis in Russia also impacted the global supply of various products. More than ever before, Kosovo has recently developed a manufacturing of products that can be exported.

To export products, they must comply with standards that meet the legal requirements of the countries intended to export. Hence, for this to happen, producers in Kosovo must invest in new equipment and efficient production lines. Financial products provide support in the development of production and manufacturing, especially if adequate products are used for financing. According to a USAID publication (January 2023, A., Xërxa) "most companies have reached a saturation of the ability for additional financing and coverage of credit requests, which are still mainly based on collateral". Leasing is a financial product which is ideal to increase production or exports, allowing for the development of production capacities by **not using mortgages as an instrument to secure financing.**

Through Leasing one can finance production lines for windows, carbonated beverages, alcoholic beverages, production lines for mattresses, blankets, shoes, packaging lines, etc. All these lines can be subject to leasing financing, which influences production and export. At the same time, these and similar lines have an impact on exports. It is therefore considered that leasing as a financial product is a powerful influencer



DRITON NIKAJ

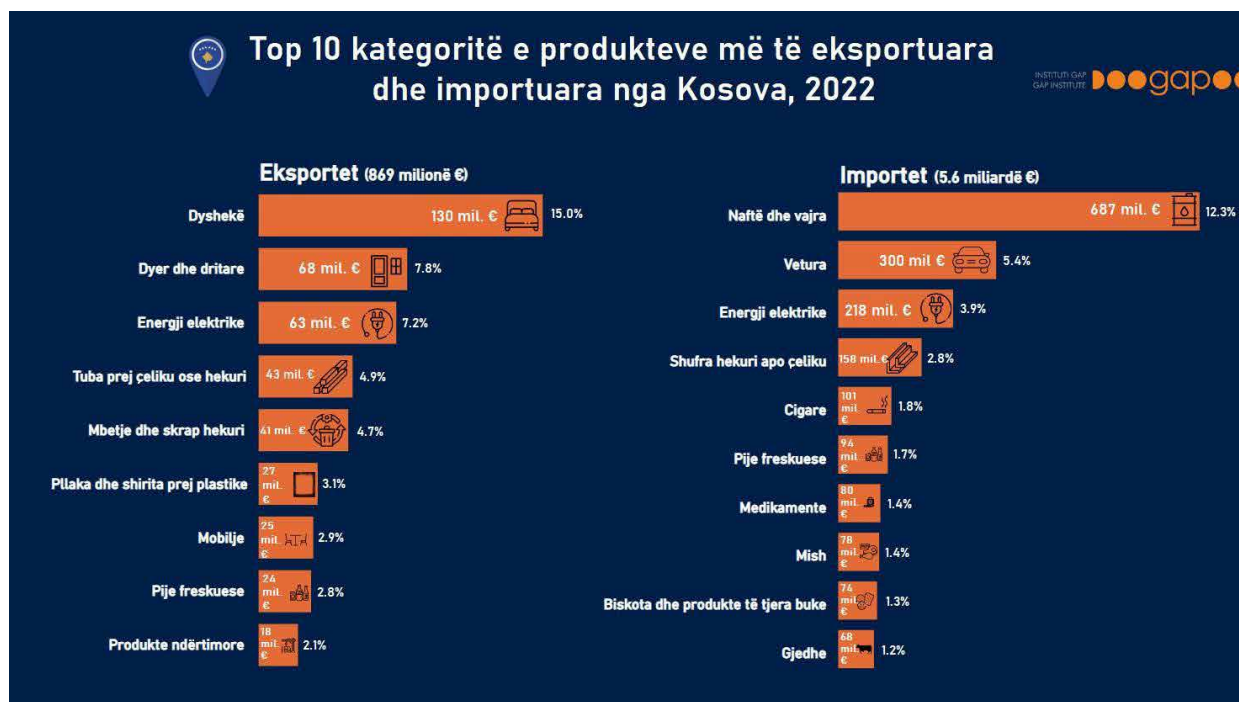
Retail Leasing Manager
Raiffeisen Leasing Kosovo

of economic development, production growth and exports in Kosovo. Raiffeisen Leasing Kosovo has been offering this product for several years now.



