



# INDIRECT IMPACTS

## Impact in the field via our partners

The microfinance companies and institutions supported by the Foundation operate in the field, in contact with socially and economically vulnerable populations. They are the ones who bring the Foundation's commitments to bear day in and day out with their outreach and their contribution to economic development.

The organisations supported by the Foundation work to provide greater access, particularly in rural areas, to a

range of essential goods and services related to financial inclusion, nutrition, and access to water and energy. The Foundation supports mainly companies that develop sustainable local agricultural value chains, the cornerstones of the resilience of fragile economies.

Finally, the Foundation supports and encourages the organisations financed to monitor the living standards of the vulnerable populations they serve more closely and to work to improve them.

### THE 3 IMPACTS:

**1 Greater access to essential services for vulnerable segments of the population**



FACILITATING ACCESS TO FINANCIAL SERVICES



CONTRIBUTING TO ECONOMIC INCLUSION



STRENGTHENING ACCESS TO ESSENTIAL RESOURCES

**2 Strengthened resilience for fragile economies**



CONTRIBUTING TO THE DEVELOPMENT OF VULNERABLE REGIONS



PROMOTING RURALITY AND EMPLOYMENT

**3 Improved living conditions for vulnerable segments of the population**



ENCOURAGING SUPPORTED ORGANISATIONS TO BETTER ASSESS THE IMPACT OF THEIR ACTIONS ON THEIR BENEFICIARIES



SUPPORTING WITH TECHNICAL ASSISTANCE THE IMPACT MEASUREMENT IN MICROFINANCE AND SOCIAL ENTREPRENEURSHIP



# GREATER ACCESS TO ESSENTIAL SERVICES

— The Foundation supports the activity of microfinance institutions and social impact enterprises with advice and guidance so as to guarantee access to financial services but also to nutrition, water and energy.

## Financial Inclusion

**Financial services:** The organisations financed by the Foundation distribute microcredits to people who usually have no access to banking services so that they can develop their own income-generating activities. These microfinance institutions also

offer them savings or insurance solutions (44% of the institutions).

**Non-financial services:** 55% of microfinance institutions offer financial training, health services or business support.

8,9 M €

clients of the microfinance institutions financed

5,2 M

savers, with 34% of them in fragile countries \*

\*According to the lists of the World Bank and the OECD

## Economic inclusion

**Towards women.** Particularly vulnerable, women constitute a priority for the Foundation in order to support their empowerment through entrepreneurship.

**Towards rurality.** Support for food-producing agriculture, inclusion of territories: the Foundation targets primarily organisations rooted in rural territories.

**Towards refugees.** Together with the United Nations High Commissioner for Refugees (UNHCR) and the Swedish International Development Cooperation Agency (Sida), the Foundation has launched a programme to promote access to financial services for refugees and host communities. Uganda will be the pilot country in which the Foundation will advise and support microfinance institutions to develop an adapted offer.

85 %

women clients of the institutions financed (compared to 67% for the microfinance sector)

78 %

rural clients in the institutions financed (compared to 56% for the microfinance sector)

100,000

beneficiaries by the end of the programme with UNHCR and Sida

4

Companies (among the 12 in the portfolio) enhance the agricultural sectors\*

\*La Laiterie du Berger (dairy production) and SFA (rice farming) in Senegal, Vert Ltd (vegetable production) in Kenya and Grameen Danone Foods Ltd (dairy production) in Bangladesh.

## Essential resources

**Nutrition, water, energy...** the impact enterprises supported by the Foundation are experimenting with innovative models, driven by positive social and environmental goals.

**This takes concrete shape in the field:** for example, 55 water dispensaries deployed throughout

Senegal by Oshun, which has already created 131 jobs, 50% of which are held by women; or 33,500 lamps, solar kits, and improved LPG ovens sold by Palmis Enèji in Haiti, representing more than 136,000 beneficiaries and a reduction of 72,943 tonnes in CO<sub>2</sub> emissions.

AMZ - ZAMBIA



Contributing to the economic inclusion of rural populations by providing them appropriate financial services



AMZ (ZAMBIA) @Didier Gentilhomme



719,892€  
Amount of commitment with the Foundation

4  
Loans granted since 2016 by the Grameen Crédit Agricole Foundation

2  
Technical assistance missions (African Facility)

## CONTEXT

Zambia is a country of 18.6 million inhabitants, more than 60% of whom live on less than \$1.9 a day, notably in rural areas.

85% of the population are employed in agriculture which occupies a central place in the economy.

## ORGANISATION

AMZ is a developing microfinance institution created in 2011 to provide economic opportunities for the poorest people in rural

areas. The Foundation has supported AMZ since 2016 by providing financing and technical assistance. Thanks to this support, AMZ has structured a pilot system for assessing its agricultural loans to small farmers.

