

A photograph of a person wearing a red hat and a dark shirt, standing in a small wooden boat on a body of water. The person is holding a long wooden pole. In the background, there is a dense tropical forest with many palm trees. The image is split diagonally from the top left to the bottom right, with the top-left portion being white and the bottom-right portion being the photograph.

THE FOUNDATION

GRAMEEN CRÉDIT AGRICOLE

INTEGRATED ANNUAL REPORT 2017

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JEAN-MARIE SANDER
CHAIRMAN

ÉRIC CAMPOS
MANAGING DIRECTOR

03

REENCHANTING FINANCE AND ITS RAISON D'ÊTRE

The idea of more responsible finance is making headway by the day. The aspiration of a better shared, more accessible economy is no longer a pious wish, but is becoming a concrete commitment, a movement in action.

A specialist in microfinance in rural areas and in socially responsible investments, the Grameen Crédit Agricole Foundation takes part in what is today announced as a major financial transition. It is a development relayed in large measure by major international players to which we, together with our partners, are contributing in more than 30 countries today.

In 2017, we expanded the scope of the Foundation's influence and worked on the establishment of many partnerships. The activity is developing, with a significant advancement in outstandings, and the operating result shows that it is possible to combine profitability and social performance. It is a source of great satisfaction.

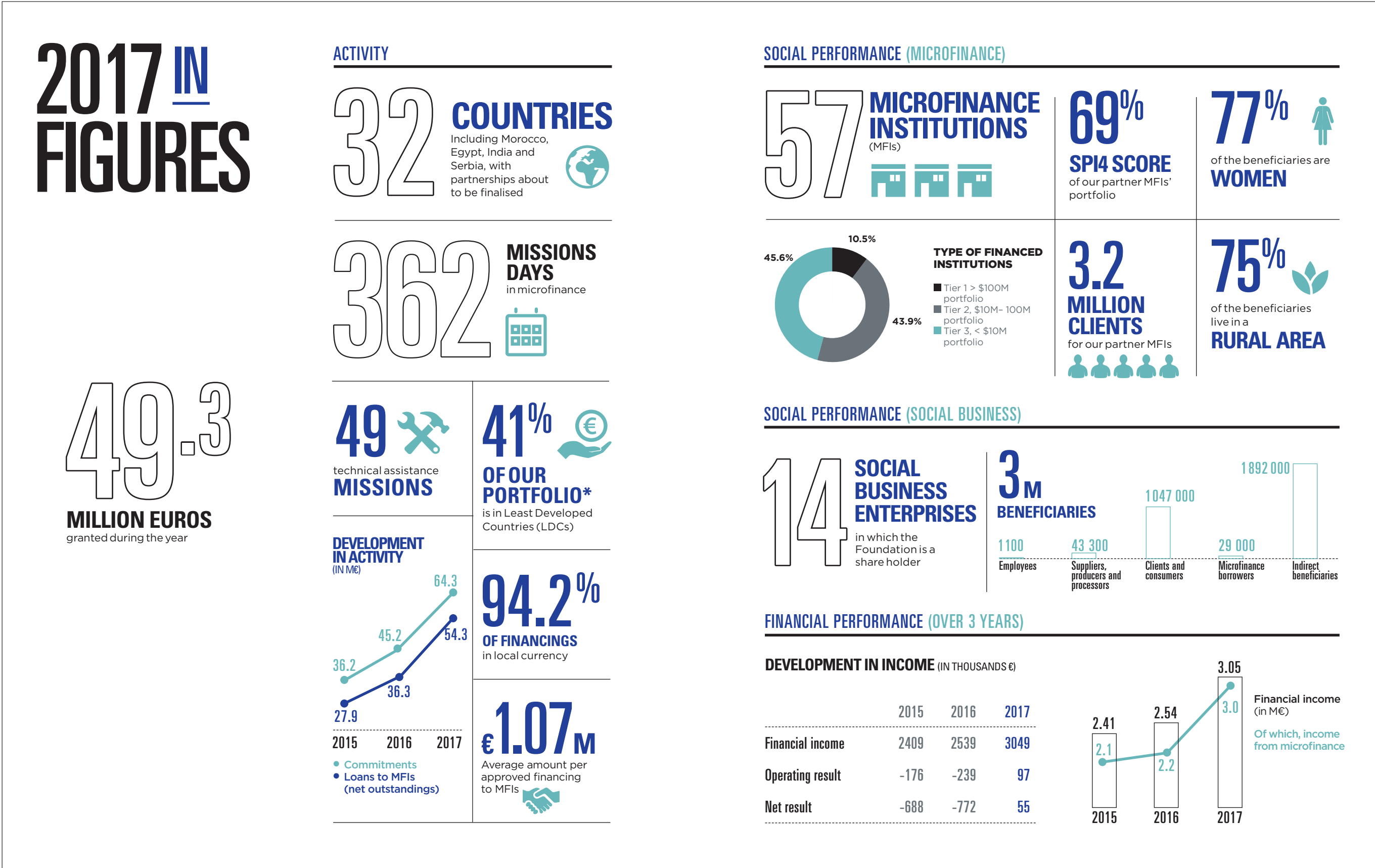
The Foundation continues to spread its influence as well. The ideas that we are promoting to share the fruits of the economy

