2016 was a good year for the Grameen Crédit Agricole Foundation. Continued growth in the activities translates into commitments up 22% to over €44 million. With a portfolio of 63 partners located in 29 countries, its scope of action continues to spread in Africa and Asia.

2016 also gave us the opportunity to evaluate our partner’s social performance and to register remarkable results. On each criterion, scores are systematically better than the international benchmark, which clearly confirms the Foundation’s positioning in favour of inclusive finance and the relevance of its selection, support and financing policy.

These good scores are the result of a collective effort where each employee has been able to bring competence, pleasure and energy. It is therefore with a talented team, united and committed that we will mark the beginning of a new promising chapter in the history of our wonderful Foundation.

Eric Campos
Managing Director of the Foundation

The GCA Foundation and Crédit Agricole Egypt are teaming up to fight poverty in Egypt

The GCA Foundation and Crédit Agricole Egypt have signed a partnership agreement to finance Egyptian Microfinance Institutions (MFIs). This partnership will enable CA Egypt and the GCA Foundation to take part in the development of the country by contributing to the economic growth of a segment of the population that is now excluded from the traditional banking sector.

Raphaël Appert elected FNCA Senior Vice-Chairperson

Crédit Agricole Centre-Est CEO Raphaël Appert […] also becomes Vice-Chairperson of SAS Rue La Boétie, the majority shareholder of Crédit Agricole S.A. He takes over from Jack Bouin, who wants to focus on his duties as Chief Executive of the Aquitaine Regional Bank.

GCA Foundation analyses its MFI portfolio’s social performance

Since its inception in 2008, the Grameen Crédit Agricole Foundation has carried out comprehensive financial and social due diligence in its investment process, with its social performance evaluation based on SPI, a social performance audit tool developed by non-profit service provider CERISE.
The mission of the Grameen Crédit Agricole Foundation is to contribute to the fight against poverty by promoting the financial inclusion of the most deprived as well as access to essential goods. Since its inception, its commitment to an inclusive and responsible finance has been constant.

In 2016, the Foundation signed new partnerships with microfinance institutions and Social Business companies.

As of December 2016, the Foundation worked with 63 partners in 29 countries for a total of € 44.3 million in commitments (+ 22% compared to 2015). Sub-Saharan Africa accounts for 41% of these commitments whereas Asia accounts for 36%. 82% of the Foundation’s commitments are senior loans and 14% of them equity investments.

In the microfinance sector, the Foundation selects, funds, supports and strengthens local or regional institutions which themselves lend to end beneficiaries. These institutions are selected by the Foundation according to social and financial criteria. To date, we work with 50 MFIs who have 3.5 million clients, 84% of them women.

In the Social Business area, the Foundation invested in a new partner in Kenya, VERT Ltd, a company specialising in the production and export of green beans mainly to European markets. VERT Ltd also collects fruit and vegetables from 1,700 small local farmers organised into communities.

The Foundation has already invested in 15* companies for an outstanding amount of € 5.4 million as of end of 2016.

This Social Business portfolio is mainly located in Sub-Saharan Africa, with 46% of its commitments spread across the continent and in the agri-food sector (51% of commitments) and financial services (30%).

In 2017 we will explore new territories. In addition, as exemplified by our partnership with Crédit Agricole Egypt and in line with our strategic orientations, we will develop synergies with the various Crédit Agricole Group entities.

*Including Chamroeun and ACAD Finance which are also microfinance institutions and therefore counted as such.

Further information
On 11 March 2017 the members of the Board of Directors of the Grameen Crédit Agricole Foundation met in Paris, in the presence of Professor Muhammad Yunus and Her Royal Highness the Grand Duchess of Luxembourg.

The day before, the directors of the Foundation met at the Maison de l’Amérique Latine for a working day devoted to the 2016 achievements and the 2017 development prospects. The Board, chaired by Jean-Marie Sander, welcomed the development of synergies and cooperation between the Foundation and the various entities of the Crédit Agricole Group. In terms of projections, the Board expressed its wish that the Foundation would conduct a study on the development of microfinance in Cuba as well as in the Mediterranean region and in Central Asia.

On March 11, prior to the Board meeting, the directors also had the opportunity to visit the Village by CA and to meet France Barter Coopérative, a start-up hosted by the Village and which is the first online barter* network in France for VSE / SMEs. They were all particularly interested in the presentation and by the Village by CA’s mode of operation, presented by Benoit Bourdin.

* Inter-company exchange or “barter” is a tool allowing companies to finance some expenses or purchase projects directly in exchange for their production without cash outflow.
Excellent social performance of the Foundation’s partners

During the Board meeting held on 11 March, Directors were presented with the report on the Foundation’s social performance as of end 2016. This evaluation is based on the universal standards defined by the SPTF of which Jürgen Hammer, Chief Risk Officer and Head of Social Performance Management of the Foundation has been the Chairman since January 2016.

The Foundation’s social performance analysis conducted by CERISE highlights the good results of the Foundation’s partners. Overall, it appears that all Foundation’s microfinance partners are above the benchmark for all six dimensions analysed. The Foundation’s partners score for the six dimensions is 63% compared to 57% for the benchmark.

Concerning dimension 2 (Commitment of the Board of Directors, Management and staff to social objectives), the results of the CERISE analysis are well above the benchmark (+11 points).

Regarding dimension 4 (treat clients responsibly), the partners of the Foundation outperformed by 12 points.

The strong results of the Foundation’s partners show our strong commitment in the field of social performance and the rigorous work of the team in the selection and monitoring of partners funded since 2008.

A comprehensive report on the Foundation and its partners Social Performance will soon be available.

Further information

*CERISE is a Paris based support service provider that promotes ethical and responsible finance, contributing to the social and economic development of populations.