

Press Release

Awash Bank to launch Innovative Financial Solutions for Medium and Small Enterprises

Awash Bank, Ethiopia's giant and leading private Bank is known for contributing largely in the development of our country, has been seriously working to change the loan system of our country's banking industry. It is well known that Micro and Small Enterprises serve as the backbone of economies not only in Ethiopia but also worldwide, making substantial contributions to the economic growth, job creation, innovation, and poverty reduction endeavors.

However, many Micro and Small Enterprises face challenges in securing conventional loans due to stringent lending requirements and high interest rates even though they have a capacity to work more than they are doing. To mitigate this, Ethiopia's pioneering private bank, Awash Bank in partnership with the SNV Ethiopia, Netherlands Development Organization, which works largely on LIWAY program and will shortly come up with groundbreaking financial solution that aims at revolutionizing the financing landscape for these businesses.

This innovative offering seamlessly integrates cash-flow based lending through bundling with insurance, providing a holistic and sustainable financial solution for the MSEs.

This innovative financial solution will empower businesses to obtain the necessary funding while simultaneously safeguarding them against unforeseen incidents that could potentially hinder their loan repayment capabilities.

This solution has got various functionalities such as:

- Enterprise profile that ranging from Enterprise Structure to Entrepreneurs and Credit Guarantors profiling



- Cash Flow Projection that enables enterprises capture to record their basic cash inflow and outflow
- Lending Facilitation Score that enables to do credit requirement and repayment capacity analysis calculation through AI
- Insurance related information and requirements

So far, Awash Bank has been working in partnership with the SNV Ethiopia on LIWAY program, projects that aims improving the livelihood of farmers. The partnership focuses on two major projects that are:

1. SNV-SEFFA Project, which involves the bank in providing fund for the purchase of solar panels and water pumps for farmers in the southern region of Ethiopia.
2. SNV Bridge Project - the bank finances the acquisition of inputs for animal feed expansion, milking machines, and other beneficial technologies and machinery. Through these projects, Awash Bank and SNV are committed to supporting farmers and enhancing their livelihoods.

Finally, the CEO of the bank conveyed his message to the MSEs to stay tuned for this transformative solution as the bank already finished all necessary processes to launch cash flow based lending soon to elevate the MSE businesses.

Awash Bank