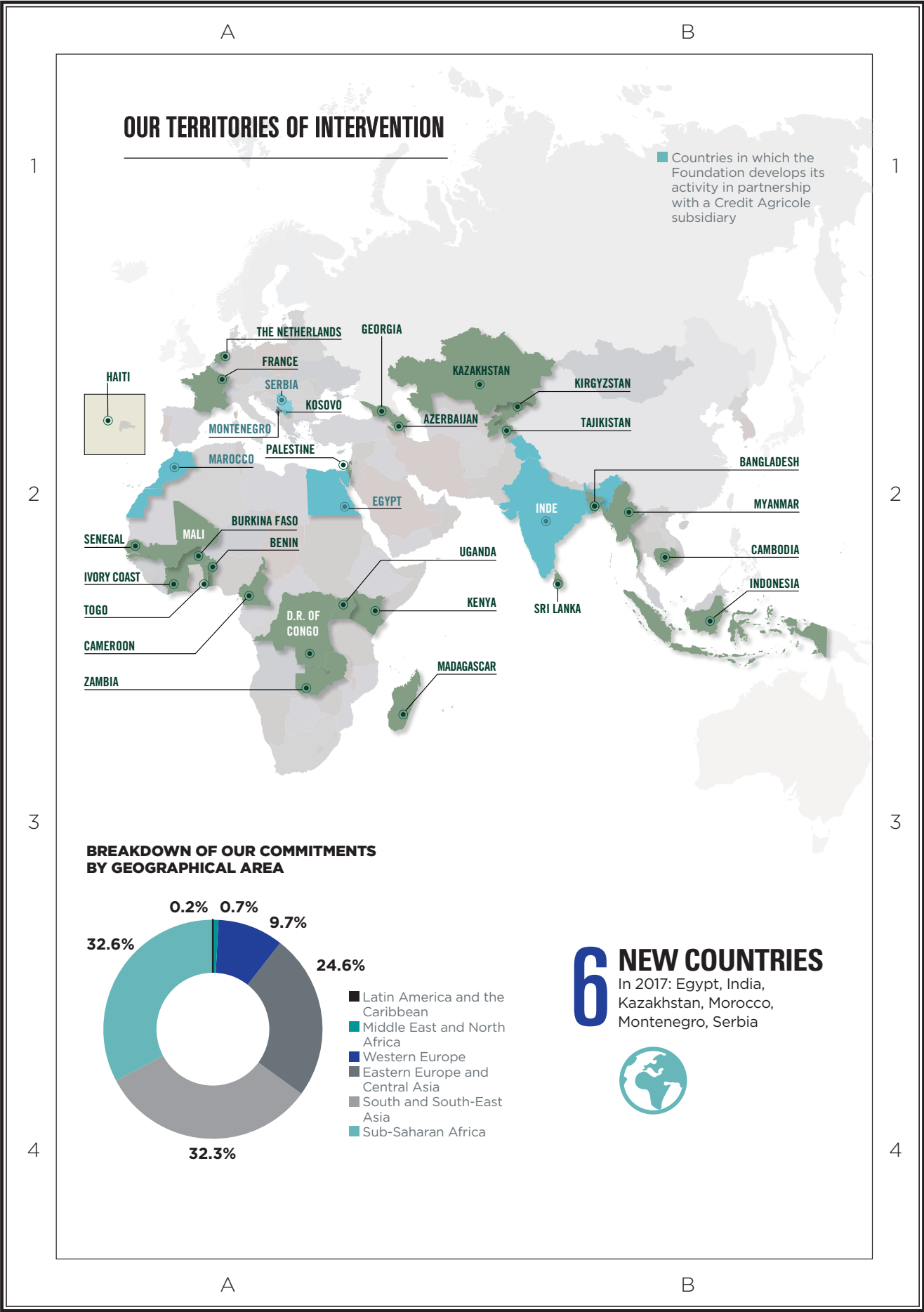
better are echoed by a plethora of committed stakeholders. We are forming alliances, working hand in hand with many entities of the Crédit Agricole Group, reaching out to partners and innovating. Through its outlook, the Foundation is contributing to disseminate a singular economic concept and to shed new light on the aims of entrepreneurship, in line with the emerging expectations of the age.

Pursuing a legitimate aim, the Grameen Crédit Agricole Foundation is relying on sustainable growth forecasts. On the basis of its capacity to accelerate its development, it will launch its Strategic Plan 2019-2023 at the end of the year, which will coincide with the 10th anniversary of its creation.

We are convinced that the shared economic, socially responsible finance, and entrepreneurship for the common good, will pave the way for a better world. In this Annual report we present our commitment and the meaning we have given it.







LET'S CHANGE
OUR VIEWS



FOR A BETTER SHARED ECONOMY

Philippe Brassac, CEO, Crédit Agricole S.A.

Raphaël Appert, First Vice-Chairman, National Federation of Crédit Agricole & Board Member, Grameen Crédit Agricole Foundation

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People throughout the world are speaking up asking companies to commit themselves to the common good. Calls are multiplying, and pioneers are taking position. A general movement is emerging that gives hope for a more responsible economy. Capitalism seems to open up new prospects accordingly.

Within our Group, the Grameen Crédit Agricole Foundation plays a trailblazing role for more responsible and solidarity investment models with positive effects on the social front. It is trying out the new boundaries of value sharing, and of sustainable and reasoned financial profitability with effects that will be distributed with greater fairness among all.

The commitment of Crédit Agricole is not limited to the actions of the Foundation. Founded on values of cooperation, solidarity, loyalty and utility, the Crédit Agricole Group has been driven from the outset by a mission in the service of the collective interest. It is our raison d'être as a bank with mutualist roots. This spirit is what differentiates us and we continue to bring it to life in the economic changes of the 21st century.

We henceforth expect companies to contribute to the common good, share value more fairly, and commit themselves and act for the benefit of the general interest. It is the sense of history, the sense of what has been agreed to call a deep-rooted trend. No one can curtail this flow.

The Crédit Agricole Group has committed itself from the outset to this approach of utility and better sharing.

“We henceforth expect companies to contribute to the common good”



COLLECTIVE INTELLIGENCE ALWAYS GIVES RISE TO THE GOOD IDEAS OF TOMORROW

Pr Muhammad Yunus, Nobel Peace Prize Laureate 2006 & Board Member, Grameen Crédit Agricole Foundation

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Extreme concentration of wealth in the hands of a few, impact of climate change on people's living and working conditions, these are the challenges facing today's world. And these deep-rooted problems are global challenges irrespective of economic achievement of a country.

The world needs new types of entrepreneurs who are dedicated to solve human problems in a business way without expecting personal profits from these businesses. That is why social businesses and microfinance were created.

Microfinance institutions are tools that brings much needed oxygen to the local economies. By financing them, the Grameen Crédit Agricole Foundation plays its part and is actively involved in combatting this injustice.

The Foundation operates according to the original Grameen model: alongside a worldwide cooperative bank, it influences, disseminates and promotes inclusive finance and social entrepreneurship progress. I encourage the Foundation to develop alliances, communicate on its activities and further open up, through exchange, sharing and joy. Collective initiatives always gives birth to tomorrow's good ideas.

