

GRAMEEN CRÉDIT AGRICOLE FOUNDATION

INTEGRATED REPORT 2020



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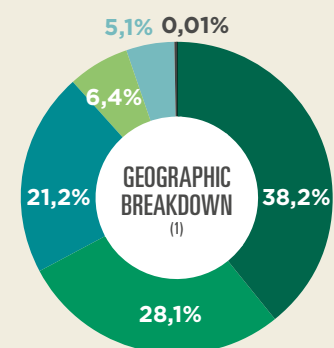
GRAMEEN CRÉDIT AGRICOLE FOUNDATION INTEGRATED REPORT 2020

THE FOUNDATION IN 2020

ACTIVITY

€81 

MILLION
Portfolio followed
by the Foundation



■ Sub-Saharan Africa
■ Eastern Europe and Central Asia
■ South and South-East Asia
■ Middle East and North Africa
■ Western Europe
■ Caribbean

83% Financing in **LOCAL CURRENCY**

100% FINANCING WITH COVENANTS
LIMITING EXPOSURE TO FOREIGN
EXCHANGE RISK

44% **PORTFOLIO**
in fragile
countries ⁽²⁾

SUPPORTED ORGANISATIONS

75 

Microfinance
INSTITUTIONS

Types of institutions⁽³⁾

9 % LARGE INSTITUTIONS (TIER 1)
51 % MEDIUM INSTITUTIONS (TIER 2)
40 % SMALL INSTITUTIONS (TIER 3)

11 Social impact
ENTERPRISES 

Business sectors⁽⁴⁾

36 % AGRIBUSINESS
36 % FINANCIAL SERVICES
18 % ESSENTIAL SERVICES
9 % CULTURE & EDUCATION

TECHNICAL ASSISTANCE

38 **ORGANISATIONS**
beneficiaries of
technical assistance

93 MISSIONS COORDINATED IN 2020
17 COUNTRIES

SOCIAL IMPACT

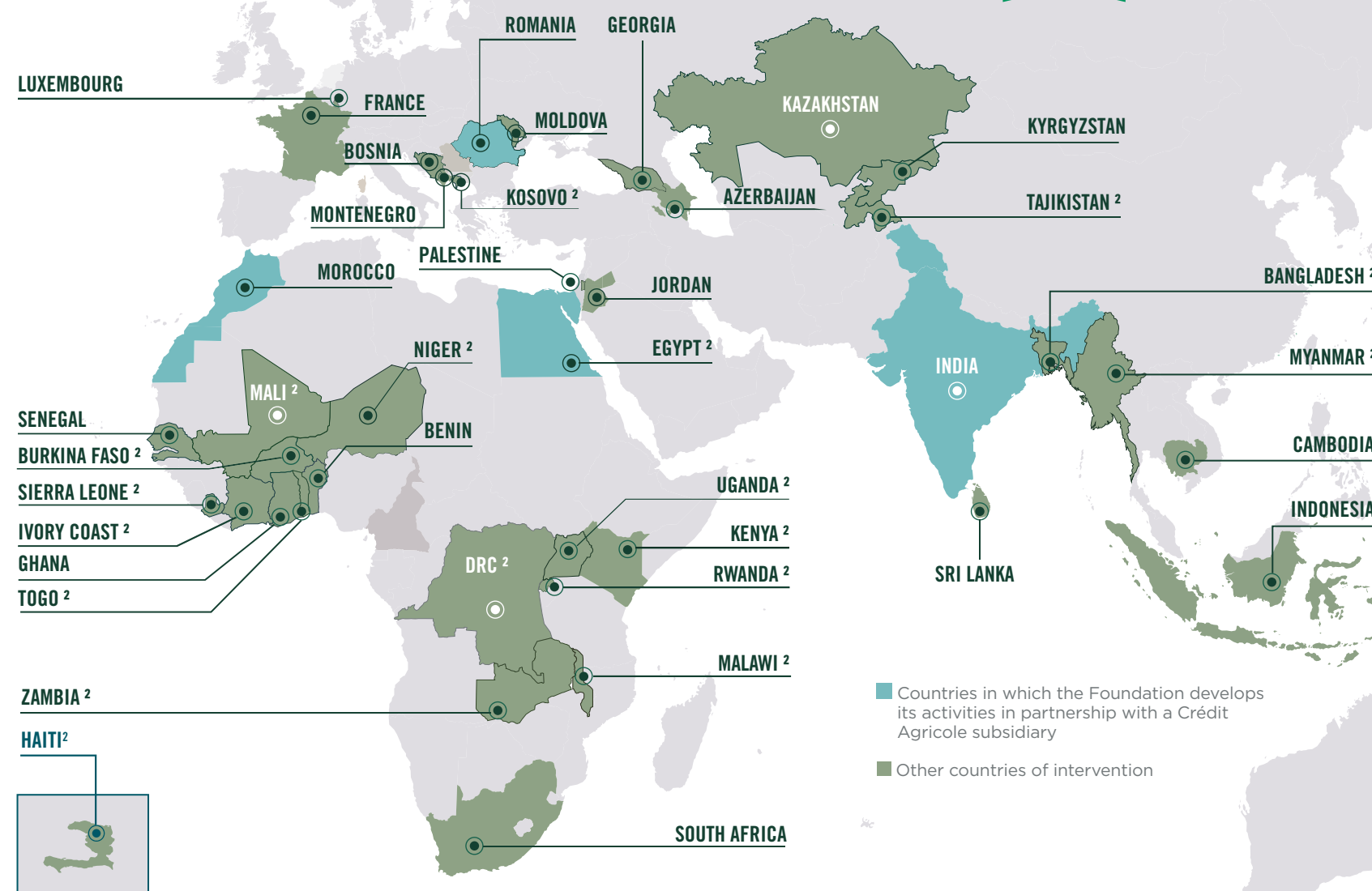
7.3 **MILLION**
beneficiaries
of organisations
funded 

73 % WOMEN BENEFICIARIES
85 % CLIENTS IN RURAL AREAS

COUNTRIES OF INTERVENTION



39 COUNTRIES



(1) Portfolio's geographic breakdown
(2) Fragile countries according to the World Bank and OECD lists
(3) Breakdown by number of funded institutions
[Tier 1: >\$100M portfolio /
Tier 2: \$10-100M portfolio / <\$10M portfolio]
(4) Breakdown by social impact enterprises



Editorial

Jean-Marie Sander

Chairman, Grameen Crédit Agricole Foundation until March 2021¹

Raphaël Appert,

Chairman, Grameen Crédit Agricole Foundation, as of 26 March 2021 and Vice-Chairman, Crédit Agricole SA and Fédération Nationale du Crédit Agricole [National Federation of Crédit Agricole]²



Just over 30 years ago, Michel Serres shared with us the need for a «Natural Contract» similar to the «Social Contract» which called for a reconciliation between man, nature and the living. 2020 was a terrible year for fragile economies.

The sound health of the Foundation, which has adapted to the economic effects of this crisis throughout the year, is not a mirror image of the dramas that have played out and are still playing out in the territories of our partners, where social shock absorbers are almost non-existent. Faced with the pandemic and its impact on daily life, family solidarity was often the rare relief very low-income populations could rely on.

Although its anthropocentric origin has yet to be demonstrated, this health crisis beckons us to become aware that we are part of nature, reminds us of our humility in the face of the natural order, and entrusts us with the task of not only developing but also of maintaining humanity.

The economic effects of the pandemic have affected the whole world but more particularly vulnerable populations: according to World Bank figures, 150 million people could be pushed rapidly into extreme poverty. For our part, we will avoid complacency about a probable ability to regain a semblance of economic growth, which we all know will not reach the most fragile populations quickly and evenly.

In this economic recovery, the Foundation will mobilise all its efforts in 2021, as there is still much to be done to try and change the mechanism that creates inequalities in the face of tragedy. We shall to that end have to rely on our professionalism, our determination and the values that guide our daily action.

It was with this ambition that we created the Foundation with Professor Yunus in 2008. It is still with this same ambition that we will continue to commit ourselves in the months to come.

¹ Director representing the Crédit Agricole and member of the Foundation's Compliance and Internal Control Committee from that date.
² Raphaël Appert succeeded Jean-Marie Sander, Chairman of the Foundation from 5 March 2012 to 25 March 2021.



2020, an unprecedented crisis

This crisis has been the most brutal we have gone through since the creation of the Grameen Crédit Agricole Foundation. It has tested our fundamentals and forced us to adapt in record time.

