Foreword

Éric Campos
Managing Director
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We are glad to send you the 30th issue of our Newsletter. We like this support since it allows us to both share with you subjects of general interest and communicate about our activities and results. As of the end of June, we are present in 33 countries and proud to support 59 microfinance institutions (MFIs) with more than 3 million beneficiaries, 77% of which are women.

In a media context often too severe with regard to refugees who flee conflict zones for survival, you will find an article written by Philippe and Alexia that sheds new light on this terrible situation. The Grameen Crédit Agricole Foundation has been selected by the Swedish Cooperation and the United Nations High Commissioner for Refugees to support partner MFIs to reconsider the refugees within their own strategy.

In the beginning of June, the Foundation has organized an “Open Day” for its stakeholders. It has allowed us to increased awareness on our lines of businesses and actions. We have asked our Communication and Partnerships interns, Chloé and Killian, to write an article to share their own perception on the content presented during the event.

Partnerships with the Crédit Agricole Group continue to consolidate with a new programme called “Solidarity Banker by CA” that will be covered in more detail in the next issue of our Newsletter.

We wish you a pleasant reading.

News

Discover the 2017 Integrated Report

The Foundation is proud to present its 2017 Annual Report. This publication reflects the values, engagements and activities carried out by the Foundation alongside its partners, 69 partners, 32 countries, €49 million of financing granted in 2017, results that attest the commitment of those women and men who work towards a better shared economy.

Appointment of Eric Campos to the position of Crédit Agricole CSR Director

Eric Campos has been appointed Corporate Social Responsibility Director of Crédit Agricole SA. He maintains his position of Managing Director of the Foundation which will for sure facilitate several forms of cooperation with the Group. Find out more in the press release.

A new partnership between the Grameen Crédit Agricole Foundation and Crédit Agricole Egypt

The Grameen Crédit Agricole Foundation and Crédit Agricole Egypt signed a partnership to structure a lending scheme to DBACD, one of the top microfinance institutions in Egypt for EGP 58 million (€2.8 million).
Microfinance and refugees: a promising collaboration

By Philippe Guichandut, Head of Inclusive Finance Development & Alexia van Rij, Investment Intern, Grameen Crédit Agricole Foundation

What if microfinance was the key to integrating refugees?

Often perceived as risky and instable clients, refugees are generally not or poorly assisted by financial service providers, despite blatant needs. Yet, the few instances of loans granted to refugees seem to present successful outcomes¹.

In light of this observation, UNHCR (United Nations High Commissioner for Refugees) and Sida (Swedish International Development Cooperation Agency) launched a programme promoting access to financial and non-financial services for refugees in Uganda and in Jordan. Thus, the Grameen Crédit Agricole Foundation was selected to support partner microfinance institutions to reconsider the refugees in their strategy.

Microfinanza² was in charge of the first study on the needs to access financial and non-financial services. In this context, we spent three days in the Nakivale camp, in the South of Uganda, experiencing fascinating exchanges and encounters with Burundian, Rwandan, and Congolese refugees.

At the heart of Nakivale in Uganda: a strong need to access financial services

Uganda is the third most important host country in the world in number of refugees, with more than 1.4 million refugees by the end of March 2018. Following the crisis in South Soudan in 2013, an increasing number of refugees entered Uganda: UNHCR estimates around 1,800 per day. The country has one of the most favourable refugee policies in the world, allowing them to receive a piece of land to cultivate, to work, to gain free access to Ugandan social services (education, health), to enjoy freedom of movement and to receive identity papers. In this remarkable context, the Foundation joined the Microfinanza team in Nakivale, one of the oldest refugee camps in the country, to assist them in their study with the refugees.

Nakivale now hosts more than 100,000 people, mostly from Rwanda, Burundi and Democratic Republic of Congo, divided in small localities over 185 km². Most of residents in Nakivale have benefited from pieces of land granted by the government, used for agriculture and farming. Others manage a small restaurant, a hair salon or a clothing store.

In sum, classic activities for microfinance institutions. However, no microfinance institution is involved in the camp and refugees must rely solely on solidarity among themselves.

Moban Sacco, a credit savings organisation with no less than 1,449 members, was created from mutual aid to meet the lack of capital. Thanks to Moban Sacco, refugees can save up small amounts and receive some credits, but this is unanimously considered as not enough to enable them to develop their businesses.

Dismissed prejudices

One of fears that microfinance institutions have towards refugees is that the latter will return to their country of origin without paying their debts. It must be noted that in Nakivale, none of the refugees interviewed project to go back to their country of origin because of the level of insecurity in those regions, some of them being settled in the camp for more than 15 years (7-8 years on average) with the firm intention of developing their micro-enterprise on the spot. Moreover, all the refugees we met maintained that they had a concrete idea of how they would use a loan if it was granted to them. In other words, ideas are not lacking but the capital is!