“Microfinance brings much needed oxygen to the local economies”



ALLIANCES TO DEVELOP ALL TERRITORIES

Jean-Louis Delorme, Chairman,
Crédit Agricole Franche-Comté

Elisabeth Eychenne,
CEO, Crédit Agricole Franche-Comté



The Grameen Crédit Agricole Foundation and the Regional Banks of Crédit Agricole can develop synergies. Like the Regional Banks, the Grameen Crédit Agricole Foundation establishes its utility in an intimate relationship respectful of the territories. It contributes to the dissemination of the solidarity and responsibility values that are dear to us – the values of mutualism. We want to rely on this common base today to capitalize on the experiences of our territories to support the actions of the Grameen Crédit Agricole Foundation.

In Senegal, the Grameen Crédit Agricole Foundation has been guiding and supporting La Laiterie du Berger and its Director Bagoré Bathily since 2010. In 2017, Crédit Agricole Franche-Comté decided to join this human, agricultural and social adventure.

Why Crédit Agricole Franche-Comté and La Laiterie du Berger? La Laiterie du Berger is developing dairy farming and collection in the north of Senegal through “The Kosam project”. By buying the fresh milk of the Peuls farmers at a fair price, this social business enables them to generate income from their activity, thereby creating a real virtuous circle: optimizing the quality of the milk, the capacity to improve farming conditions and practices, the improvement of dairy yields and thus of income, sedentarization, and better access to education for the children. This has all the elements of the development dynamic for a sector with value creation for all and a transition to sustainable agriculture.

Rooted in Franche-Comté, the cradle of Crédit Agricole, mutualist values and the Comté, we cannot but be sensitive to the project of La Laiterie du Berger. Our

“By buying the fresh milk at a fair price, the social business creates a virtuous circle”



The dairy sector in Senegal is strengthened by the social business La Laiterie du Berger

territory has developed by creating added value locally from the processing of milk and by building a strong farming momentum. This is exactly the strategy applied by La Laiterie du Berger! Our strong relations with the stakeholders of agricultural sectors in Franche-Comté will be beneficial for La Laiterie du Berger:

- Contribution of expertise on the herding of the Montbéliarde breed to improve the productivity of local breeds (pilot farms, crossbreeding, etc.);
- Operating experience in the organization of sectors with added value (like the Comté).

In this way, we will be able to support the technical or strategic choices of La Laiterie du Berger alongside its other shareholders. There is real complementarity between our territories and approaches and therefore our fate.

Whereas we aim to provide guidance and support for our territory in Franche-Comté, Crédit Agricole Group aims to provide advice and support for the territories, including the poorest among them, where it is active, through the actions of the Grameen Crédit Agricole Foundation. Pooling our resources has enabled us today to contribute, in synergy with the Foundation, to the guidance and support for the projects of La Laiterie du Berger.

“Between Franche-Comté and Senegal, there is probably a future to share”



A NEW VISION OF PERFORMANCE

Yves Perrier,
CEO, Amundi



Amundi has charted responsible finance as a pillar of its strategy. We are convinced that the integration of environmental, social and governance criteria, combined with the dialogue with issuers to foster progress, consolidate financial performance.

With €168 billion in outstandings in our Socially responsible investments (SRI) funds, Amundi is a leading player. This is the result of an approach we have been developing for more than 10 years, which allows offering a certified and several-times awarded expertise to our clients.

“Finance and social commitments are not diametrically opposed”

Our willingness to combined performance and commitment has naturally brought us closer to the Grameen Crédit Agricole Foundation and its microcredit activity. It is because the Foundation has charted its development course in this virtuous dynamic that we wanted to support it through our Finance and Solidarity Fund. We are consequently putting our financing to promote the development of microfinance and a solidarity economy.

“Microfinance provides leverage against poverty and exclusion”



IN CAMBODIA, THE FOUNDATION PROMOTES WOMEN'S AUTONOMY THROUGH ENTREPRENEURSHIP

Nicole Gourmelon,
CEO, Crédit Agricole Normandy



In the autumn of 2017, Crédit Agricole Normandy went to Cambodia for a study tour prepared with the Grameen Crédit Agricole Foundation. With the Board members and part of the Management Board of our Regional Bank, we wanted to get a better understanding of the workings of microfinance in emerging countries and the keys to success so that, upon our return, we could continue to endeavour for greater banking inclusion of the inhabitants of our home territory in Normandy.

On that occasion, we met two Cambodian microcredit institutions, LOLC and Chamroeun, partners of the Grameen Crédit Agricole Foundation. Discussions with the directors, employees and their customers enabled us to draw valuable lessons for what we do in France.

Pursued in accordance with a sustainable and responsible economic model, microfinance provides leverage against poverty and exclusion. I was touched to note that a large number of customers are women who, thanks to access to credit, are succeeding in their commercial enterprise. This improves their independence and fosters their economic emancipation.



WE ARE COMMITTED ALONGSIDE THE FOUNDATION

François-Edouard Drion, CEO, International Retail Banking (BPI), Crédit Agricole



The International Retail Banking (BPI) of Crédit Agricole joined forces with the Grameen Crédit Agricole Foundation in 2017, by developing a partnership for its two banks in the Mediterranean basin, Crédit Agricole Egypt and Crédit du Maroc.

The BPI and its two institutions pay particular attention to promoting inclusive finance on their territories under their Corporate Socially Responsible strategy. The Grameen Crédit Agricole Foundation provides its expertise in development of the microfinance sector.

In Egypt and Morocco, the recognized expertise of the Grameen Crédit Agricole Foundation has enabled us to provide innovative financing solutions for micro-finance institutions, thereby securing a distinctive position on the market for us. They support fully our values of proximity, utility to the territory, and ethical and responsible finance. This enables us to generate a positive social impact while promoting a profitable economic model.

We would like to see this partnership model put in place also in Serbia. Other countries are under study.

**“A universal bank
must provide services also
to low-income persons”**

IDENTITY AND COMMITMENTS



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Microfinance institution Alidé (Benin)

OUR IDENTITY

Created in 2008 by Crédit Agricole and Pr. Yunus, 2006 Nobel Peace Prize, the Grameen Crédit Agricole Foundation is a cross-business actor committed to promoting a better shared economy

A COMMITTED ACTOR FOR RESPONSIBLE FINANCE

Microfinance funder and social

business investor, the Foundation acts in favour of the financial transition. Inequalities are on the rise in the world. The profits of the economy are not redistributed fairly. At the Foundation, we are driven by a determination to change these dismal trends. We are working to simplify access to the financing of entrepreneurship.