We had to act quickly as of the end of February 2020. We immediately set up an Observatory of the effects of the crisis, based on short questionnaires sent to our partners and followed by an analysis of the responses and a large-scale sharing of information among the Foundation's stakeholders (partners, donors, etc.).

This monitoring enabled us to assess the effects of the Covid-19 and the needs of our partners. In times of crisis, it is imperative to understand what is happening in order to be able to anticipate and take the right decisions. This Observatory has been a key tool in our management. It has enabled us to arrange many rollovers and to continue our financing so as to support our partners in this economically difficult period.

The Foundation's teams have also led and facilitated the establishment of an international coalition of donors, investors and inclusive finance players. This collective approach has undoubtedly helped to prevent a liquidity crisis in the sector, or even a panic effect. By coming together early on to adopt rules for transparency, rapid action, prevention and the protection of end beneficiaries, the microfinance industry acted effectively to protect microfinance institutions and their clients from the economic effects of the pandemic.

The companies and institutions supported by the Foundation have shown historic resilience. They have demonstrated operational adaptation, notably by developing new digital distribution channels, strengthening their support services and protecting their staff and clients. Even if a return to normalcy is not yet on the agenda, the recovery of the microfinance sector is underway.

This exceptional year has enabled the Foundation to illustrate its special place at the heart of the microfinance

and impact entrepreneurship sector. Like the Crédit Agricole entities committed to helping economic players get through the effects of the health crisis as well as possible, the Foundation has resolutely taken part in this responsible Group approach.

2021 will be a year of gradual recovery. We will mobilise all of our know-how to help our partners return to sustainable levels of business activity. But we will also have to show agility and innovation to strengthen the effectiveness of our action in a demanding and uncertain context.

Éric Campos,
Managing Director,
Grameen Crédit Agricole
Foundation & Head of CSR,
Crédit Agricole SA

THE COVID-19 CRISIS AND GENDER INEQUALITIES

Miren Bengoa,

Director, member of Financial, Risks and Impact Committee,
Grameen Crédit Agricole Foundation & International Action Director,
SOS Group

Director of the Grameen Crédit Agricole Foundation since 2020, Miren Bengoa has been, since January 2021, the new International Action Director of the SOS Group. Since 2011, she was at the head of Fondation CHANEL, which supports projects improving the economic and social situation of women. She shares her view on the impact of the Covid-19 crisis on gender equality and the responses to address it.

— What is the impact of Covid-19 on the status of women?

MB: One of the immediate consequences of the Covid-19 crisis is the rise in inequalities between women and men. We have seen during this pandemic an increase in violence against women and girls and a decline in girls' learning as dropout rates and child marriage increase. Tens of millions more women have fallen into extreme poverty as they lose their jobs at a faster rate than men. Moreover, they suffer from difficulties in accessing new technologies and lack of digital skills.

— In a few words, what is the panorama of gender inequality in the world today?

MB: Current projections indicate that gender equality will not be achieved for another 130 years. In 2020, women represented on average (on a global scale) 4.4% of business leaders, 16.9% of Board members, 25% of parliamentarians and 13% of peace negotiators. Only 22 countries are currently headed by a female head of State or government (UN Women, 2020). We need better representation of women that reflects the diversity and abilities of women and girls.

— How can female entrepreneurship be an answer to the crisis?

MB: Women entrepreneurs have been at the forefront and strongly affected by the decline in economic activity. They are nonetheless also the bearers of innovative solutions and should be supported as much as possible by funders and public authorities. Being strongly involved in responding to community needs, they have been able to adapt their activities to the constraints of the pandemic. This has not been easy: they have sometimes

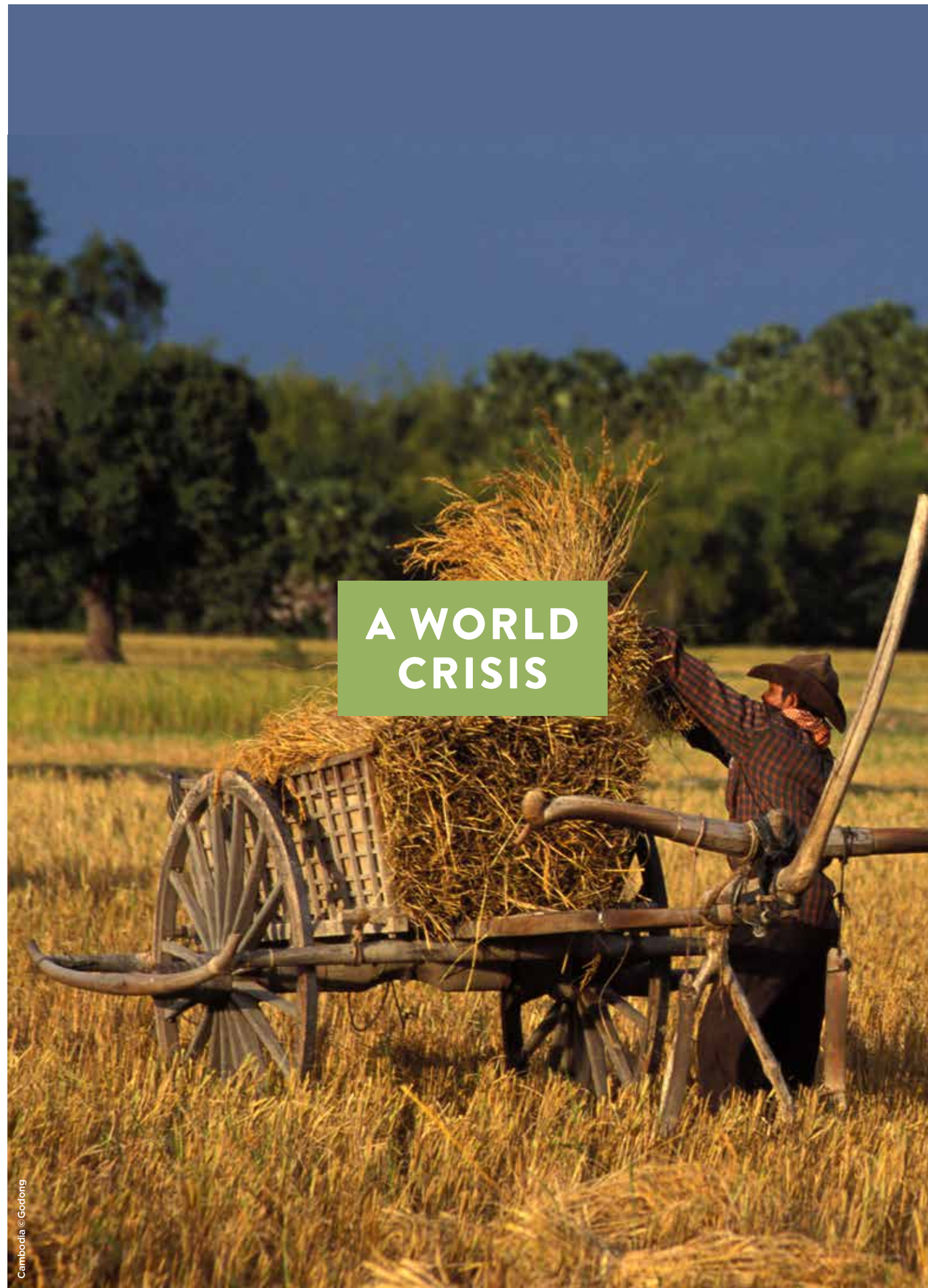
been the first to give up a income generating activity so as to give priority to their families.

— Promoting women empowerment is one of the missions of the Grameen Crédit Agricole Foundation. What should be the priorities to boost this aspiration?

MB: Since its creation, promoting women empowerment has been at the heart of the Foundation's action: among the 7 million clients of microfinance institutions supported, 73% are women beneficiaries

of microcredits to create or develop income-generating activities. Maintaining funding, flexibility in rollovers and frequent analysis of the needs of these institutions are and will be key to enable them to regain a capacity for action in favour of female entrepreneurship.





A WORLD CRISIS

The health crisis has hit the microfinance sector hard

— The uncertain and unstable context has weighed on entrepreneurship. The Foundation surveyed the partner microfinance institutions throughout the year in order to monitor them closely and understand how they adapted to the crisis.

Maxime Borgogno,
Junior Investment Manager, Grameen
Crédit Agricole Foundation

The crisis has hit the microfinance sector and a large part of the small income generating activities financed by microfinance institutions since the beginning of 2020. The effects have been felt very sorely across the globe.

