



THE WORLD BANK

INTRODUCTION



EU-REPARIS is funded
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WB EDIF

Western Balkans
Enterprise Development
and Innovation Facility



Access to finance in the Western Balkans

- ✓ Bank loans are the major source of finance in the region to fund investment and growth. Alternative sources of finance, such as private equity, is starting to grow but remains insignificant
- ✓ Access to finance in the Western Balkans Region is a key challenge for businesses, your skills to help your clients and employers are important



Becoming **ready for investment**

What are the core themes to investment readiness?

- Equity aversion
- Investability
- Presentation

Equity Aversion

- Surrendering ownership and control, giving away part of their business
- Lack of information about availability and alternative sources of finance

Investability

- Not meeting the requirements of external investors
- Not being a fit with the investor
- Not a viable business model for achieving desired returns (e.g. revenue model, product-market fit, property rights, management etc, etc)

Presentation

- Pitching the business, getting interest
- Providing the key information investors are looking for

The importance of the financials

✓ Financial literacy and acumen is an important ingredient to provide relevant and credible information for investors and lenders to make decisions but also to manage the financial impact of transactions

- Professional accountants as key advisors
- Other accounting and financial advisors
- Finance staff

✓ Role of the professional accountants/advisors:

- Add credibility to the numbers
- Prepare and advise their clients



The objective

- ✓ Aim is for you to gain more knowledge with how the private equity market works and how deals are made so that you are better placed to seek investment or support your clients
- ✓ Does not cover specific engagements like “How to perform a due diligence engagement”. However, if there is demand this can be considered for the future.
- ✓ Today’s course will be followed by a self-paced online course that goes into more depth on the themes covered today
- ✓ A Guide to support entrepreneurs prepare for raising equity