It is also by releasing and allowing creative energies to blossom that we can aspire to better shared growth: an economy of useful finance and entrepreneurship where financial profitability rhymes with positive social effects.

MICROFINANCE: OUR MODE OF ACTION

Thanks to its competencies in microfinance, social business and integrated social performance management, the Foundation supports its partner institutions with adapted financing and technical assistance. It thus helps to transform proximity economies in territories that are most often rural and agricultural. It has a real impact, as its financing helps to generate income for the customers of institutions we support.

Appreciated as an operator of excellence, the Foundation is increasing its sphere and opening up to new alliances. As a specialist in microfinance, it is a trusted third party in the service of responsible finance.



Sustainable Development Goals: The United Nations defined 17 Goals for 2030. The Foundation contributes with its actions to 8 of them.



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Microfinance institution Findev (Azerbaïdjan)

OUR LINES OF BUSINESS

Investor, funder, technical assistance provider and fund advisor, the Foundation supported 69 partners (microfinances institutions and social business) and operated in 32 countries in 2017.

FUNDING FOR MICROFINANCE INSTITUTIONS

Structured loans are provided to local financial institutions offering micro-credit to support individual income-generating activities.

INVESTMENTS IN SOCIAL BUSINESS

Minority stakes are held in the capital of social businesses or microfinance institutions, with guidance and support for projects, for a purposive management to the benefit of all stakeholders.

TECHNICAL ASSISTANCE

We provide operational and institutional reinforcement missions for our partners under specific programmes financed by our institutional partners.

INNOVATION IN SOLIDARITY ECONOMY

We are experimenting with new models: agricultural micro-insurance, securitization, water kiosks... promoting and calling for a shared economy.

ADVOCACY

The Grameen Crédit Agricole Foundation is an active member of responsible finance networks and organizations. In 2017, the Foundation promoted its convictions through many international meetings. The Convergences Forum in September afforded an opportunity to assume noted positions alongside Philippe Brassac, CEO of Crédit Agricole S.A.

The Foundation also published the [White Paper on Social business](#) in December 2017. Through this publication, it highlights the impact of these social utility enterprises and presents seven propositions to improve the efficiency of the social business model.





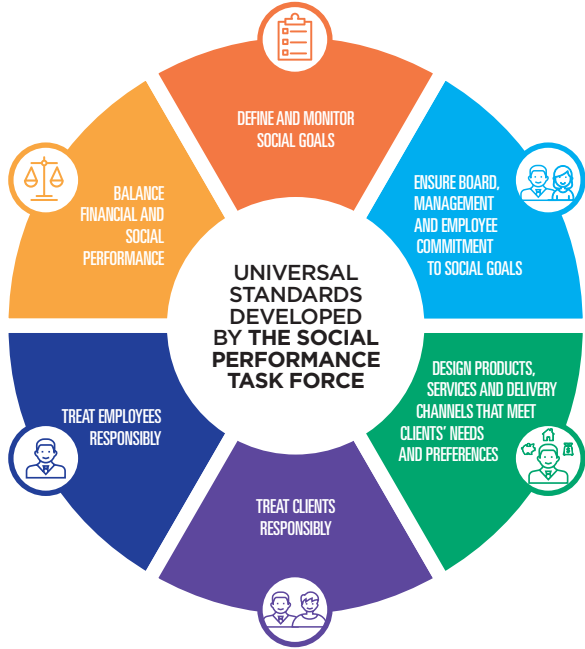
Microfinance institution Chamroeun (Cambodia)

OUR COMMITMENTS

- SELECTION**
Selecting partners financed according to standardized financial and social criteria
- MANAGEMENT**
Monitoring financing and investments on the basis of financial and social indicators, having a double-bottom line approach.
- COMMITMENT**
Compliance with the financial commitments to the Sustainable Development Goals (SDGs), acting in the interest of all stakeholders
- SUPPORT**
Monitoring and assessing the financed partners continuously on the basis of standardized financial and extra-financial objectives, technical assistance

THE SOCIAL PERFORMANCE:

Our partner microfinance institutions continue to progress, registering among the best results in the sector, thereby confirming the quality of the Foundation's investment rules and recommendations. Several of our financed partners exceed the high 90% mark of the SPI4 Alinus scoring tool (this is the case of LOLC in Cambodia and KMF in Kazakhstan).



ALINUS SPI4 is a social performance reference tool developed by CERISE. For more information, go to <http://www.cerise-spi4.org/>

STRATEGIC PRIORITIES

FINANCE ENTREPRENEURSHIP FOR A BETTER SHARED ECONOMY

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The Grameen Crédit Agricole Foundation is a financier of “entrepreneurship for all”



Microfinance institution AMK (Cambodia)



x2.3

In 2 years, the Foundation has more than doubled the financing operations and investments it grants annually.



All around the world, microfinance institutions grant professional microcredits to support the economic activities of the populations. They thus finance individual or collective projects, small traders and local initiatives. By providing funds and advice and guidance in their social utility mission, the Grameen Crédit Agricole Foundation plays fully its financing role assumed for the sake of a fairer economy.

The financing granted by the Foundation to its partners helps to fuel the local economy in the heart of territories and accelerates their resilience thanks to the positive effects of a better social inclusion.

Present in Africa, Asia and Europe, the Foundation pursues its core line of business, which is to finance microcredit for professional purposes among microfinance institutions. It continues to give priority to rural areas and to women.

FINANCING ON THE RISE

In 2017, the Foundation expanded its activities: it diversified and increased its commitments, while maintaining its social orientation. It also strengthened its position in some countries. For instance, it granted a loan of €3.3 million for 3 years to its partner KMF in Kazakhstan or a line of €2.6 million to Proximity Finance, the third institution in Burma to join its portfolio.

In parallel, the Foundation is expanding its network of alliances. In support of the Crédit Agricole Group for which it positions itself as a specialist in inclusive finance, it assumes positions on markets with strong growth reserves (Morocco, Egypt, etc.) and expands its offers: financing, loan guarantees, consulting, setting up and developing programmes. Recognized as an expert in inclusive finance, the Foundation aspires to continue to open up to new markets and advance the economic standards of social utility.

