

NTB Obtains Loan From FMO To Support The Growth Of The SME Sector



*Priyantha Talwatte, Director/Chief
Executive Officer, Nations Trust Bank.*

NTB announced the finalization of a loan facility of USD 40 million from FMO, the Dutch Entrepreneurial Development Bank. Supporting the Small and Medium Enterprise (SME) sector affected most by the pandemic, the funds are to be used towards the revival and growth of the Bank's SME portfolio to ensure lives and livelihoods are protected and creating new employment. Nation Trust Bank's business value proposition has a clear focus on enterprise development. Over the years, the Bank has introduced several strategic initiatives to support the SME sector by sharing expertise, facilitating training programs, and mentoring businesses. The Bank stated that it would focus its funding on: local manufacturing, pharmaceuticals, value added agriculture, women-led businesses, and export oriented business, generating the much-needed foreign exchange flow into Sri Lanka and build a resilient national economy. Priyantha Talwatte, Director and CEO, NTB stated, "The facility extended by FMO will enable us to support our SME clients' growth. It will allow us to provide solutions relevant at each stage of the customer's business life cycle. It will narrow the SME-financing gap and boost financial inclusion, a goal shared by Nations Trust Bank and FMO. These funds will support the bank's own 'Diriya' program, which was floated to support the revival of business with the advent of the pandemic. Our strong and long standing relationship with FMO has made this facility possible. It stands testament to Nations Trust Bank's continuous ability to transact with international lenders to support in local business rebuilding activity."

FMO has worked closely with Nations Trust Bank since 2004 and partnered to provide the Bank with access to long-term funding, which has become more challenging due to the economic effects of the Covid-19 pandemic.

“The ability to attract five year funds would further strengthen the liquidity position of the Bank’s balance sheet while FMO’s long term credit appetite on Nations Trust Bank reflects the stability and strength of the Nations Trust Bank franchise. Qualifying for FMO funds also demonstrate that the Bank’s social and environmental criteria meet international standards,” Talwatte added. Marnix Monsfort, Director a.i. Financial Institutions said, “FMO is very pleased that we can once again engage with Nations Trust Bank to support them in their strategic journey of supporting SMEs. By contributing to further narrowing the SME-financing gap, NTB can and will boost financial inclusion to various underserved segments, one of the goals highly supported by FMO.” Nations Trust Bank is among the top 15 business establishments in Sri Lanka as ranked by Business Today.