

## CYPRUS WOMEN'S CO-OPERATIVE BANK

**At the first and only women's Bank, in Cyprus, women who want to start a business get favourable loans, like nowhere else – and that even without guarantee. The success of the Cyprus Women's Coop Bank could become a model for whole Europe.**

Women who want to start a business are not exactly what a banker could imagine as ideal clients: The loans are in most cases moderate, and - that is what experience teaches us – with minimum guarantee. All this does not worry the Women's Coop Bank.

When a woman who wants to start a business comes to Cyprus' first and only women's bank, then two things count above all: "The woman must have entrepreneurial spirit and vision", says president Artemis Toumazi. If the business plan is also right, then the woman gets her loan even if the guarantee is low.

The year-2000- established bank has not much bad debts because of this. President Toumazi is proud of having the lowest rate of bad debts among all cooperative banks in Cyprus. "We examine exactly, who can pay back and how much", says Toumazi ".

Very favourable are also the conditions for the loans to women who want to start a business: The interest rate is 0,5% – 1% lower than that of the competitors, the term of the loan, up to 25 years, extremely long, consulting is intensive and free of charge. In our board there are (female) Finance professors, entrepreneurs and one accountant, who are always ready to help, when a client faces a problem, says fifty-years old Toumazi, who herself used to run a business for many years. The bank is all but not a charitable establishment. Idea, initiative and also the capital come from individuals. 350 women (most of them members of the Federation of Business and Professional Women) simply did not want to accept that other women hardly get a loan and together they raised the starting capital of 240.000 Euro.

### **Solidarity in numbers**

Five years after the bank's establishment it has already given out about seven million euro and in 2004 it achieved a profit of 100.000 euro. How is this possible? Through the right "mix" and the necessary portion of idealism.

The special loans granted to women who want to start a business are only one third of all loans granted by the bank. The bank makes profit through all the clients and services offered, services which are also offered by every other bank with full licence: bank accounts and other money transactions at completely normal conditions.

The bank has two branches and only seven employees, since the clients can make their transactions also by all other Cyprus cooperative banks – and the board, like Toumazi herself, works without remuneration.

But they compensate through the success of the bank. Seven years after the establishment and with more than 470 loans granted to women, who want to start a business, the entrepreneurial scene in Cyprus has changed: Today, every fifth enterprise belongs to a woman – four years before it was every tenth. Nevertheless, Toumazi is not satisfied with this. She dreams of more Women Coop Banks opening in Europe.

Also she wants to expand the Coop Bank, already in 2007, when the Coop Bank will be allowed, by EU-Law, to offer its services outside Cyprus. “Of course the best would be to find partners in other countries”, says Toumazi and reveals where she could find them: “Several female entrepreneurs in Italy and Greece have already expressed their interest”