— The lockdown measures and border closures have taken a toll on the economic activities of the clients of microfinance institutions - especially craftsmen and traders. These effects were reflected immediately in the institutions themselves, which had to deal with millions of requests for repayment extensions.

— The Foundation established a permanent dialogue with its partners against this exceptional background. It conducted a survey throughout the year 2020 - a regular and in-depth analysis that

has provided a precise and up-to-date view of the situation. By disseminating the results widely in the sector, we also wanted to help develop appropriate strategies and solutions.

— The health crisis disrupted almost all operations of microfinance institutions: disbursement, loan recovery and meeting clients. The institutions have had to review their business plans, growth targets and projections.

— After a few weeks, we found that the microfinance institutions had adapted to the new context. They took appropriate management measures while maintaining a responsible approach with their clients. Only a small proportion of institutions had to lay off staff during the crisis, and those located in the most affected countries successfully made the transition to remote working. Most

institutions have implemented loan restructuring to provide relief to affected clients.

— Whereas we can still see a general increase in the portfolio at risk, the gradual resumption of activities since the summer, with fewer operational constraints, has enabled microfinance institutions to resume growth. Said institutions remain optimistic about the future, based on a good understanding of the current challenges and the experience gained in 2020.

— Although the crisis is not over and there are still many challenges ahead, the sector has the capacity to address them.

 Interview on the results of
the surveys:
gca-foundation.org

RESULTS OF OUR SURVEYS ON THE IMPACT OF COVID-19

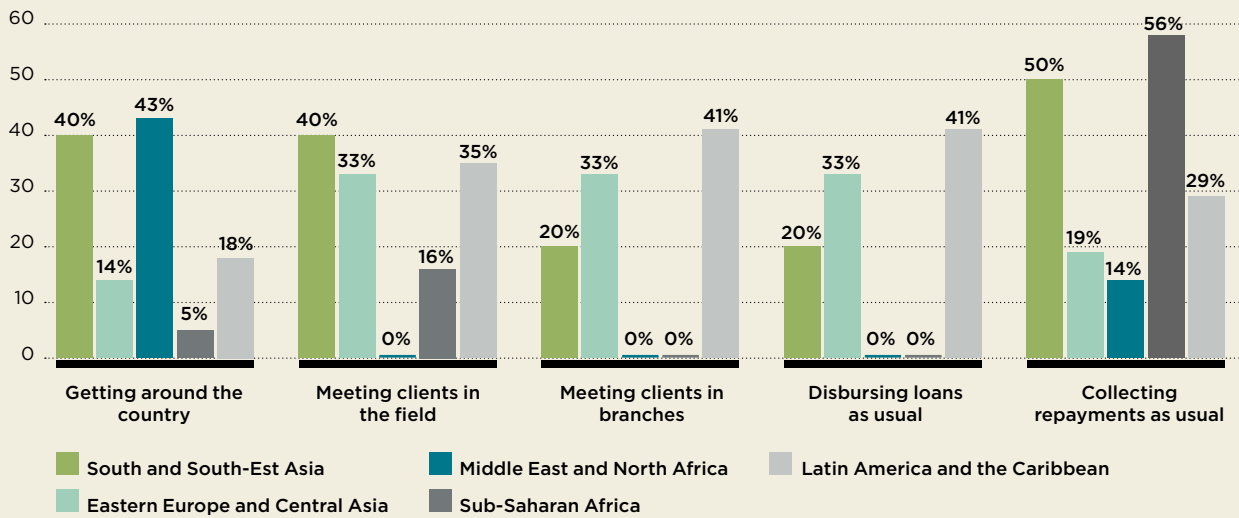
In March, at the beginning of the crisis, the Grameen Crédit Agricole Foundation launched a series of surveys among the microfinance institutions it supports in Africa, Asia and Europe in order to garner their initial feedback on the impact on their activities, those of their clients and the difficulties to come. 75% of our partners responded and this excellent response rate was maintained throughout the year. The major operational difficulties were identified very early on: reduced mobility, health risks for employees, impossibility of getting together to set up solidarity loans, etc. Our partners' portfolios at risk (PAR) recorded strong growth very quickly. At the same time, the institutions saw a decrease in their outstanding loans. The prospects seemed daunting in the early days of the crisis.

As of June 2020, the Foundation partnered with ADA and Inpulse to expand the scope of the survey to over 100 microfinance institutions, including in Latin America and the Caribbean. In September, we decided to move to quarterly surveys so as to avoid overburdening institutions during the recovery period.

— Significant effects everywhere but resilience depends on several factors

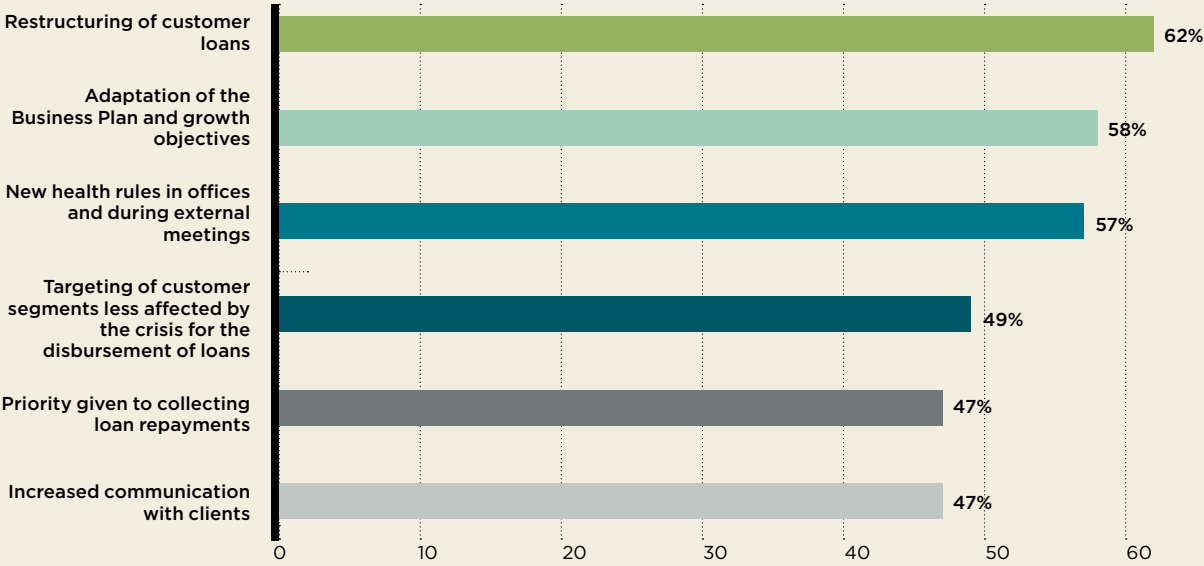
Clients of microfinance institutions, particularly those dependent on sectors such as tourism, trade or production, have had to cope with the containment measures. The impact on their activities has been very challenging. Many testimonies indicate that the drop in income has had a direct impact on purchasing power and has forced many families to reduce their food rations.

Operational difficulties encountered by microfinance institutions



Source: Survey conducted among microfinance institutions financed by the Foundation, ADA and Inpulse in December 2020

Operational measures in support of the resumption of activities



Source: Survey conducted among microfinance institutions financed by the Foundation, ADA and Inpulse in December 2020

The same measures have also prevented group meetings, which are a major form of activity in the microfinance sector, but also visits to clients in remote areas. Although the main logical consequence was an increase in the portfolio at risk for the partner institutions, the latter were specifically impacted according to their geographical area, size and main sectors of operation (agriculture, trade, handicrafts, etc.). For example, we noted that small institutions have experienced greater financial difficulties than large ones which are better equipped to take the necessary crisis management measures.

The pandemic has advanced at different rates around the world and the portfolio at risk has been impacted differently. Nevertheless, the latest data for December 2020 show overall that almost 75% of institutions have experienced an increase in their portfolio at risk. They will need to strike a balance between managing this risk prudently in the coming months in order to reduce it and to continue to grant new loans to their clients.