"most companies have reached a saturation of the ability for additional financing and coverage of credit requests, which are still mainly based on collateral". Leasing is a financial product which is ideal to increase production or exports, allowing for the development of production capacities by not using mortgages as an instrument to secure financing.

The following are the statistical data for the top 10 categories of the most exported and imported products from Kosovo in 2022:



Source: Gap Institute, <https://www.facebook.com/?fbid=545293214291616&set=a.475514194602852>

As seen from the chart above, exports are an industry that can be all financed through leasing, including for new equipment, expansion of capacities, or adding new complementary segments. On the other side we have the top 10 imported products. It is clear that Kosovo has still room to invest in some of them, including medicinal products, soft drinks, meat products, cookies and other pastry products, etc. A publication for the top 30 import products would even more show the opportunities for developing domestic production in order to reduce imports and increase exports, all of which will influence economic development.

Leasing also has an impact of strengthening companies to increase their export power through the product for financing of transportation fleets. The price of a new truck starts with 100.000 EUR, depending on the brand, and after adding the cost of the trailer, its price can reach as high as 300.000 EUR. Every company needs more than one truck, and to secure financing for such an investment, a mortgage is required. However, if investors choose to use leasing as a financial product, they don't

need a mortgage or a lien on any asset. Viewed from this perspective, the impact of leasing as a financial product in export is high, for investors in the production and export industries.



Leasing also has an impact of strengthening companies to increase their export power through the product for financing of transportation fleets. The price of a new truck starts with 100.000 EUR, depending on the brand, and after adding the cost of the trailer, its price can reach as high as 300.000 EUR.

This product is sometimes taken for granted but in reality it makes a big difference, the use of adequate products to increase transporting and exporting capacities.

Given the recent global developments, we can see that efficiency is the main goal of companies, be that in energy savings, automation of actions, increased efficiency, reduction of costs, etc., which can be achieved with new equipment and transportation vehicles.

However, as with any institution, business or country, resources are not unlimited, as neither is the potential to purchase or credit. For an investment to be made, the company is required to have cash or other assets which it will have to put as a lien or collateral, to secure the financing. In this case, Leasing is a very rational product in the use of assets for financing and management of cash for the purchase of production capacities, and transportation.

All production companies are well informed regarding the requirements per year for investments in equipment or means of transportation. They also have accurate records of the maintenance cost of old equipment or transport vehicles. This position of the financial statements related to the cost of maintenance, show us the rationale of investing in equipment or new means of transport using leasing as a financial product. Export can only grow further when we have production and transport capacities, and product quality acceptable to the market we wish to export.

Looking at the latest developments in the transport industry, related to the limitation of gas emissions, it is very clear that the means of transport commonly used in Kosovo will soon not be able to transport to the countries of the European Union due to the high gas emissions. Given the above, I believe that if businesses were to maintain what they have achieved thus far, and develop themselves further, they should plan on increasing their fleets in order to remain competitive in the market.



KCGF has now opened the export window, supporting this important segment of the economy through the provision of guarantees for the increase of production capacities, purchase of basic materials, etc. This window will mobilize 60 million EUR which will be partially guaranteed by KCGF in order to finance exporting businesses.

Another financial instrument that can be used in combination with leasing is the Kosovo Credit Guarantee Fund (FKGK), where we have many variations depending on the window. The Kosov Credit Guarantee Fund has allowed manufacturing and exporting businesses to have easier access to financing, acting as a guarantor of such investments, applying a certain percentage, in most cases up to 50% of the financed value.

KCGF has now opened the **export window**, supporting this important segment of the economy through the provision of guarantees for the increase of production capacities, purchase of basic materials, etc. This window will mobilize 60 million EUR which will be partially guaranteed by KCGF in order to finance exporting businesses (USAID, January 2023; A. Xërxa).

Looking at the export trends in Kosovo for 2022, opportunities created by the KCGF Export Window and the opportunities offered by leasing as a financial product, I believe that the perspective of Kosovo for 2023 and 2024 is positive, expecting a significant increase in exports.



