

## **State Secretary Baiba Bāne: The Swiss programme facilitates business growth and new jobs**



On Monday, May 18, the State Secretary of the Ministry of Finance Ms.Baiba Bāne meets her Swiss colleague Ms.Marie-Gabrielle Ineichen-Fleisch to discuss results of Swiss programme financial investments in Latvia.

*“Cooperation with Switzerland is a very significant support and possibility for Latvian businesses to develop. The implementation of the*

*programme was launched when the activity of the Latvian economy was slowed down and the unemployment level was high. The financing available within the framework of the programme stimulated the private sector through the new jobs that were created. Small and micro enterprises receive support to start or extend business, which is a support not only at the business level but also for the welfare of citizens,”* notes the State Secretary of the Ministry of Finance Ms.Baiba Bāne.

The great popularity of the programme among entrepreneurs is proved by the fact that within a period of less than two years all of the financing available for loans – 7 million euro (8.1 mln CHF) – was granted. The entrepreneurs were attracted by the simple application procedure as well as favourable loan conditions.

Within the framework of the visit on May 19 the State Secretary and the Director of the State Secretariat for Economic Affairs of Switzerland Ms.Marie-Gabrielle Ineichen-Fleisch visited JSC “Development Financial Institution Altum where they were introduced with the Swiss co-financed Micro-lending programmes as well as visited a micro company Ltd. “Dimanta Tehnoloģijas”, which had received a loan within the framework of this programme.

The Swiss programme financing in amount of 49 million euro (56.88 mln CHF) is available since 2007. 80% of it has already been invested in Latvia. With the support of the Swiss programme in Latvia already 12 projects have been implemented in such sectors as regional development, court modernization, environmental improvements, support for the private and NGO sector, education and research. Half of them have already been successfully completed, but the rest will continue until mid-2017. Project results are even better than initially planned thus providing more benefits to Latvian citizens.

Within the framework of the micro-lending programme until June 2020 it will be possible to receive a loan up to 14 thousand euro (14 700 CHF) for investments and current assets for companies employing up to 10 employees and with annual balance that does not exceed 1.99 million euro (2.07 mln CHF), as well as business start-ups before the establishment of a micro enterprise.

Until now more than one thousand loans have been issued in amount of 8.6 million euro (8.8 mln CHF), thus ensuring at least 2.5 thousand jobs (maintained current jobs or created new jobs). Half of the loans have been issued in agriculture and forestry sectors. The number of issued loans across regions is almost equal (27% – in Latgale, 20% – in Kurzeme; 20% – in Riga and surrounding territory; 17% – in Vidzeme, 16% – in Zemgale).

The companies that met all conditions of the micro-lending agreement had access to financing to cancel the loan or grant. Allocation of grants was closed in August 2010. In total 546 grants were issued for total amount of 535 thousand euro (553 thsd CHF).

Detailed information about the Swiss programme – [www.swiss-contribution.lv](http://www.swiss-contribution.lv), and about the micro-lending programme – [www.altum.lv](http://www.altum.lv).