— All institutions have sought to adapt quickly, with most adopting crisis management

As soon as the pandemic emerged, most microfinance

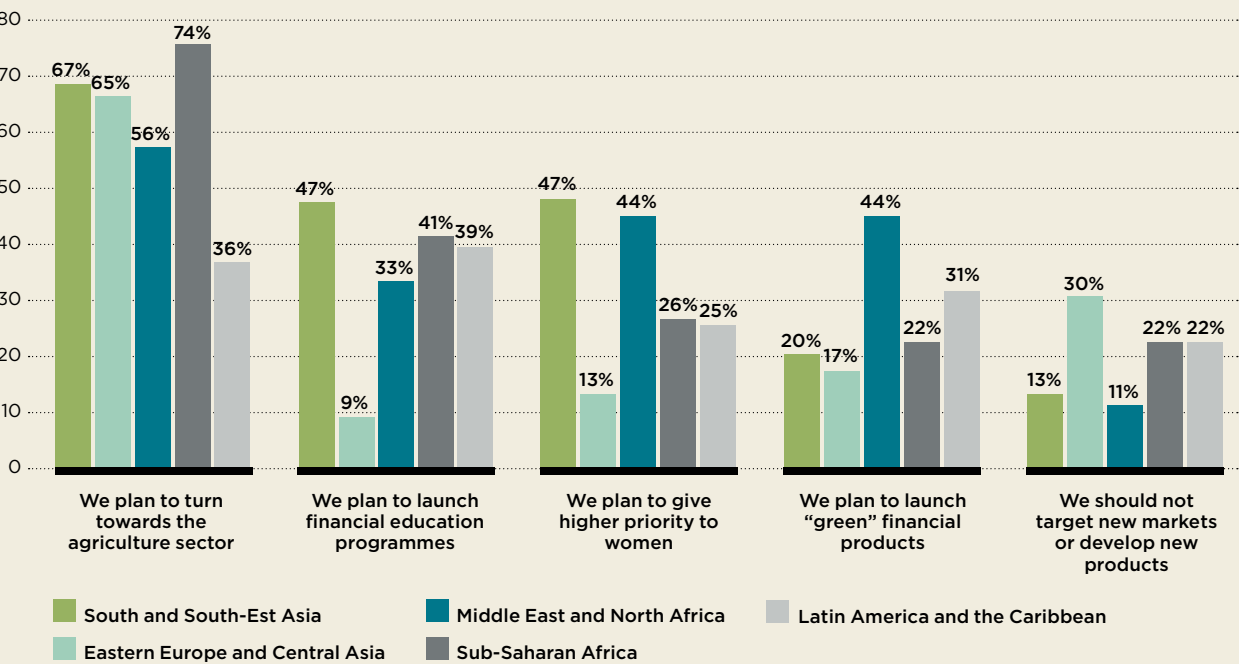
institutions set up crisis management teams and took the necessary emergency measures to deal with the health issue. They quickly sought to adjust their operating procedures by adopting recommended barrier measures and launched awareness campaigns among clients and employees.

Many financial institutions also granted payment deferrals to their affected customers, as often recommended by the local regulators. Finally, other measures were taken, ranging from the provision of emergency health kits to partnerships with non-governmental organisations. These measures were a real boost for the entrepreneurs concerned, who were deprived of all or part of their income.

The microfinance sector showed a high degree of responsibility in the resumption of activities in early summer 2020. The institutions have produced regular financial statements and forecasting analyses adapted to the local context. The numerous exchanges between lenders, specialised non-governmental organisations and microfinance institutions were also in the same direction. Finally, many microfinance institutions have focused on risk management, exercising greater caution in disbursing new loans.

³ The results of the surveys are available on the Covid-19 Observatory (<https://www.gca-foundation.org/en/covid-19-observatory/>), an ad hoc platform created by the Foundation in the beginning of the crisis.

New markets/new products and services by region



Source: Survey conducted among microfinance institutions financed by the Foundation, ADA and Impulse in December 2020

— Most institutions have seen opportunities for development during the pandemic

In the face of the prolonged pandemic, most institutions have perceived opportunities that respond to present and future issues: targeting new markets, developing new products or digitisation. Deemed riskier before the crisis, the agricultural sector is now being considered by many institutions. The surveys of our partners have actually shown that agriculture is the area least affected by the crisis. This attraction is all the more relevant as the agricultural sector includes economic, social and environmental issues for the future.

In parallel, the use of digital channels has helped to maintain some operational performance, although commercial activity has slowed. Most institutions have made their customers aware of remote payment methods: payment of instalments and disbursement of loans on their electronic wallets. They have included new digital uses to overcome contact difficulties and gain on the operational optimisation front.

Drawing on experience from the crisis, a better understanding of the context and updated business plans, microfinance institutions are still planning to continue to grow in 2021. The vast majority of them expect to increase their portfolio volumes this year. Such confidence and ambition are further evidence of their resilience.

MICROFINANCE AND SOCIAL ENTREPRENEURSHIP:
In this year of crisis: what role?

Soukeyna Ndiaye Bâ,
Director, Grameen Crédit Agricole
Foundation & Executive Director,
INAFI

Abdul Hai Khan,
Director, Grameen Crédit Agricole
Foundation & Managing Director,
Grameen Trust



Soukeyna Ndiaye Bâ has been a Director of the Foundation's Board since its creation. Engaged in the promotion of women entrepreneurs for more than 20 years, she is also Executive Director of INAFI (International Network of Alternative Financial Institutions) a global network of organisations that support microfinance programmes. Abdul Hai Khan is a Foundation's Director and the Managing Director of Grameen Trust. He is also Board member of different microfinance and social business organisations in Australia, Bangladesh, China, France, India, Kosovo, Italy, USA and Yemen.

— Directors of the Foundation, you are also both international experts and microfinance practitioners. Can you share with us your analysis of the crisis and more particularly on the territories that you know well?

Soukeyna Ndiaye Bâ: In Africa, the current toll is close to 100,000 deaths and more than 3.7 million people infected, but these figures do not reflect the reality in the continent because there is no mass screening due to a lack of resources. Because of restrictions and border closures to contain the pandemic, the economic crisis has not spared the African continent. In this context, small-scale entrepreneurs, smallholder farmers and informal sector workers are directly affected. On the front line: women, both in rural and urban areas, who are very active in the informal sector. In Senegal, for example, about 94% of women entrepreneurs operate in the informal sector. In rural areas, in addition to the severity of the economic situation, the already alarming health precariousness and difficulty in accessing healthcare may worsen.

Abdul Hai Khan: Current death toll in Asia is approximately 417,000, while the number of infected cases stands at more than 26 million. Schools in East Asia and the Pacific have been completely closed for more than 25 million children for almost an entire year. Covid-19 has slowed growth in East Asia and the Pacific (EAP) as it has significantly reduced economic activity, including tourism and trade. Growth in the EAP region, excluding China, is forecast to slow to 1.3% in 2020 from 4.7% in 2019. Millions of households have been affected by the loss of jobs and income (including remittances), while they still have to cover basic expenses or service debt. Consequently, the percentage of poor people has increased.

— How do microfinance and social business mitigate the effects of the economic crisis?

AHK: By improving access to essential services, microfinance institutions and social businesses strengthen the resilience of low-income populations,



including small-scale entrepreneurs from the formal and informal sectors and smallholder farmers. They are therefore essential to protect the most vulnerable populations, severely affected by the effects of the economic and health crisis during the Covid-19 pandemic. To cope with this pandemic, many microfinance institutions have innovated and increased their support to their clients. For example, they have restructured loans to better support the most affected clients and accelerated their digital transformation, by introducing or improving cashless transactions through mobile banking channels and by creating virtual branches.

— What is the outlook for the years to come?

AHK: The magnitude of the damage that Covid-19 pandemic has brought in the world is huge. However, it offers us a unique opportunity to improve, or even redefine, our economic structures by relying on social and environmental awareness. We should not call it a

‘recovery’ programme but a ‘reconstruction’ programme. In this comprehensive reconstruction plan, social entrepreneurship can play an essential role, as it can be a lever to transform unemployed people into entrepreneurs. Financial inclusion can help economic recovery go hand in hand with social development.

SB: The world is threatened with recession and food and social crisis. Building the «after Covid» world must therefore be multi-sectoral and focused on innovation. We must learn from the problems encountered during this crisis: better assess and anticipate risks, strengthen our socio-economic models and rethink our public policies to better protect the most vulnerable populations. Women entrepreneurs will have a key role to play in boosting the economy. Supporting female entrepreneurship will be a lever for women empowerment and the development of rural and urban economies. Digital will be a major tool to encourage entrepreneurship, modernise, develop and innovate.

COVID-19 INTERNATIONAL COALITION



Strengthened cooperation between international microfinance stakeholders

— At the initiative of the Foundation, a group of donors and key stakeholders in inclusive finance have signed a joint pledge to support the microfinance sector: an unprecedented alliance for an extraordinary crisis.