How could we forget this woman from the region of Kivu in Congo, the sole provider of her three children, a hairdresser whose 11-year-old son translated her words because she strove her whole life for him to learn English? After she left her country without any money, she did not have the means to open a hair salon and she was dependent on food rations provided by UNHCR to survive with her kids. Or, what about our encounter with a Rwandan entrepreneur who created, 6 years ago, with his few economies, a company to grind seeds.

He succeeded in employing three people to develop his activity, but his small savings did not allow him to expand his business and buy new high-performance equipment.

These examples, amongst many others, highlight how diverse circumstances can be, and how women and men with great talents, experiences and will to take control of their own destiny, often see their potential wasted, although they could have done it in their country of origin before the situation got out of their control.

At the Foundation, we are convinced that microfinance institutions, while adapting their products and services, have an active role to play in promoting the financial inclusion of refugees. Opportunities for digital finance, an in-depth knowledge of each group’s characteristics and a regular follow-up should stimulate such an involvement. Meetings with partner microfinance institutions of the Foundation lead to believe that they will be involved and will take on the challenge of offering inclusive financial services to refugees and their host communities.

The ongoing study alongside with Microfinanza that will be made public this year should provide concrete guidelines for our partners to get actively involved. With our support and the joint work with UNHCR and Sida, that can be a reality.

Visit our website

¹ See : New issues in refugee research, Michelle Azorbo, Research paper N.199, UNHCR; Microfinance for Refugees, Thimothy H. Nourse, American Refugee Committee

² Company selected through call for bids.
"Open Day" at the Grameen Crédit Agricole Foundation

By Kilian Gripon and Chloé Liqaud

Communication and Partnerships, Grameen Crédit Agricole Foundation

On June 8th, the Grameen Crédit Agricole Foundation welcomed partners and entities from the Crédit Agricole Group to present the Foundation’s businesses and discuss about its actions for a better shared economy.

The day was full of exchanges and lessons, with presentations from the Foundation’s team, interventions from Jean-Marie Sander, Chairman of the Foundation, Jean-Michel Severino, Board member of the Foundation, and Sébastien Duquet, Managing Director of OXUS, a network of microfinance institutions supported by the Foundation. This “Open day” reaffirmed the Foundation’s commitment to rigour, engagement, and sharing in favour of inclusive finance. Taking part of this event allowed us to be completely immersed in the world of the Foundation during the first days of our internship.

The world of finance shaken by global challenges

Climate change, security, migration... The world of finance is influenced by a complex range of interdependent features. Climate change will continue to transform politics, security, and the socio-economic context. Getting access to resources is increasingly difficult, which exacerbates tensions, inequality and conflicts.

The number of refugees is on the rise: the International Organization for Migration predicts that there will be 200 million refugees by 2050. World’s population is growing: several studies forecast that there will be around 10 billion people on Earth by 2050. Faced with such demographic growth, many questions arise regarding the abilities to feed, house, and guarantee the economic and social integration of billions of people.

What can be done regarding this alarming estimate? There is an urgent need to mobilize resources, to act in partnership and to integrate these social and environmental challenges in today’s and tomorrow’s economy. This integrated approach is at the heart of inclusive finance and of the Grameen Crédit Agricole Foundation’s actions. When we joined the Foundation team, we discovered its partnership approach, based on adaptability and accountability to better meet the needs of marginalized populations. For us, this is the finance of the future, that captures the diversity of present and future challenges and that adapts to a changing world.

The Foundation, a key actor for inclusive finance

Since its creation in 2008, the Foundation has worked in favour of inclusive finance by supporting microfinance institutions (MFIs) and social businesses all around the world.

Jean-Marie Sander, Chairman of the Foundation, opened the day by reaffirmed this strong and common commitment to developing a better shared economy. During the day, the Foundation’s team presented the lines of business, the projects and the actions of the Foundation. As newcomers in the microfinance and social sphere, by the end of the day, we shared the same observation: this field is more complex than it looks.

For example, the range of financing tools and services offered is wide and adapted to the specific needs of microfinance institutions. The African Facility Programme, an initiative carried out with the French Development Agency (AFD), exemplifies how the Foundation’s offer has evolved towards more global support for the microfinance institutions. Thus, after the first stage of the programme enabling the support of 16 rural institutions in Sub-Saharan Africa, the second phase will take place between 2017 and 2020 and will facilitate financing and technical assistance to over 20 institutions.

The Foundation also reinforced its links with the Crédit Agricole entities. Cooperation schemes are being developed with the Group’s entities in Egypt, Morocco, Serbia, and India. A long-term financing of €14 million granted by Crédit Agricole Corporate Investment Bank will allow the Foundation to reinforce its actions in upcoming years.

Crédit Agricole Indosuez Wealth (Asset Management) will manage the Investment Funds, for which the Foundation has an advisory mandate. To mention one last project, a skills volunteering programme called “Solidarity Banker by CA” was launched by Crédit Agricole SA and the Foundation just a week before the Open Day. As part of this programme, the collaborators of the Group will be able to go on a mission to help the institutions and social businesses supported by the Foundation. This is the first time in the history of both Crédit Agricole and the Foundation that such a partnership is launched.

Read the complete article ➔