

## **Microfinance can offer real help to the smallest - even in the COVID crisis**

Zalaegerszeg, 10 November 2020

**Strengthening microfinance institutions and their services to SMEs is becoming more and more important – this was the main message of the “ATM for SMEs” project dissemination conference. In the current economic downturn, subsidized microfinance is a powerful tool to help microfinances survive the crisis and each entrepreneur should have access.**

The “ATM for SMEs” project aimed at improving the access to microfinance in 8 European regions. During the 5 years of the project, the partners shared good practices how to make it easier for local micro enterprises to access microfinance and other business development services. Based on the lessons learnt, 8 local policies were updated and several local actions launched.

Peter Vonnak, project manager from FEA underlined: the project can not only benefit regional policies and instruments, but the lessons learnt can show the path non-profit microfinance should follow in order to leverage the potentials of microfinance and achieve the utmost social benefit. “Non-profit microfinance should prioritize people’s wellbeing rather than financial return: the performance of microfinance programmes should be measured from the aspect of social sustainability and quality of life” – said Peter Vonnak.

Easy access to microfinance is especially important in critical times like the current downturn caused by the COVID pandemic. It can offer real help for survival to micro enterprises, and the project partners reported important local initiatives to mitigate the impact of the crisis. These measures varied in target group, subsidies, loan amount, but a common element was the cheap, easily accessible microloan which is available even for the smallest enterprises.