Edouard Sers,
Head of Risk, Compliance and
Social Performance, Grameen
Crédit Agricole Foundation

At the beginning of 2020, the extent of the consequences of the crisis was difficult to assess.

Many countries were beginning to fall into hard lockdowns, prohibiting all trade activities and heavily impacting the tourism sector. Microfinance institutions were forced to stop their operations. All of them foresaw a sharp decline in their activities and feared the dramatic occurrence of a liquidity crisis.

— The Foundation therefore took the initiative to convene a group of 30 lenders, investors and micro-finance platforms at the end of March to agree on key principles in order to ensure the protection of microfinance institutions and their clients in the Covid-19 crisis (“the Pledge”).

— These principles are as follows: coordinate our actions in terms of debt standstills or restructuring and technical assistance to microfinance institutions; minimise the impact on debtor institutions of additional currency hedging costs relating to debt renegotiation; require any debtor institution benefiting from a relief period to commit to protecting its end-clients; and harmonise requests for additional information from institutions in this time of crisis.

— A first assessment of the Pledge, carried out by a workgroup composed of 7 signatories, has drawn lessons from the implementation of 10 principles, notably those relating to maturity extensions and the first steps of voluntary debt restructuring.

— The results are very encouraging. Thanks to coordinated actions between donors, agreements on

the terms of restructuring and debt moratoria have prevented a liquidity shortage in the sector.

— Whereas funding issues have been prioritised, milestones for coordinated technical assistance initiatives have been set: creation of joint webinars, support for charting business continuity plans, coordination of field surveys and data sharing.

— We are seeing some signs of recovery in the microfinance institutions monitored. The crisis is not behind us, however, as credit risk is gradually materialising and sometimes generating capital losses. 2021 will be a year of truth in terms of shareholder and lender support.



Article on the results
of the pledge:
[gca-foundation.org](https://www.gca-foundation.org)

THE COMMITMENTS UNDERTAKEN BY THE FOUNDATION HAVE BEEN HONoured

With other 6 signatories⁵ of the Covid-19 Pledge, we drew the first lessons from the implementation of the Pledge in 10 key principles. We share the results concerning the Foundation.



Proximity (Myanmar) © Didier Gentilhomme

28 
rollovers granted to partner
microfinance institutions

80% 
of the agreements contain
social responsibility clauses

75% 
of the institutions use common
Covid-19 reporting for all
lenders

100% 
currency hedge revisions at
controlled cost

The Foundation granted maturity extensions of 6 months on average to 28 microfinance institutions, representing about one third of its portfolio. All of these agreements were concluded in coordination with our peers, except in cases where the Foundation was the sole lender.

The majority of these extensions (75%) were granted under informal agreements that proved to be suitable for responding to requests from micro-finance institutions for a moratorium or debt restructuring in an efficient and transparent manner.

In addition, the Foundation adapted its technical assistance offer in coordination with other stakeholders. We organised joint training sessions and webinars on topics such as liquidity

management (see chapter Technical Assistance p. 28).

Social responsibility at the heart of the initiative

We have encouraged initiatives to promote the continued protection of clients and staff in times of crisis, and we need to continue these efforts so as to ensure that they remain at the centre of the discussion. Many micro-finance institutions will need to turn around a business that is intimately linked to the financial health of clients, the behaviour of staff in the field, and the treatment of staff.

Useful joint reporting

In order to avoid multiplying the reporting burden on microfinance institutions, a group of lenders has developed a joint pandemic assess-

ment and monitoring tool. 75% of the institutions benefiting from the Foundation's moratoria have used this reporting. We encourage the intensification of sectoral initiatives that contribute to effective information gathering in these exceptional circumstances.

Foreign exchange risk under control

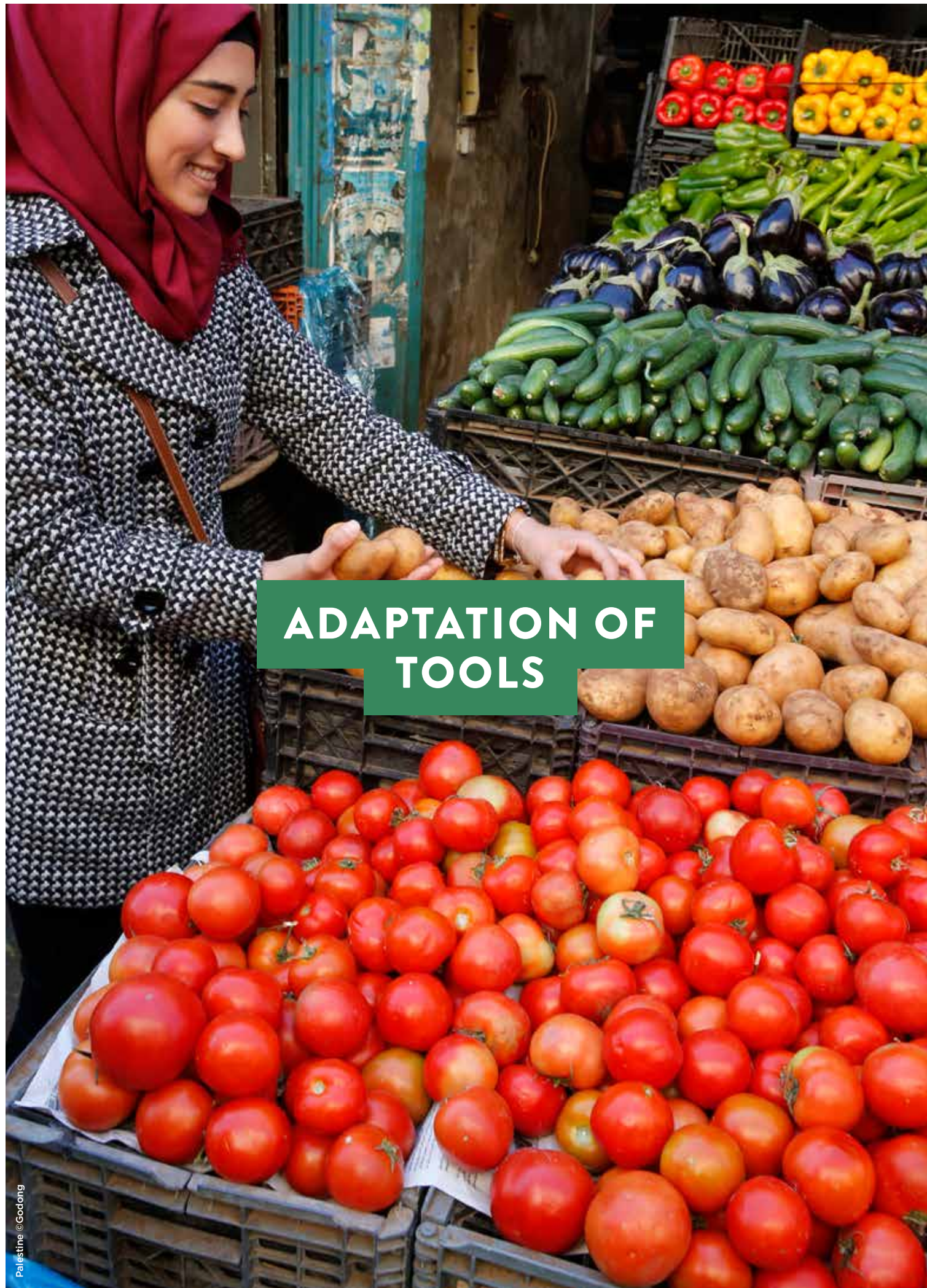
The cost of revising the foreign exchange mechanism has been contained at levels similar to or lower than the initial hedging solution, thanks to close discussions with suppliers and almost normalized market conditions after the initial peak in March.



More information:
<https://www.gca-foundation.org/en/covid-19-observatory/>

⁴ ABC Fund, ADA, Alterfin, Azerbaijan Micro-finance Association, Bamboo Capital Partners, CERISE, CIDR Pamiga, Cordaid Investment Management, Crédit Agricole CIB India, Crédit Agricole Indosuez Wealth (Asset Management), Crédit Agricole S.A., European Microfinance Network, Fondation Grameen Crédit Agricole, FS Impact Finance, GAWA Capital, InFiNe.lu, Injaro, Inpulse, Kiva, Luxembourg Microfinance And Development Fund, Microfinance Solidaire, MCE Social Capital, Microfinance African Institutions Network, Microfinance Center, Rabo Foundation, SIDI, SIMA, Social Performance Task Force, Verdant Capital and Whole Planet Foundation.

