



IIB joins IFC and FMO in supporting Mongolian SMEs

June 7, 2016

The International Investment Bank (IIB) has joined the International Finance Corporation (IFC) and the Netherlands Development Finance Company (FMO), which have organised a syndicated USD 125.5 million facility for Mongolia's XacBank, one of the leading lenders to micro and small businesses in the country. Along with other financial institutions, they will support the development of XacBank's loan operations, including lending to SMEs.

IIB's share in the loan with a maturity of up to 3 years reaches USD 10 million.

The IIB had previously supported XacBank with USD 8 million alongside the EBRD and a number of commercial lenders – one of the first syndicated loans in the country back at the time. The current syndication is IIB's fourth on this market, underlining its status as a reliable partner for those looking to work in Mongolia – it previously participated in syndicated loans to local banks with both the IFC and the FMO.

Overall, the renewed IIB has already co-financed six projects together with other international financial institutions, with more in the pipeline. Mongolia in particular has been a significant recipient of these syndicated funds, which have now reached more than USD 360 million. Altogether, since 2012 the IIB has supported the Mongolian economy with signed loans of a total amount equivalent to over USD 80 million.

IIB's Chairman, **Nikolay Kosov**, said: *"The IIB has become a stable source of funding for the development of Mongolia's private sector, with a continuous presence in the local market. We are also pleased that development institutions, with some of our most important co-financing partners – the IFC and the FMO – among them, have once again combined their efforts for a greater impact."*

In 2014, N. Kosov received the highest state honour of Mongolia bestowed on foreign citizens – the Polar Star – for his contribution to the country's economic development and to the renewal of IIB's operations. Last year, Mongolia hosted the 104th IIB Council Meeting, with over 100 participants attending the associated business forum.