INNO HOME NEW FACTORY IN THE MARKET

An excellent idea and united investors, always bring novelties and innovation.

Inno Home is the newest factory in the market. Through financial leasing by Raiffeisen Leasing Kosovo, KCGF Guarantee scheme and facilitation by USAID Kosovo Compete Activity - Inno Home has been equipped with all necessary

equipments for development of the factory and production.

Raiffeisen Leasing offers easier financing facility for production equipments and supports development of various industries as well as increase of exports in Kosovo.



JAHA SOLAR FIRST CLIENT USING GROW - THE KCGF NEW GUARANTEE WINDOW

Through the loan issued by ProCredit bank as the first KCGF partner bank in the piloting phase of launch of GROW Window - Jaha Solar became the first client to use the guarantee scheme GROW.

JAHA Solar exports over 50% of its production to European countries and until now has developed projects in Kosovo, Montenegro, Albania and Macedonia. In 2017, the installed capacity was only 1 MWp, while in 2022 has reached the capacity 20MWp and its expected that until end of year to reach 30MWp. *"We learned about the project and GROW window through ProCredit Bank one of our main partners so far for the development of the solar projects in the country. Financing process went very smoothly, requirements were clear*

and the procedure was carried out quickly. Loan guaranteed by Kosovo Credit Guarantee Fund has facilitated the process of accomplishing certain projects thereby increasing the security of business development in the country" – said Vigan Ibërdemaj – Project Manager at JAHA Solar. The opportunity presented has been addressed among the main problems in terms of financing businesses in Kosovo. This investment had a positive impact in times of energy crisis, as a result many businesses will not use the limited amount of energy produced by the thermal power plants in Kosovo. Consequently it will have a positive impact in the environmental aspect, as well as the impact of avoiding the emission of greenhouse gases such as carbon dioxide into the atmosphere – emphasised Mr. Ibërdemaj.



REC PLAST

A BUSINESS THAT CLEANS KOSOVO BY RECYCLING 500 TONS OF WASTE

The Kosovo Credit Guarantee Fund is committed to sustainable corporate and social management. Always coordinating activities with donors, financial institutions and local regulators, we strive to serve the long-term economic interests of the country, the business community and our society in general.

Therefore, we have selected a special business for this success story, businesses that directly contribute in improving the environment and cleaning the living area, among the collection and processing of waste. Vitomirica, a village near Peja, the region which is known for fresh air and a beautiful nature with landscapes surrounded by its mountains.

As soon as we arrived at RecPlast, Shefqet, the father and founder of the businesses we visited, welcomed us warmly, by sharing with us many interesting stories from his rich life experiences. Until the company's owner (Shefqeti's son) came, we didn't see the great importance of waste collection and recycling.

In a wide space, full of plastic waste, a huge amount of waste that when only imagine the damage that would cause to environment if they were still in the are and roads of Kosovo, than we could understand how important is the concept of the business of this type.

The waste collected in that space, is sorted, classified and then processed with recycling machines, which are transformed into raw materials. Colorful plastic granules are the final product obtained from a series of production steps.

"Protection of the environment is done by people in need" – stated Fazqet, Waste is collected by the people who are economically poor and whose primary job

is to collect waste. Something that should have been different, but, its needed to create the conditions and adopt policies that would develop the business of this type of business.

RecPlast , during a year, manages to collect and eliminate 500 tons of waste all over Kosovo. Thus, our work contributes to a cleaner Kosovo – stated the owner.

Through the loan guaranteed by the Kosovar Credit Guarantee Fund, RecPlast has bought a new recycling machine, which will increase the company's capacity in waste processing and recycling.

When all these efforts of collection of the waste, are translated into the positive impact this business plays a cleaner Kosovo, thus we will understand and support more these kind of businesses.



KCGF ATTENDED THE BIGGEST ANNUAL EVENT ORGANIZED BY AECM

September 2022 - The representing team from KCGF consisting of: Rinor Gjonbalaj- Chairman of the Board; Besnik Berisha- Managing Director and Vjosa Balaj- Senior Finance Manager attended the biggest annual event organized by AECM - European Association of Guarantee Institutions in Vienna. This year's focus was sustainable financing for MSMEs and Startups. KCGF was part of the panel titled "Making MSMEs fit for future".