The Foundation's influence is growing

Six new countries, ten new microfinance institutions and many renewed partnerships – canvassing is producing results. Active in more than 30 countries, the Foundation sees its efforts reap rewards. New partners are joining its portfolio, institutions often well established in their regional markets: KMF in Kazakhstan, Advansci in Ivory Coast, Acep in Cameroon, ACFB in Benin, Lazika in Georgia, etc.

The financing of microfinance activities is registering organic growth. The Foundation takes advantage of promising trends

on markets such as in Ivory Coast where the microfinance sector has tripled in 5 years. Its loans to partners already financed are renewed: Musoni in Kenya, Vision Fund in Sri Lanka, MEC Fadec in Senegal, Crystal in Georgia and many others.

The Foundation capitalizes on in-depth knowledge of regional situations and continues to get involved to support the continued improvement of its partners.

International cooperation is multiplying

IN EGYPT AND SERBIA

Within the framework of the International Retail Banking (BPI) of the Crédit Agricole Group, the Foundation has joined forces with Crédit Agricole Egypt to guarantee loans to local institutions: it is an innovative approach in the group that will enable the Egyptian subsidiary to position itself as a financier of the social and solidarity economy. A similar model is being developed with the BPI in Serbia.

IN MOROCCO

In June 2017 the Foundation signed a cooperation agreement with Crédit du Maroc, a subsidiary of Crédit Agricole SA, based on the same model as in Egypt and Serbia. There once again, it is a matter of promoting the financing of Moroccan microfinance institutions, with the Foundation providing the guarantee for loans granted by Crédit du Maroc or by committing its own resources, depending on the case.

“We are aware of the economic and social stakes that financial inclusion represents in Morocco. The partnership with the Foundation will enable us to approach optimally the ecosystem of very small enterprises and income generating activities, which represents half the companies registered in the central trade and companies register. Crédit du Maroc thus promotes the Group's historical values, namely proximity, responsibility and solidarity. It thus underscores its commitment to citizens as a socially responsible undertaking by participating in financial inclusion.”

BALDOMÉRO VALVERDE, Board's Chairman, Crédit du Maroc

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“Peer microcredit combines preliminary training, financial education and advance and support for granting credits. Thanks to the group's joint and several guarantees, women who have neither financial means and resources nor guarantees can give their business initiatives concrete shape. My institution, Graine, promotes self-reliance for women, helps sustain the cardinal value of solidarity, and restores their dignity.”

ÉLÉONORE M.-C. COMPAORÉ-GYEBRÉ, CEO, Graine (Microfinance institution in Burkina Faso)

Women's autonomy – a priority

Economic development is enabled by support for entrepreneurial activities of women. Their independent income is a key factor for reducing gender-related inequalities in the world.

With 77% women among customers active in its partner institutions, compared with less than 50% for the average in the sector, the Foundation is seen as a committed stakeholder. It's a choice made since it was created, one that is continued today: about one third of the institutions in its portfolio target women in particular.

“We know that women invest more than 90% of their income in the family and in children's education. Consequently, the more women embark on economic activities, even the smallest one, the more families that will be able to attain a decent living level in Kazakhstan. This reality is at the heart of ACF. Since 1997, we have supported more than 100,000 women by giving them access to credit and training to start and develop their own business.”

ZHANNA B. ZHAKUPOVA, CEO, Asian Credit Fund (Microfinance institution in Kazakhstan)

ADAPT RURAL ECONOMIES TO CLIMATE CHANGE

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Financing, investing and innovating are the three modes of our overall action in the territories



Microfinance institution Renaca (Benin)

1.3billion

people earn their income from agriculture, i.e. 40% of the world's working population



A local approach to tackle global stakes: the Grameen Crédit Agricole Foundation gears its activity to the populations most exposed to the climate risk in countries at the heart of what are often rural and vulnerable territories. Together with its partners, it supports family farms and disseminates good practices.

In addition to micro-finance institutions which it finances with loans of €57.5 million (on 31 December 2017), the Foundation pursues a rationalized approach to social business, with social enterprises most often involved in activities in the agricultural sector. This is for instance the case of Vert Ltd in Kenya, which federates responsible producers of vegetables.

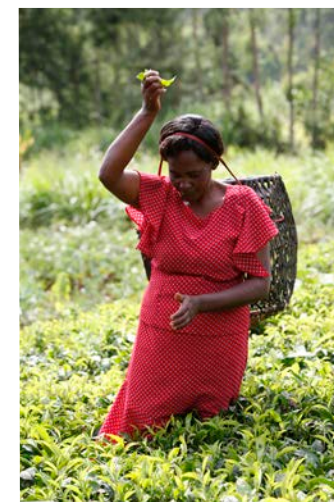
AGRICULTURAL INSURANCE, AN EXPERIMENT
After a meticulous preparatory phase, the Foundation launched its pilot experiments to anticipate an agricultural micro-insurance model.

Its principle is to protect the income of farmers in the face of the drought and bad harvest hazards. In Mali, an offer was proposed with the Network of Micro-Institutions for Growth and Income (known by the French initials RMCR): the result was lacklustre, as the beneficiaries, not yet very familiar with insurance, did not take out coverage. The model remains relevant nonetheless and will be deployed at more attractive rates in 2018.

Other innovations like the securitization of social counterparties or the guarantees on the objectives of impacts are also under study. Whether it be a matter of advice, expertise, finance or investment, the Foundation combines all the operating modes in the service of one final goal: to set the rural economy on a path of socially responsible growth.

Responsible finance accelerates adaptation

Microfinance is bringing rural economies to life. The Foundation finances microfinance institutions which in turn distribute professional loans to the rural populations to support their activities. It's a positive impact circle. In direct contact with producers and farming activities, the microfinance institutions financed by the Foundation contribute actively towards the adaptation of rural areas to climate change: with more than 80% of this earmarked financing, the Foundation is strengthening the resilience of rural economies.



