

The Agence française de développement Group grants a €10 million loan to the Grameen Crédit Agricole Foundation to promote access to financial services for vulnerable populations

Press Release

Paris, 7 July 2020 - A €10 million loan has just been granted by the Agence française de développement Group (AFD), represented by its subsidiary Proparco, to the Grameen Crédit Agricole Foundation. This loan will enable the Foundation to develop its support for microfinance institutions, which provide guidance and support, mainly in Africa, to populations excluded from the traditional banking system. The AFD Group has also pledged to support the Foundation with a €900,000 grant that will enable it to set up a microinsurance technical assistance programme.

Nearly 4 out of 10 adults in the world do not have a bank account. This means that 1.7 billion people are excluded from the traditional banking system. This problem is at the heart of the Grameen Crédit Agricole Foundation's action. For nearly 12 years, it has been financing and supporting microfinance institutions that serve populations excluded from the traditional banking system, mainly women (85%) and rural populations (82%), in some 40 countries.

The Agence française de développement Group, which has been supporting the Foundation since 2013, has granted a €10 million loan to the Foundation in order to bolster its action in favour of small and medium-sized microfinance institutions based mainly in Sub-Saharan Africa.

€900,000 grant to support microinsurance

The insurance penetration rate in Africa is well below the global level. Yet, insurance is a lever for economic and human development. It has a significant impact on improving the quality of life and protects human capital from certain risks, so as to preclude the need for emergency adjustment strategies.

Since 2011, the Grameen Crédit Agricole Foundation has been supporting microinsurance through research activities and technical assistance projects for the institutions it guides and supports.

A €900,000 grant from the Agence française de développement Group will enable the Foundation to develop its microinsurance technical assistance offering to the organizations it supports.

"We share the AFD's ambition to help the fight against poverty and inequality throughout the world. We are very proud of the trust that the AFD Group has placed in us over many years. This new funding will enable us to strengthen our action in favour of microfinance institutions, particularly in Africa. We will also be able to bolster our capacity to support the development of insurance products and services, including agricultural insurance. This partnership will in turn enable the clients of such institutions – low-income households, women, small farmers and micro, small and medium-sized enterprises– to protect themselves better, to be more resilient", affirms Eric Campos, Managing Director of the Grameen Crédit Agricole Foundation and Head of CSR at Crédit Agricole SA.

"At a time when the coronavirus crisis could jeopardize the activity of many African entrepreneurs, access to financial services is an essential lever more than ever before for supporting the private sector and reducing inequalities. Against this background, I am proud of the mobilization by the Agence française de développement to support the most vulnerable African businesses, particularly in the informal sector. This is what the partnership with the Grameen Crédit Agricole Foundation is all about, through which the AFD Group is pursuing its commitments in favour of financial inclusion. By enabling the Foundation to increase its portfolio of loans, capital, guarantees and technical assistance to microfinance institutions, the AFD is taking action to support Africa's population, which is the most entrepreneurial in the world", says Rémy Rioux, Chief Executive Officer of the Agence française de développement.

About the Agence française de développement

The Agence française de développement Group (AFD) is a public institution that implements France's policy in the areas of development and international solidarity: climate, biodiversity, peace, education, town planning, health, governance, etc. Our teams are actively involved in more than 4,000 projects with a high social and environmental impact in the French Overseas Departments and Territories and in 115 countries. We thus contribute to the commitment of France and the French people to the Sustainable Development Goals (SDGs).

www.afd.fr/en/



About the Grameen Crédit Agricole Foundation

Created by Crédit Agricole and Professor Yunus, Nobel Peace Prize laureate, the Grameen Crédit Agricole Foundation contributes to the fight against poverty by promoting social entrepreneurship and financial inclusion. The Foundation supports more than 85 microfinance institutions and social impact enterprises in 40 countries with a portfolio of nearly €100 million. It targets primarily microfinance institutions that serve women and rural populations – 9 million clients in all, of whom 85% are women and 82% live in rural areas.

www.gca-foundation.org/en/



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