CONTINUATION OF GROW CAMPAIGN

September 2022 – GROW – Green Recovery Opportunity Window - will support Kosovar businesses' investments in renewable and energy efficiency. KCGF - The KosovoCredit Guarantee Fund launched a new guarantee scheme GROW, in June 2022 and started the piloting phase by signing the first agreement with ProCredit Bank. Soon, will be signed agreements with other partner banks. During September KCGF and MFK continued the media campaign for GROW. This campaign continued with the presence of the GROW features in digital and traditional media during the entire month September.

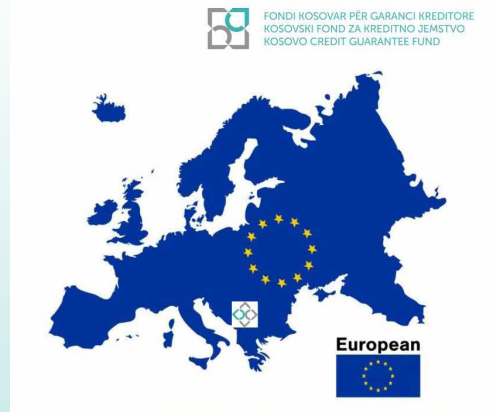
SIX YEARS SINCE THE APPROVAL OF THE FIRST CREDIT GUARANTEE BY KCGF

September 2022 – In September of this year has been six years since the first credit guarantees were approved. Through loan guarantee, the Fund has improved the performance of MSMEs with investments made by guaranteed loans. It has facilitated access to finance by helping development of the economy through business development, creativity, and innovation. The Kosovo Credit Guarantee Fund welcomes cooperation with financial institutions in Kosovo and proudly takes its place as a significant factor in economic development in the Republic of Kosovo. KCGF portfolio within these six years has reached the cumulative value of approved loans at 252,7million euros, while the value guaranteed by the Kosovo Credit Guarantee Fund has reached 471,8 million euros distributed in 11,500 loans. (by end of September 2022).



THE EU REPORT ON KOSOVO APPRAISES THE WORK OF THE KOSOVO CREDIT GUARANTEE FUND!

September 2022 – The Kosovo Credit Guarantee Fund welcomes the report published by the European Commission on Kosovo. This report appraises that in the first half of this year, in addition to many positive aspects from the continuous measures undertaken for stability in the financial sector, the increase of guaranteed loans by the Kosovo Credit Guarantee Fund (FKGK) for micro, small and medium enterprises, has influenced the mitigation of the impact by the crisis created during the Covid19 pandemic.



KOSOVO CREDIT GUARANTEE FUND STARTED THE IMPLEMENTATION OF THE STANDARD WINDOW

October 2022 – Kosovo Credit Guarantee Fund started the implementation of the Standard Window through capital by European Investment Bank (EIB)

KCGF started the implementation of the agreement reached on 28th June 2021 between the European Investment Bank (EIB) and the Ministry of Finance of Kosovo. Through this agreement capital increase for KCGF will enable our credit guarantee scheme to facilitate access to finance for micro, small and medium sized businesses (MSMEs), and more favorable financing.



KCGF PART OF THE FOOD SECTOR FORUM

October 2022 – The Kosovar Credit Guarantee Fund was part of the panel on the topic: “Relevant financial products in the food sector” at the Food Sector Forum. Forum was attended by various local businesses from the sector.



THE THIRD SESSION OF THE EQUIPMENT LEASING PARTNERSHIP FORUM IS HELD

October 2022 – Financial leasing is a valuable tool which can help companies to reduce the high investment costs of acquiring modern processing equipment in the food processing and wood sectors! Recently, the third session of the Equipment Leasing Partnership Forum, organized by the USAID Kosovo Compete Activity, provided essential information and success stories on equipment leasing. Private sector company representatives also learned about the Kosovo Credit Guarantee Fund's new Energy Efficiency window – GROW, and the Export Finance window which are offering larger and preferential funding opportunities for export-oriented MSMEs, in all viable sectors. Also, the USAID KESS Activity informed companies about their offer on energy efficiency diagnostics for MSMEs.