⁵ ADA, Cordaid Investment Management, Frankfurt School Impact Finance, Grameen Credit Agricole Foundation, Microfinance Solidaire, SIDI and the Social Performance Task Force



ADAPTATION OF TOOLS

Innovating, adapting, working together

— In 2020, the Foundation adjusted its operating and monitoring procedures to ensure the continuity and adaptation of its financial and technical support to its existing partners. This cross-sectional work involved all of the Foundation's teams.

Hélène Keraudren Baube,
Chief Financial Officer, Grameen
Crédit Agricole Foundation

A very special year: in 2020 our operating procedures were really shaken up. No field missions have been carried out by the team based in France since February, although such missions are an important part of the work of the Investment Managers. We have nonetheless been able to start remote due diligence as of June and carry out field missions through our Investment Advisors in Africa.

— We have adapted our monitoring and analysis tools, notably by asking the institutions we finance for business continuity plans and short-term cash flow plans, to gain a better understanding of their situation in the face of this unprecedented crisis.

— We put in place a crisis management measures as of

March 2020. The Foundation's Executive Committee has taken organisational steps to monitor the situation regularly and closely twice a week in order to determine the best measures to support the teams and funded organisations. We exchanged more regularly with our governance in ad hoc committees to keep them informed of how the situation was developing and to validate the strategies to be put in place.

— On the financial front, we granted deferrals on €9.4 million to nearly thirty funded organisations, while refining our projection tools to monitor the financial impact on the Foundation.

— 2020 will have been marked by an operating result sustained by the growth of the portfolio in previous years and substantial savings, particularly on travel costs. On the other hand, 2021 will most

likely be strongly impacted by the contraction of the Foundation's loan portfolio.

— The Foundation's activity should however continue the gradual and cautious recovery that began in the last months of the year. We believe that we will still be heavily constrained by the pandemic and its consequences in the first half of 2021, and hope to be able to resume our field trips, as close as possible to our partners, as of the second half of the year. It will probably take another year for the Foundation to return to its pre-crisis level of activity.

Interview on the
Foundation's actions:
www.gca-foundation.org

UNWAVERING SUPPORT FROM OUR FUNDERS

The Foundation has adapted its modes of operation, innovating and working in partnership with other stakeholders of the inclusive finance sector.



€13 M 
raised by the Foundation
in 2020

€9.4 M
in rollovers granted
by the Foundation

29 
organisations benefited
from rollovers

20 
countries concerned

We established an ongoing dialogue with our funders from the first sign of the crisis to keep them informed of developments, with detailed presentations.

We expected that the main financial impact for the Foundation in 2020 would be on our cash management. Requests for rollovers from our partners are putting a strain on the Foundation's cash flow. We wanted to preserve our ability to support our partners and avoid a cash flow crisis. To this end, we requested rollovers from our own funders and considered new «special Covid-19» financing lines to support the resumption of activity by the microfinance institutions we support.

The Foundation obtained funding from Proparco, the European Investment Bank (EIB) and Crédit Agricole CIB to constitute this «Covid-19 envelope». The Foundation's liquidity position is now comfortable. We are in a position to support the economic recovery of our partners as soon as possible, depending on their needs and the resumption of their activities.

The Agence française de développement (AFD) [French Development Agency] has also reiterated its support by renewing a portfolio guarantee mechanism, the ARIZ guarantee, which covers up to 50% of the loans granted. This mechanism has been renewed for the sixth time, providing coverage for

loans that the Foundation will grant over the next 2 years to microfinance institutions in Sub-Saharan Africa, in particular less mature institutions with a very social vocation.

THE AFD AND THE FOUNDATION, A HISTORICAL AND PROMESSING PARTNERSHIP

Rémy Rioux,
CEO,
Groupe Agence française de développement
[French Development Agency]

A historical partner, the Agence française de développement (AFD) [French Development Agency] has been supporting the Foundation's activities for over 10 years. Its CEO, Rémy Rioux, shares with us his vision on the impact of the economic and health crisis generated by the Covid-19 pandemic on the African continent and his assessment of the partnership with the Foundation.

— **What were the main impacts of the pandemic on the African continent in your opinion and how did the AFD respond to this crisis? What were your key areas of response?**

RR: Africa experienced an unprecedented shock in 2020, which, I would like to stress, was totally external to the continent. The continent appeared quite resilient in terms of health, but less so on the economic front. An unprecedented recession, averaging 2.6%, affected more than forty countries simultaneously. Beyond the cyclical impact, the crisis above all raises concerns about a deep weakening of economies and societies.

The Agence française de développement Group (AFD) mobilized very quickly to support its partners. In terms of health, with a €1.2 billion “Common Health initiative”, half of which in Africa, for some fifty projects and nearly €130 million in donations; and on the economic level, with the “Choose Africa” programme to support the entrepreneurial sector and then its strengthening with a Resilience component, bringing the programme to €3.2 billion committed by 2022. Finally, in the wake of the «Finance in Common» Summit, we support African public development banks (a hundred or so of which

throughout the continent), to turn them into sustainable growth relays.

— **How do you assess the historic partnership with the Grameen Crédit Agricole Foundation?**

RR: The AFD Group has been providing the Foundation with portfolio and individual guarantees for more than 10 years and has financed the African Facility, which enables us to support small microfinance institutions for the benefit of disadvantaged populations, particularly in rural areas. The partnership with the Foundation has since 2020 been handled by Proparco, our subsidiary dedicated to the private sector. Beyond the financial partnership, we appreciate the quality of the relationship between our two institutions, which is marked by trust and transparency. The importance of supporting the microfinance sector has been reinforced by the Covid-19 crisis and working with the Foundation constitutes a solid lever for strengthening the sector.

— **Can a large institution like yours and an agile player like the Foundation still invent new ways of acting and if so in what priority areas?**

RR: The complementary nature of our two institutions and their response methods makes the partnership strong and relevant to several priority areas, namely: support for the development of microinsurance, particularly agricultural microinsurance; assistance to microfinance institutions in improving social performance management; development of the digital offer in the microfinance sector; and green microfinance. The context of the crisis has reinforced the relevance of these areas of response.





SUPPORT FOR PARTNERS

In 2020, the Foundation supported its partners

— The Foundation has structured its financial support and technical assistance to the organisations it supports to help them overcome the crisis, while protecting their most vulnerable clients

Philippe Guichandut,
Head of Inclusive Finance
Development, Grameen
Crédit Agricole Foundation

The Foundation has been present alongside its partner institutions throughout the year. In view of the uncertainty as to the intensity of the effects of the crisis, we decided, in close consultation with our governance, to focus on supporting our existing partners, without opening up to new countries or new partners.

— Within this protective framework, the Foundation approved 21 new financings in 2020 for a total of €32.2 million for 19 partners.

— The Foundation also granted maturity extensions to 29 of its partner organisations, mainly microfinance institutions (28). Ranging from 6 to 12 months depending on the case, these extensions materialized through amendments to loan contracts and revised schedules.

— We also strengthened our technical assistance offer through webinars, training sessions and targeted missions (see chapter entitled «Technical assistance»).

— In addition, we have engaged in more regular exchanges with the organisations we support. In response to the questionnaires, the Foundation shared the results of its analyses of the impact of Covid-19 systematically with its partners and donors in order to keep them informed on the development of the crisis and potential solutions to be implemented.

— We have also included other useful articles and resources for our partners and other stakeholders in the inclusive financial sector in the **Covid-19 Observatory**, where we have published the results of the surveys.

— In order to promote good practices and contribute to the

advocacy of the inclusive finance sector, the Foundation shared its experience through 70 articles published on the website and some thirty interventions during physical and digital meetings.

— Furthermore, in July 2020 the Foundation launched its new website with a **platform** dedicated to the organisations it supports in order to better promote their actions and impact.

— In 2020, the Foundation also published its first **Impact Report**: a financial and extra-financial assessment intended to shed light on the Foundation's contribution to impact entrepreneurship and access to essential services.

 More information: <https://www.gca-foundation.org/en/supported-organizations/>

THE FOUNDATION’S IMPACT MODEL

— In 2020, to better understand and share the results of its action, the Foundation has developed its first Impact Report, a financial and extra-financial evaluation, based on activity data from 2019⁷.