Today, AMZ has a loan portfolio of €4.5 million, 16% of which is earmarked for financing agriculture. AMZ provides seven types of microcredits and other financial services (micro-insurance, mobile payment) to more than 53,000 clients, of which 60% are women and 92% live in rural areas.

## IMPACT

AMZ operates in a fragile\* country that is vulnerable to climate change, the consequences of which impact the livelihoods of the population. Thanks to its 16 branches in rural and remote areas and to the diversity of the microcredit products offered (financing of small informal shops, financing of very small/ medium-sized enterprises, agricultural loans, emergency loans), AMZ helps to develop access to income generating activities for rural populations and to supporting food-producing agriculture.



\*According to the lists of the World Bank and the OECD

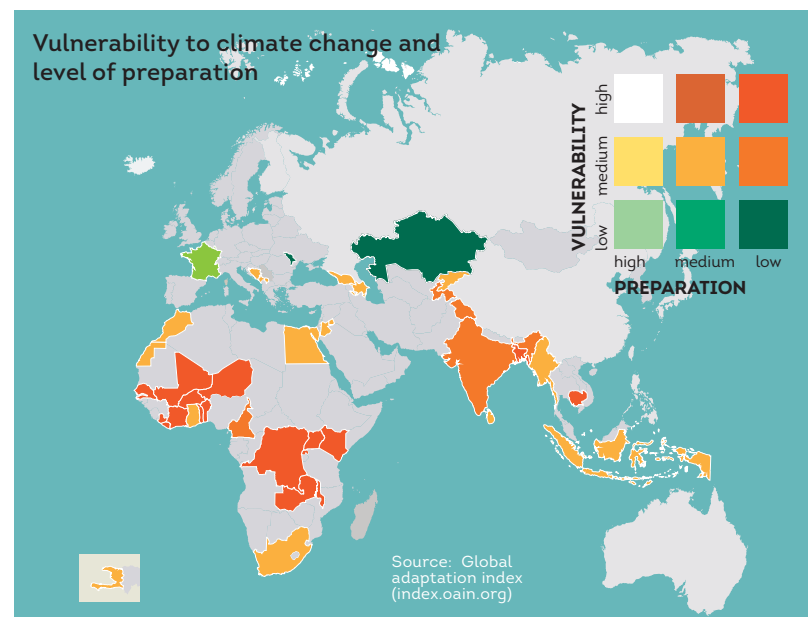
# RESILIENCE OF FRAGILE ECONOMIES

— The organisations supported by the Foundation are distinguished by the fact that they operate in particularly fragile social and economic contexts. For these populations, local action, particularly in agricultural areas, is indispensable.

## Vulnerable regions

With a marked presence of the organisations supported in African and Asian countries, the Foundation contributes to generating positive effects in particularly fragile regions of the world that combine different types of vulnerability:

weak institutions, civil or military tensions, deteriorated security conditions, exposure to the effects of climate change.



## Rurality and employment

Often isolated and far from basic services, populations living in rural areas require priority action to bolster the resilience of fragile economies. The Foundation focuses its intervention on targeted organisations: rural microfinance institutions or social enterprises linked to agricultural value chains.

More broadly, the Foundation's support for microfinance institutions and social enterprises helps to generate economic activity and employment in the territories.

\*According to the lists of the World Bank and the OECD

48 %

of the outstandings monitored in the regions that are the most vulnerable to climate change

45 %

of outstandings monitored in fragile countries

8 528

small producers supported by social agrifood enterprises financed

4

agricultural sectors supported

49,176

persons employed by the organisations supported, of which 31% in fragile countries

LAITERIE DU BERGER - SENEGAL



Structuring the local agricultural value chains to foster the resilience of fragile economies



1,086 M€

Amount of the Foundation's capital investment

2

Solidarity Bankers technical assistance missions

## CONTEXT

"90% of the milk consumed in Senegal is imported in powder form, whereas 30% of the population live traditionally from livestock breeding and can produce milk. This observation led to the creation of the Laiterie du Berger." Bagoré Bathily, Founder of the Laiterie.

## ORGANISATION

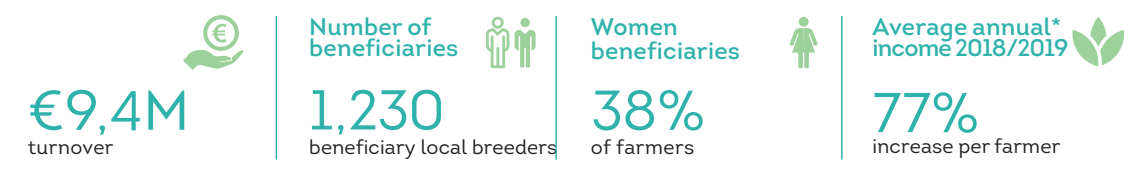
The social enterprise was created in 2006 to enhance local dairy production and improve the

income of farmers. The dairy collects milk from Fulani farmers in the Richard Toll rural area in the north of the country and uses it to make dairy products.