KOSOVO BANK ASSOCIATION MARKS ITS 20TH ANNIVERSARY

October 2022 – Kosovo Bank Association marked 20th anniversary of its establishment. On this occasion it was organised a conference with key stakeholders and different pannels focusing in financing. Kosovo Credit Guarantee Fund also was represented in the panel titled: " Boosting domestic production and exports by increasing overall access to finance for MSMEs, represented by KCGF Chairman of the Board Mr. Rinor Gjonbalaj.



KCGF HELD ORIENTATION SESSIONS WITH RFI ON STANDARD AND AGRO WINDOW

November – December 2022 – Kosovo Credit Guarantee Fund, after launching its Standard and Agro Window, initiated a new cycle of orientation sessions, tailored for the staff of registered financial institutions. Orientation sessions contain important informations on Standard Window (emphasising the export component), Agro Window as well as on Environmental and Social Management System (ESMS). First session was held with staff members of NLB Bank, to continue with Banka Ekonomike; Banka për Biznes; Raiffeisen Leasing Kosovo; AFK, KEP, KRK and FINCA.



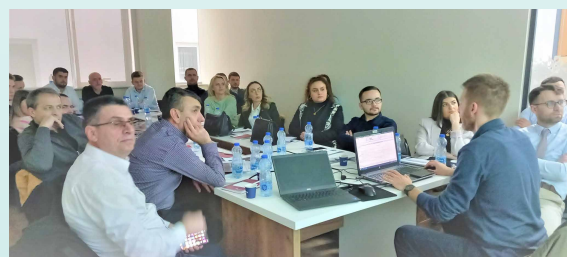
Pictured moments from the information session held with staff members of Banka Ekonomike.



Pictured moments from the information sessions held with staff members of Bank for Business.



Pictured moments from the information session held with staff members of Raiffeisen Leasing.



Pictured moments from the information sessions held with staff members of microfinance institutions AFK FINCA KEP and KRK.

KCGF PART OF THE GLOBAL ENTREPRENEURSHIP WEEK

November 2022 – The Export Finance Facility, the new financial product of the Kosovo Credit Guarantee Fund, developed by USAID, was presented as part of the Global Entrepreneurship Week. This product will be accessible to all viable MSMEs with up to 249 workers, operating in all applicable sectors, predominantly on export-oriented activities. The new Finance Facility and other finance mechanisms were discussed during the Export and Start up Financing event organized by USAID Kosovo Compete Activity.



KCGF PART OF THE BPB BUSINESS ACADEMY PANEL

November 2022 – The Kosovo Credit Guarantee Fund, represented by Mr. Besnik Berisha, Managing Director - Part of the panel on the occasion of conclusion of the second cycle of Business Academies from BPB.