MISSION

Contribute to the reduction of inequality and poverty through financial inclusion and the promotion of impact entrepreneurship

FOUNDATION IMPACT

1 / CONSOLIDATE

The sustainability of organisations that provide essential services



75 microfinance institutions supported

91% small-sized microfinance institutions

€81M of outstandings

11 social impact enterprises supported

36% agribusiness

93 technical assistance missions facilitated in 2020

2 / STRENGTHEN

The social and environmental performance of the organisations supported and of the Foundation



65% Alinus score vs 53% sector benchmark*

37% of institutions have implemented measures to reduce their internal ecological footprint

41% of institutions offer green products

3 / PROMOTE

Inclusive and sustainable finance



31 Crédit Agricole entity partners

€9.75M subscriptions by the Crédit Agricole to the FIR Fund

122 days of Solidarity Bankers missions

54 partner organisations

33 interventions in events

* 2019 benchmark sector

IMPACT OF THE ORGANISATIONS SUPPORTED

1 / FACILITATE

Access to essential services for vulnerable segments of the population



7,3M active beneficiaries of microcredits

73% women beneficiaries

85% microfinance clients in rural areas

47 560 customers of solar equipment companies

158 000 beneficiaries of access to water projects

2 / STRENGTHEN

The resilience of fragile economies



55% of outstandings are in regions that are the most vulnerable to climate change

44% of outstandings are in fragile States

9 398 small producers supported by social agrifood enterprises financed

36 685 employees of the organisations supported

3 / IMPROVE

The living conditions of vulnerable populations



46% supported organisations collecting customer data specific to their social objectives

In 2020, the Foundation launched impact studies to assess the changes in the living conditions of final beneficiaries**

**Clients of supported organisations



Foundation's impact report:
<https://www.gca-foundation.org/en/impact-report/>



OUR MICROFINANCE ACTIVITY WAS SUSTAINED IN 2020

In 2020, the Foundation supported partner microfinance institutions through targeted funding and technical assistance to cope with the crisis.



75

microfinance institutions supported

€76.3 M

Outstanding loans monitored in microfinance

91%

small and medium-sized supported institutions

7.3 M

clients of institutions supported

The Foundation continued to give high priority to Sub-Saharan Africa during the year. The Investment Committee approved 9 new loans, bringing to 37 the number of institutions supported in this region, which accounted for 42% of its outstanding loans at the end of December 2020.

Europe and Central Asia, with 31% of our financing and 18 partners, constitute the Foundation's second region of operation. The Foundation granted 7 new loans to existing partners. It is the region with the strongest increase in our outstanding loans, up by +21% compared with the end of 2019.

South and South-East Asia was also a priority region with 8 institutions funded, accounting for 21% of outstanding loans with 3 new loans granted in 2020.

The Foundation has maintained its strategy of working with small and medium-sized institutions. Thus 91% of its partners manage portfolios of less than USD 100 million. Of these, 40% manage a portfolio of less than USD 10 million. The average loan granted by the Foundation to these organisations is therefore €395,000, far from market standards.

In 2020, the Foundation strengthened its commitment to microfinance networks operating in the field. It supported microfinance institutions, subsidiaries of 13 networks, the main ones whereof included members of ADVANS Group, VisionFund International, Acep, OXUS and Baobab. One third of its outstanding loans are allocated to these institutions.



More informations:
<https://www.gca-foundation.org/en/funding/>

⁷ 68 microfinance institutions financed and 7 institutions supported only through technical assistance.

⁷ The Foundation's Impact Report was established with the assistance of CERISE, an independent firm specialised in impact and social performance measurement.

BOLSTERED SUPPORT FOR IMPACT ENTERPRISES

The Foundation targeted its support to social businesses in 2020 to strengthen their resilience and give those most affected by the crisis time to rebound.



The Foundation supports 11 impact enterprises through direct investments, funding and mentoring programmes. In 2020, these businesses were impacted in different ways by the effects of the pandemic: those dependent on international markets, such as tourism, experienced more difficulties; while those focused on local markets adapted and contributed to meeting the new needs of local populations. This was particularly the case for agribusinesses.

In Cambodia, the pandemic disrupted severely the activities of the Phare Performing Social Enterprise (PPSE) circus. Performances were suspended for long periods, depriving PPSE of income. The Foundation provided strong financial and technical support, including a Solidarity Bankers fundraising mission.

For agribusiness, the impact of the pandemic was more contained. The two portfolio companies operating in Kenya even managed to improve their situation in this difficult context. Thanks in part to the maturity extensions granted by the Foundation, VERT was able to increase its production and sales of mango products. ACRE, a rural microinsurance broker, also diversified its business successfully and welcomed a new investor.

The Foundation also maintained its support to its Senegalese partners. The Laiterie du Berger continued and even expanded its activities, strengthening the dairy sector in northern Senegal. The Sénégalaise des Filières Alimentaires (SFA) also maintained a high level of rice production, despite the severe sanitary constraints that slowed down group training for farmers.

In Bangladesh, where the health situation has been very tense, Grameen Danone Foods Limited succeeded in launching its new biscuit distribution activity for the most disadvantaged segments of the population.

Most of the companies supported proved their resilience in the face of the crisis, thanks in particular to their agile management and the support of their investors and donors. The Foundation has been a solid and committed shareholder in helping them to overcome the crisis and will continue to advise and guide them over the long term through targeted and close support.

More informations:
<https://www.gca-foundation.org/en/investment/>

OXUS KYRGYZSTAN OKG and the responses to the Covid-19 crisis



The Foundation has worked on several initiatives since the beginning of the Covid-19 crisis so as to provide better support to the microfinance sector. OXUS Kyrgyzstan is one of the institutions that has benefited from the Foundation’s response to the crisis.



“We will remain a reliable company for our clients, with a zero exclusion approach!”

DENIS KHOMIAKOV
CEO, OKG

Responses to the crisis

OKG has taken the necessary measures to protect its staff, particularly by digitising its activities. The institution has organised communication with its branches and clients, established loan restructuring, and negotiated a delay in repayments with lenders.

The Covid-19 Observatory and the results of the Foundation’s surveys enabled OKG to assess its situation and position in the region. The Foundation encouraged OKG’s group of lenders to implement the rescheduling measures and coordinated extensions: all payments due between May and December 2020 were deferred, reporting was simplified, and tools were provided to create the business continuity plan (BCP).

Outlook

OKG plans to open 2 new branches in rural areas and to introduce tablets so as to speed up loan disbursement and expand green loans to help fight air pollution.

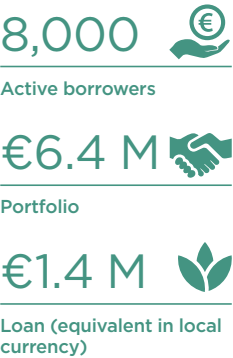
Context

25% of the population of Kyrgyzstan lives below the poverty line. Agriculture accounts for more than 38% of the GDP. The crisis has hit the economy and the health system of Kyrgyzstan hard. With the closure of the borders and lockdowns, industry and agriculture have declined and transport services have collapsed

The organisation and the Foundation

Supported by the Grameen Crédit Agricole Foundation since 2017, OXUS Kyrgyzstan (OKG) is a microfinance institution created in 2006 that provides financial services to the working poor in Kyrgyzstan.

OKG serves 8,000 active borrowers (47% women and 57% in rural areas), manages a portfolio of €6.4 million and operates in 5 out of 7 regions through a network of 14 branches and 113 employees.



Full interview:
www.gca-foundation.org

* Laiterie du Berger, SFA, Vert Ltd and Grameen Danone Foods



TECHNICAL ASSISTANCE

In 2020, we strengthened our technical assistance activity

— We continued to develop our third business line in 2020, namely technical assistance for our partners. Our technical assistance missions have contributed to the institutional strengthening and resilience of our partners in this time of crisis.

Violette Cubier,
Technical Assistance Manager,
Grameen Crédit Agricole Foundation

The Foundation supports its partners through various technical assistance programmes. This support covers a variety of issues such as operations and human resources management, governance, financial management, strategic planning, digitalisation of operations and products, launch of new services, risk management and social and environmental performance management.

— The Foundation mobilised to provide close support to its partners throughout 2020. The technical assistance missions were adapted to respond to the priorities and emergencies that the partners had to face (liquidity management and portfolio quality, business continuity plans), but also to support them in

their business recovery, their strategic reflections and the transitions necessary to face the crisis (digitalisation, strengthening of activities in rural areas). We also set up joint actions with other actors such as SIDI and the Fefisol fund, with whom we have organised training for some fifty organisations in Africa.