Musoni microfinance institution (Kenya)

AN AD-HOC TOOL FOR THE CRÉDIT AGRICOLE GROUP

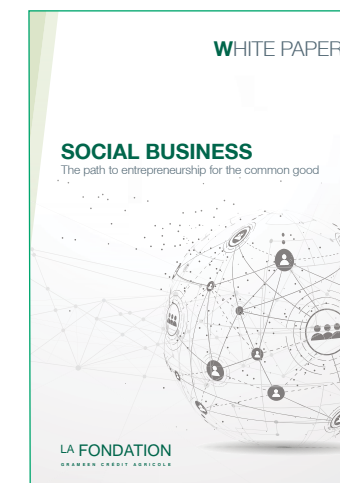
The Foundation will participate in a project for the creation of a financial vehicle to enable the entities of the Crédit Agricole Group* to intervene in the financing of partner microfinance institutions. This vehicle is geared to institutions that promote financial inclusion in rural areas.

*exclusively in France

SOCIAL ENTERPRISES ARE BREAKING NEW GROUND

A pioneer in social business, the Foundation is refocusing its action around the following conditions:

- **Presence of an industrial partner** with social enterprise projects
- **Structuring of sectors** to enshrine companies in a value chain
- **Diversification of products** and dissemination circuits to dilute the impact of social costs
- **Encouragement of "agility"**, digital practices, low-cost technologies, open source
- **Securitization of the agricultural sector** by contractualization or pre-financing programmes



Drawing on its experience of investing in the capital of social businesses for 8 years, the Foundation published a White Paper entitled "Social Business, the path to entrepreneurship for the common good" in 2017. This work, hailed by our peers, has enabled us to draw lessons from the Foundation's experience and to make seven proposals to improve the chances of success of social impact enterprises.

Join forces to expand the collective action

At the confluence of climate finance and solidarity-based finance, the Foundation plays a key role. It has joined the United Nations Programme for the Environment (UN Environment) to adapt to the specific features of countries in Sub-Saharan Africa, a programme which has earned its stripes in South America. This programme aims to enhance the resilience of microfinance institutions in the face of climate change.

"Ten years ago, we invented social innovation platforms. We started in Bangladesh with Grameen Danone and, then in a more important manner, by developing a network of social business enterprises with Danone Communities to promote access to drinking water and nutrition. This is how we came in contact and worked in cooperation with the Grameen Crédit Agricole Foundation which participates with us in the capital and governance of three enterprises of this type in Cambodia, Bangladesh and Senegal.

Today, Danone aspires to become a B-Corp, thereby strengthening our double economic and social project. We know that it is a model for the future. The economic dimension without its social counterpart is pure barbarism. **The social dimension without the economic dimension is a utopia.** The ultimate aim of market economy can only be social justice, and the right to food is a fundamental pillar thereof."

EMMANUEL FABER
Chairman and CEO, Danone

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STRENGTHEN THE MICROFINANCE SECTOR

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The search for social performance is a major criterion for choosing our partners



Microfinance institution Faten (Palestine)

93%

Is the nearly “perfect” grade our partner LOLC Cambodia obtains in social performance, followed closely by KMF in Kazakhstan with 90%.*

*Overall social performance score SPI4Alinus, Cerise 2017



What distinguishes the Grameen Crédit Agricole Foundation is its capacity to establish close ties with its partners, the microfinance institutions. Its support combines advice, technical and financial study, and granting and monitoring loans. The approach is based on the principles of responsible management for social performance. And success is achieved in many cases.

Firmly entrenched in the emerging economies of Africa and Asia, the Foundation continues to expand its network of partners. Today, it pursues its development in Europe and the Middle East among other regions.

AN ONGOING EFFORT FOR IMPROVEMENT

In more global terms, the Foundation is conducting an action to promote economic and social progress for microfinance stakeholders. It endeavours to structure the sector together with the Agence Française de Développement (AFD), one of its historical partners.

The Foundation assesses the social performance of its financed partners in a rationalized and standardized manner. For them, this means constant support to improve operability, reinforce skills and deliver an ever more positive impact for their clients.

Excellence of small rural institutions

The Foundation channels a significant part of its assets to what are known as Tier 3 microfinance institutions, i.e. with less than \$10 million under management. Often located in the heart of agricultural regions, they maintain a relationship of

proximity with the villages, small producers and their families. Because it guides and supports them step by step, the Foundation obtains excellent social performance results with them.

UNIVERSAL SOCIAL PERFORMANCE STANDARDS



An enhanced technical assistance programme

The Grameen Crédit Agricole Foundation and the Agence Française de Développement (AFD) are renewing and broadening their intervention programme in favour of medium-sized microfinance institutions in Sub-Saharan Africa.

The common objective is to strengthen the capacities of the partners by granting financing conditioned by technical assistance missions. Entrusted to local experts, these missions help structure the management of the institutions and support their progress.

In 2017, the Foundation took stock of its action over 4 years: 97 technical assistance missions

have led to 24 loan contracts for 16 financed partners with a positive impact on 300,000 active borrowers. Building on this success, a new pluriannual agreement was signed at the beginning of the year:

- **€2.2 million** subsidy to co-finance technical assistance missions over 3 years
- **€6 million** in loans financed by the AFD and operated by the Foundation
- **€10 million** in guarantees to cover 50% of the loans granted to the MFIs

Large institutions put their trust in us

Amundi finances the Foundation to the tune of €7 million, through the Finance and Solidarity Fund.

The European Investment Bank (EIB) plans to grant financing of €12 million in CFA francs. It will be intended for microfinance institutions active in rural areas, in West Africa.

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“The Foundation has left its mark in the cause of poverty alleviation. For almost 10 years, it has promoted pro-poor development by supporting microfinance institutions and social businesses in emerging countries. Its major presence in Sub-Saharan Africa and South and South and South-East Asia demonstrates its determination to improve the living conditions of the most vulnerable populations.

Today, the Foundation is reaching new heights and expanding its area of intervention with new partnerships. I am happy that the Foundation is extending its help to more countries in need. I am convinced that it will continue to pursue its development goal and scale up the impact of its action in the years to come.”

PR H. I. LATIFEE, Board member, Grameen Crédit Agricole Foundation

ENHANCING RESILIENCE OF VULNERABLE POPULATIONS

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Getting vulnerable populations integrated in the economy is an approach that benefits all



Microfinance institution Coopéc Sifa (Togo)

65.6 million

people have been uprooted in the world, a third of whom are refugees fleeing conflicts or persecutions.