KCGF EXPORT WINDOW IS LAUNCHED

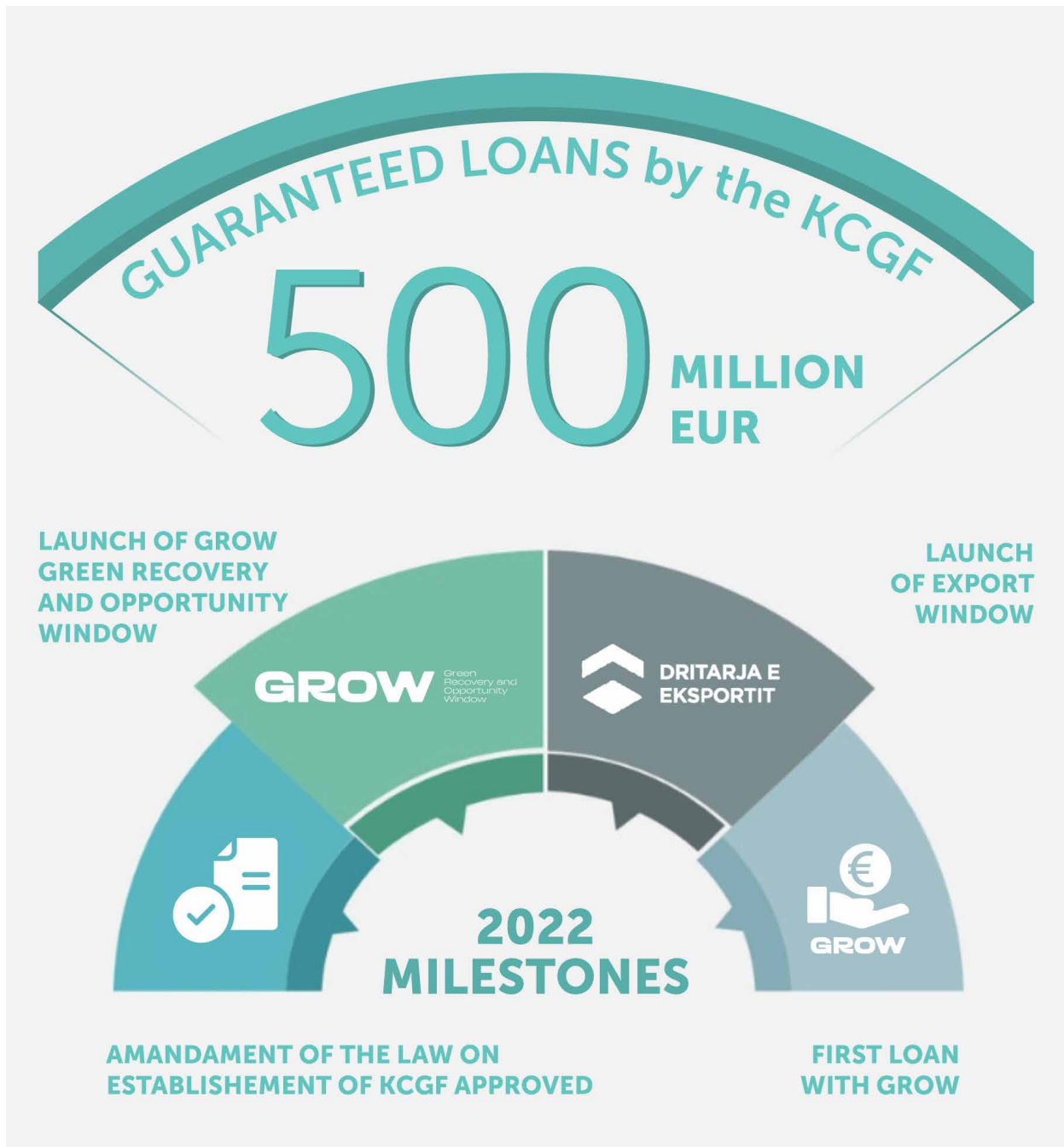
December 2022 – USAID Kosovo Compete Activity together with the Kosovo Credit Guarantee Fund (KCGF) brought a new product for export-focused companies. Kosovo Credit Guarantee Fund and USAID Kosovo Compete Activity, launched a new financial facility “EXPORT WINDOW”.

Through the Export Window new guarantees can be issued to our partner financial institutions for the benefit of micro, small and medium enterprises, in particular to businesses focused in export. In this event were present representatives of: Kosovo Government; Central Bank of Kosovo; USAID; Embassy of Sweden; Bank Association; Businesses for the wood processing, food processing, and the Information and Communication Technology; Donors; Commercial Banks; Microfinance Institutions and other partners.



KCGF STARTED THE CAMPAIGN ON STANDARD WINDOW

December 2022 – Kosovo Credit Guarantee Fund is implementing the Standard Window through the capital by European Investment Bank (EIB) according to the agreement signed between the European Investment Bank (EIB) and the Ministry of Finance of Kosovo. This inclusive window will facilitate access to finance for micro, small and medium sized businesses (MSMEs) and more favorable financing.





FONDY KOSOVAR PER GARANCI
KOSOVSKI FOND ZA KREDITNO
KOSOVO CREDIT GUARANTEE





FONDI KOSOVAR PËR GARANCI KREDITORE
KOSOVSKI FOND ZA KREDITNO JEMSTVO
KOSOVO CREDIT GUARANTEE FUND

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