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**During the first month of the Microlending Programme 145 thousand lats granted in microloans**

During the first month (October) of implementation of the Microlending Programme under the Latvian-Swiss cooperation programme, the Mortgage and Land Bank (Mortgage Bank) granted 26 microloans in amount of 145.8 thousand lats (~258 thousand Swiss francs), while 30 loans in amount of 150 thousand lats (~ 265 thousand Swiss francs) are still in the evaluation process.

*“This is a positive example as the Swiss and European Union financing complement each other, providing financial assistance and advice to SMEs in a form of microloans. Microloans usually are assessed with a higher risk and often small enterprises find it difficult to receive financing to implement or develop ideas. With the help of this programme small enterprises have more possibilities to receive microloans,”* expresses his satisfaction Deputy State Secretary of the Ministry of Finance Aleksandrs Antonovs.

Average granted loan is 5.6 thousand lats (~ 10 thousand Swiss francs) of maximum 10 thousand lats (~ 18 thousand Swiss francs). It is positive that microloans have been granted not only to big cities, but also to comparatively remote regions in Latgale (Rusona Parish), Zemgale (Code and Gailisi Parish) and Kurzeme (Gavieze Parish).

It has been concluded that in case of 26 microenterprises before the loan there have been ~2.3 staff positions, while the business plan provides for ~2.7 staff positions after the implementation of the project. Microloans for investment have been used for various needs – repairs of premises, purchase of facilities, equipment, stocks, vehicles, hardware etc.

Having analysed current rate and amount of microlending, it can be forecasted that programme absorption plans for this year will be achieved in time, but in terms of amount, probably, with considerable overplus. Within the first three months of 2011 60-70 microloans could be granted in amount of 350 thousand lats (~ 620 thousand Swiss francs). 10 subsidiaries of the Mortgage Bank have been involved in granting microloans.

As reported before, in June 2011 the Ministry of Finance and the Swiss competent authorities concluded an agreement on the implementation of the Microlending Programme within the framework of which the Mortgage Bank will grant microloans to enterprises in total amount of 4.4 million lats, including 800 thousand lats of the co-financing provided by the Mortgage Bank. Microenterprises and persons willing to start their business can to apply for loans up to 10 000 lats. Microloans are granted for the implementation of business plans – both for investments and working capital.