Source: UNHCR, 2018



Social enterprises have a future ahead of them because, unfortunately, there is no shortage of alarming situations in need of solutions in the world. Microfinance gives access to basic financial services: wallet in mobile banking, payments, microcredits. Other essential services, that are at times a matter of survival, are just as fundamental: access to drinking water or basic energy, for instance.

It is in this sense that the Foundation gears its commitments, financing or investments. With its partners, it takes part in “organizing the life” of vulnerable populations.

A GROWING EXODUS FUELLED BY CONFLICTS
More than 28,000 people flee their home because of conflicts or persecution every day. The largest

part (56%) head for host countries in Africa (Ethiopia, Uganda) and the Middle East (Lebanon, Jordan). In exile, uprooted populations find that living conditions are precarious, but may also represent an opportunity for the economic dynamism of the host country in the long term. This is the case of Uganda, a refugee country for more than 20 years in its regional area: the exiles are given plot of arable land and gradually get integrated in society and the economy. It’s a win-win situation for all stakeholders.

A practitioner of microfinance and social enterprise, the Foundation is expanding its interventions to take these specific populations better into account.

Financial inclusion of refugees

The Foundation is conducting an unprecedented market study on behalf of the United Nations High Commissioner for Refugees (UNHCR) and the Swedish International Development Cooperation Agency (SIDA). The aim is to assess the needs of refugees for financial services - a situational analysis prior to launching customized offers: microcredits, payment solutions, savings.

As a result of the conflicts, the priority markets are:

- Jordan, which plays host to ca. 650,000 exiles, mostly from Syria.

- Uganda, with more than 1 million refugees, mostly from South Sudan.

On a wider scale, several of the Foundation’s partner institutions intervene among people displaced because of political tensions or conflicts.

This is currently the case of BRAC Myanmar, which is on the front line, as Rohingya refugees flee from the north of Myanmar to Bangladesh and whose condition is alarming.

Energy, water and social integration

Essential services help improve living conditions. The Foundation promotes access to such services with the social enterprises of its portfolio.



In Haiti, Palmis Enèji, in which the Foundation is a shareholder, promotes access to clean energy for families in a precarious situation, particularly with solar cooking ovens.



To bring drinking water to the village populations of Cambodia, 100fontaines/UV+Solaire manages a network of clean water vendors. Its model has proved viable.

In Cambodia, the Circus Phare (PPSE), social enterprise in which the Foundation is a shareholder, offers job opportunities to the cambodian artists and promotes the art sector in the country. In 2017, the company made a breakthrough: it paid dividends to support the social mission of its majority shareholder PPSA, an NGO school.

“The UN Refugee Agency (UNHCR) and the Swedish International Development Cooperation Agency (Sida) have established a financial inclusion program, which aims at improving access to credit to refugees and host communities for income generating activities and consumption smoothing. The program will initially target Jordan and Uganda and may expand in other countries in a second phase.

The Grameen Credit Agricole Foundation was the partner selected for providing debt funding to a number of financial service providers (FSPs) willing to serve refugees. The Foundation’s mission and vision, its responsible performance management, price policies, due-diligence guidelines and outreach were key criteria in the selection process. For the next 4 years, Grameen Credit Agricole Foundation will be the recipient of a credit guarantee scheme provided by Sida and, in addition to its role as lender, it will also be administering the technical assistance grant.

This is the first time that a lender’s guarantee scheme is established and paired with technical assistance for FSPs in a refugee context. By partnering with the Foundation and specialized, sustainable, and socially-oriented providers, UNHCR hopes that a considerable number of refugees and host communities will soon receive access to a range of financial and non-financial services that match their needs.”

MICOL PISTELLI, Financial Inclusion Officer, UN Refugee Agency

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Microfinance Institution Bimas (Kenya)

WOMEN, MEN, A COLLECTIVE INTELLIGENCE

OUR ORGANIZATION

SHARING
ANOTHER
VISION

GOVERNANCE

The Grameen Crédit Agricole Foundation is an independent organization under Luxembourgish law. It was granted an endowment of €50M by Crédit Agricole SA when it was established in September 2008.

Founded jointly by Crédit Agricole S.A. and Grameen Trust, it proposes a unique alliance for reducing economic inequalities in the world and disseminating responsible financing. The Foundation is today recognized for its expertise in financial inclusion and social business.

Its Board met twice in 2017, in March and November. It noted the arrival of a new Board member, Jean-Pierre Paviet, replacing Christian Talgorn.

PROJECTS COMMITTEE

The Projects Committee met 7 times in 2017 and approved an accumulated amount of €49.3M for 44 financing or investment projects.

The role of the Projects Committee is to decide on the proposals for financial commitments following an analysis and due diligence process conducted under the responsibility of the Managing Director. The Projects Committee is composed of Bernard Lepot, the Committee's Chairman, Pr. Latifee and Eric Campos, the Foundation's Managing Director.

ETHICS, COMPLIANCE AND AUDIT COMMITTEE

The Committee met 3 times in 2017. Its role is to see to compliant operations, the financial monitoring of the Foundation, compliance with its ethical charter, and to issue recommendations of principle. It is composed of Paul de Leusse, its current Chairman, and Pr. Latifee. Agnès Pannier-Runacher, was appointed member of the Committee in March 2018, replacing Christian Talgorn, whose term of office expired in 2017.

“The Foundation is a group of experts endeavouring for the success of microfinance and social business: investment officers, risk analysts and supporting staff”

362
days in microfinance
missions

49
technical assistance
missions

44
financing files presented to
the Projects Committee

€49.3M
granted during the year

THE BOARD

Representing the Crédit Agricole Group



Raphaël Appert

Paul de Leusse, Ethics
Committee's ChairmanBernard Lepot
Projects Committee's
Chairman

Jean-Pierre Paviet

Foundation's Chairman



Jean-Marie Sander

Qualified personalities

HRH Grand Duchess of
Luxembourg

Soukeyna Ndiaye Bâ

Beatriz Amendariz
(replaced by Agnès
Pannier-Runacher in March
2018)

Jean-Michel Severino

Representing the Grameen Trust



Pr Muhammad Yunus

Pr Huzzatul I. Latifee
(replaced by Abdul Hai
Khan in March 2018)

Muhammad Shahjahan

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YEARS!!