In 2019, a new subsidiary called Kossam was created to structure the Senegalese dairy sector by providing material resources and training to farmers and by developing an innovative "mini-farm" model. It is run by Jonathan Michaud, an agronomy engineer stemming from Cr dit Agricole Franche-Comt , dispatched on a two-year Solidary Banker mission in 2018.

## IMPACT

The Laiterie du Berger is the second largest company on the fresh dairy product market in Senegal, with 7,011 tonnes of products sold in 2019. The dairy helps meet the nutritional needs of vulnerable segments of the population and to secure the purchase of milk from 1,230 Fulani farmers who have seen their income go up by 77% between 2018 and 2019. The dairy creates employment in rural areas, with a network of 344 staff who undergo regular training.



\* Average income = average volume delivered per farmer \* purchase price for milk paid to farmers



# IMPROVED LIVING CONDITIONS FOR VULNERABLE SEGMENTS OF THE POPULATION

— In order to document and improve their impact, the Foundation and the organisations it supports join forces to monitor changes in the living standards of the beneficiary populations.

## Financial services

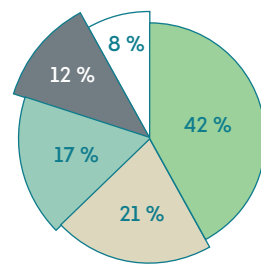
This is particularly the case of the 22 microfinance institutions supported under the African Facility with which a first workshop on impact measurement was carried out in 2019.

Having often already integrated social performance management

in their activities, the microfinance institutions surveyed plan to go further in order to understand better the changes taking place in the living conditions of their clients. The project to establish poverty assessment tools is therefore becoming a real topic of interest.

## Interest of participating institutions, African Microfinance Week, October 2019

- Poverty assessment tools
- Client surveys
- SPM\*
- Complaint management
- Other



## A development to support

According to the feedback from the beneficiary institutions of the African Facility, integrating impact measurement in microfinance is received favourably.

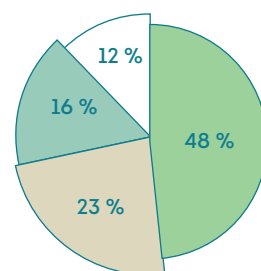
Nonetheless, the initiative is still up against operational obstacles: lack of reliability of the data collected

from the field, possible reluctance on the part of agents, cost and implementation issues.

A professional and institutional approach, accompanied by technical assistance support, seems to be the way forward to achieving this development.

## Advantages impact measurement estimated by the institutions

- Improved financial performance/ sustainability
- Improvement / development
- SPM / targeting / inclusion
- Reporting / social responsibility



36 %

of the institutions supported monitor the development of their clients' standard of living

22

microfinance institutions supported under the African Facility

\* SPM : Social Performance Management

## Our commitment

In 2020, the Foundation will organise the collection of new outcome and change indicators from the supported institutions in order to verify the robustness and relevance of its impact model

KOMIDA - INDONESIA



Giving women excluded from the banking system access to adapted financial and non-financial services



€2,6 M

Amount of commitment with the Foundation

7

Loans granted since 2011 by the Grameen Crédit Agricole Foundation

## CONTEXT

Indonesia is the fourth most populous country in the world with 268 million inhabitants, 10% of whom live below the national poverty threshold. The country is particularly exposed to the effects of climate change.

## ORGANISATION

KOMIDA is a microfinance cooperative created in 2004 that serves over 675,000 borrowers with a loan portfolio of \$100 million.

The Foundation has provided advice and support for the institution's growth since 2011. KOMIDA's clients are poor women who live in rural areas: in 2019, 63% live on less than \$2.5 a day, and half of them were previously excluded from the banking system.

KOMIDA proposes many savings and credit products as well as non-financial services to empower women: gender equality training, domestic violence prevention, financial education, etc.

## IMPACT

KOMIDA is a socially high-performing organisation with excellent customer protection practices, certified by the Smart Campaign. Its governance is 78% female and is involved in achieving its social objectives. The institution monitors and measures the poverty level of its clients using the PPI<sup>(1)</sup> questionnaire. 97% of beneficiaries declare that their income increased once they joined the cooperative and 92% have been able to meet current expenses.



(1) PPI: Poverty Probability Index, an index which is used to measure the poverty level and to assess the probability that an individual is below the national poverty threshold