The Grameen Crédit Agricole Foundation will celebrate its tenth anniversary in November 2018. Several festivities will be organized to celebrate a pioneering decade filled with economic and social innovations. The Foundation will retrace its singular experience in responsible finance in the world and prepare the next steps of its future.

A PROFESSIONAL TEAM

Executive Committee



Eric Campos
Managing Director



Philippe Guichandut
Head of Inclusive Finance Development



Jürgen Hammer
Chief Risk and Social Performance Officer



Carolina Herrera
Head of Communication & Investors and Partners relations



Hélène Keraudren Baube
Head of Middle Office



Pascal Webanck
Chief Financial Officer

Investment Managers



Caroline Brandt
Senior Investment Manager



David Camara
Investment Advisor East & Southern Africa and MENA Region



Pierre Casal Ribeiro
Microinsurance Expert



Laurent Chauvet
Senior Investment Manager



Violette Cubier
Investment Manager



El Hadji Diop
Investment Advisor West Africa and Caribbean



Kathrin Gerner
Investment Advisor East & Southern Africa and MENA Region



Jeanne de Guillebon
Investment Manager



Céline Hyon-Naudin
Equity Investment Manager



Hélène Sananikone
Equity Investment Manager



Julie Serret
Investment Manager

Risk and Social Performance



Gabrielle Ferhat
Junior Risk Manager and Permanent Control



Edouard Sers
Senior Risk Manager



Maria Franco
Communication Officer



Alexia Jaunet
Executive Assistant



Claire Lecocq
Middle-Office Officer



Manuela Riviere
Communication Officer

Interns (6 months internships)



Juliette Charrier
Equity investment Intern



Alice Forgeois
investment Intern



Noémie Métais
Risk and Social performance Intern



Amélie Riou
investment Intern



Estelle Schuppert
investment Intern

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

Details on our investments and financings are included on the 2017 Annual Accounts of the Grameen Crédit Agricole Foundation, available on request to info@gca-foundation.org

Balance Sheet (in thousands €)

Assets	2017	2016
Financial assets	66 577	48 129
Loans	54 797	36 299
Term deposits	5 985	5 910
Equity investments	5 594	5 875
Debts receivables	201	45
Current assets	5 631	10 515
Debtors due in 1 year or less	843	369
Cash at bank and in hand	4 788	10 146
Prepaid expenses	29	27
TOTAL ASSETS	72 237	58 670

Liabilities	2017	2016
Grants and result	47 954	47 899
Initial grant	50 001	50 001
Profit / loss carried forward	-2 102	-1 330
Profit / loss for the financial year	55	-772
Creditors	23 445	10 647
Amount owed to credit institutions due after more than 1 year	22 710	10 000
Tax and social security debts	40	40
Other accrued charges payable	304	189
Other creditors	391	335
Deferred income	838	125
TOTAL LIABILITIES	72 237	58 670

Profit and loss account (in thousands €)

	2017	2016
Income from financial assets	2 955	2 183
Other financial income	94	356
FINANCIAL INCOME	3 049	2 539
Other Operating income	462	667
Financial charges	-225	-350
Staff costs	-1 098	-1 098
Other external charges	-2 090	-1 997
OPERATING RESULT	97	-239

	2017	2016
Operating subsidy	0	77
Reversal of value adjustments on financial assets	488	1 557
Value adjustments	-353	-960
Realised losses	-371	-1 595
Extraordinary charges	0	-1
Extraordinary income	193	389
PROFIT / LOSS FOR THE FINANCIAL YEAR	55	-772

FOUNDATION'S FUNDERS AND OPERATIONAL PARTNERS



PARTNER MICROFINANCE INSTITUTIONS

azerbaijan

FINDEV
VIATOR

BENIN

ACFB
ALIDE
COMUBA
RENACA

BURKINA FASO

ACEP BURKINA FASO
ACFIME
ASIENA
GRAINE
PAMF BURKINA FASO
SOFIPE

CAMBODIA

AMK
CHAMROEUN
LOLC CAMBODIA

CAMEROON

ACEP CAMEROUN

DEMOCRATIC REPUBLIC OF CONGO

HEKIMA
MICROCRED RDC
PAIDEK

GEORGIA

JSC MFO CRYSTAL
LAZIKA

INDONESIA

KOMIDA
TLM INDONESIA
VASHAM

IVOIRY COAST

ADVANS COTE D'IVOIRE
PAMF COTE D'IVOIRE

KAZAKHSTAN

ASIAN CREDIT FUND
BEREKE
KMF

KENYA

JUHUDI KILIMO
MUSONI KENYA
ECLOF KENYA

KIRGHIZSTAN

FMCC KIRGHIZSTAN
OXUS KIRGHIZSTAN

KOSOVO

KRK

MALI

RMCR

MONTENEGRO

MONTE CREDIT

MYANMAR

BRAC MYANMAR
PROXIMITY FINANCE
VISIONFUND MYANMAR

PALESTINE

FATEN
ACAD

SENEGAL

CAURIE MICROFINANCE
MEC FADEC

SRI LANKA

BERENDINA MICROFINANCE
JANAMITHU LANKA LTD
LOMC SRI LANKA
VISIONFUND LANKA

TADJIKISTAN

ARVAND
HUMO & PARTNER
OXUS TADJIKISTAN

TOGO

COOPEC SIFA

UGANDA

ENCOT
STROMME MICROFINANCE
EAST AFRICA
UMF
UGAFODE

ZAMBIA

AMZ

SOCIAL BUSINESS IN WHICH THE FOUNDATION IS A SHAREHOLDER

BANGLADESH



HAITI



MADAGASCAR



CAMBODIA



INDIA



PALESTINE



FRANCE



KENYA



SENEGAL



Together with other committed stakeholders,
the Grameen Crédit Agricole Foundation
takes part in the financial transition to a more
just, more equitable economy with better
shared effects.

Its annual report 2017 is a call for
devising financing, investments and support
mechanisms for the economy that are more
accessible, more transparent and
more supportive.

By promoting access to entrepreneurship
and seeking to strengthen the resilience of
the most vulnerable segments of society,
the Grameen Crédit Agricole Foundation
has committed itself to
the common good.



GRAMEEN CRÉDIT AGRICOLE FOUNDATION
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Contact : info@gca-foundation.org

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