— The year 2020 was also marked by a strong development of our technical assistance activities, with an increase in existing programmes and the launch of new programmes. The latter enabled the Foundation to extend the geographical areas of operation in technical assistance and to address more actively key issues such as the development of rural economies, adaptation to climate change or the financial inclusion of refugees.

— The coordination of technical assistance activities is now a major focus of the Foundation's operation for contributing to the institutional strengthening of its partners and supporting them in their economic, ecological and digital transitions, thereby increasing their impact on the ground.

 **More information:**
<https://www.gca-foundation.org/en/technical-assistance/>

TECHNICAL ASSISTANCE IS A RESILIENCE FACTOR

Combining funding and technical assistance is one of the Foundation’s know-how. The abundance of the Foundation’s offer is illustrated by the variety of its mechanisms and the themes covered.



The richness of technical assistance is reflected in the variety of missions and partners. The Foundation coordinates several technical assistance programmes.

The African Facility with the AFD
Launched in 2013, this programme is intended to support small microfinance institutions in Sub-Saharan Africa. In 2020, 76 missions were carried out or launched in favour of 21 institutions in 12 countries.

The programme with the EIB in West Africa
The EIB finances technical support for 5 microfinance institutions over two years. This programme will strengthen the digital transformation, risk management and social performance management of institutions in Senegal, Mali, Burkina Faso and Niger.

Programme for the financial inclusion of refugees with the UNHCR and Swedish International Development Agency (Sida)
This three-year programme promotes the financial inclusion of refugees and their host communities in Uganda. The Foundation is in charge of coordinating technical assistance and supporting the three partner institutions in the project to develop a range of products and services adapted to the refugee population and host communities.

Solidarity Bankers with Crédit Agricole
In partnership with Crédit Agricole S.A., the Foundation coordinates Solidarity Bankers, a skills-based volunteer programme open to employees of the Crédit Agricole Group in favour of the organisations supported. From digitising rice collection in Senegal to training managers at our partner’s

head office in Tajikistan, the missions of the Solidarity Bankers are varied. They all make the most of the skills of Crédit Agricole Group’s volunteer employees and aim to improve the institutional capacities of the organisations financed by the Foundation.

The “SSNUP” programme dedicated to rural economies
At the end of 2020, the Foundation was selected as one of the impact investors in charge of setting up Smallholder Safety Net Upscaling Programme (SSNUP) to help small agricultural producers coordinated by ADA and financed by the Swiss and Luxembourg Development Cooperation Agencies. The Foundation will coordinate technical assistance missions to microfinance institutions and rural enterprises that support smallholder farmers.

UGAFODE The financial inclusion of refugees



UGAFODE, a partner of the Foundation, is expanding its services to refugees by opening a branch in the Nakivale region of Uganda. This microfinance institution, which is at the forefront of financial inclusion for refugees, has received support from the UNHCR, Sida, and the Foundation.



“The project has passed the proof-of-concept stage”
SHAFI NAMBOBI
CEO, UGAFODE

UGAFODE has been allocated a technical assistance budget of €536,780 in the framework of a programme to support financial inclusion of refugees launched by the Foundation, the Swedish International Development Agency (Sida) and the United Nations High Commissioner for Refugees (UNHCR).

Context
Uganda is the leading country in Africa in terms of hosting refugees with 1.4 million refugees. The country has even lifted restrictions linked to Covid-19 to welcome refugees from the Democratic Republic of the Congo, one of the main countries of origin for refugees in Uganda along with South Sudan and Burundi.

Despite this solidarity, refugees are often denied access to financial services by financial institutions because lending to them is considered too risky. However, many are economically active and have already been developing activities for several years.

Organisation
Supported by the Foundation since 2015, UGAFODE Microfinance Limited provides financial and non-financial services to low-income but economically active segments of the population in Uganda. 7 urban and 12 rural branches serve over 110,000 savings clients and 18,000 loan clients.

The Foundation also granted UGAFODE a loan of €540,000 in July 2020, of which 50% will be used in the refugee programme to lend to refugees and host populations.

Impact of the support
Thanks to this support, UGAFODE opened in March 2020 a branch office in the Nakivale Refugee Settlement in Uganda, the 8th largest refugee camp in the world, hosting more than 134,000 refugees from 13 countries. Since the opening of the Nakivale branch in March 2020, 505 loans totalling €383,596 have been disbursed.

Outlook
Based on these very encouraging initial results in the Nakivale region, UGAFODE’s future plans include: intensifying financial literacy training, conducting survey on its impact on clients and developing even more refugee-friendly products. The ambition is to expand the project to other regions.



Read the full article:
www.gca-foundation.org



OUR ORGANISATION

The Foundation's governance

— The Foundation has a solid governance model and structured operations. The governance of the Foundation is composed of a Board of Directors and 3 specialised Committees.

— Board of Directors

Chaired by Raphaël Appert (who succeeded Jean-Marie Sander) since 26 March 2021, the Board of Directors approves the Foundation's strategy and monitors its implementation. It has 13 members, including 2 new female Directors who joined the Board in 2020. The Board counts 4 representatives of Crédit Agricole S.A., 3 representatives of Grameen Trust, and 5 independent Directors. M Shahjahan is the Vice-Chairman. In 2020, the Board of Directors met 4 times, in March, June, October and December.

- Raphaël Appert (Chairman)
- M Shahjahan (Vice-Chairman)
- Pr. Muhammad Yunus
- S.A.R. la Grande Duchesse du Luxembourg
- Miren Bengoa
- Jérôme Brunel
- Véronique Faujour
- Abdul Hai Khan
- Sylvie Lemmet
- Bernard Lepot
- Soukeyna N'Diaye Bâ
- Jean-Pierre Paviet
- Jean-Marie Sander

— Investment Committee (IC)

Chaired by Bernard Lepot, the Committee examines and approves the investment proposals, operation by operation. It also monitors the Foundation's activity and gives its opinion on the annual development plan. Composed of 3 directors, an independent expert and the Managing Director, it met 9 times in 2020.

- Bernard Lepot (Chairman)
- Jean-Pierre Paviet
- M Shahjahan
- Etienne Viard
- Eric Campos

— Compliance and Internal Control Committee (ICC)

Chaired by Jérôme Brunel, the Committee ensures compliance with the policy on the fight against money laundering and terrorist financing, the proper functioning of the internal control system, as well as compliance with the Ethics Charter and the Code of Conduct. Composed of 2 directors, the Managing Director and an independent external auditor, it met 3 times in 2020.

- Jérôme Brunel (Chairman)
- Eric Campos
- Bernard Fouquet
- Jean-Marie Sander

— Finance, Risks and Impact Committee (FRI)

Chaired by Sylvie Lemmet, the Committee oversees the financial performance, risk control and monitoring of the social and environmental impact of the Foundation. It is composed of 3 directors. In 2020, the Board of Directors asked this committee to ensure regular consultation with the Foundation's management team during this period of crisis. The FRI Committee invited the Chairman of the Investment Committee to join these consultation sessions. It met 8 times in 2020.

- Sylvie Lemmet (Chairman)
- Jérôme Brunel
- M Shahjahan

More information:
<https://www.gca-foundation.org/en/governance-and-team/>

An active and committed governance

24

meetings of governance bodies

13

Directors

21

Financing projects submitted to the Investment Committee

€32.2 M

Financing approved by the Investment Committee during the year

COVID-19 :

The Foundation’s governance during the health crisis

Jérôme Brunel,
Chairman of the Compliance and Internal Control Committee

Sylvie Lemmet,
Chairwoman of the Finance, Risks and Impact Committee

Bernard Lepot,
Chairman of the Investment Committee



— Looking back on the outbreak of the crisis, could you tell us how you perceived it at the time?
Bernard Lepot: We all understood as early as March that we were in unknown territory for an indefinite period of time, with systemic consequences that were difficult to grasp. All continents were affected, including Africa and Asia, where we have most of our activities. The risk of serious difficulties for our partners was likely, with possible large provisions for the Foundation. Despite this lack of visibility, the Board had to define the Foundation’s position quickly, which we summarise as follows: support for our existing partners and consultation with other international lenders.

Sylvie Lemmet: Last March, we were completely in the dark. We felt that the crisis was going to hit developing countries hard and that we were going to face potential bankruptcies and losses for the Foundation. We were worried for our partners.

Jérôme Brunel: I feared that the impact of the pandemic, which I thought would affect developing or less developed emerging countries more strongly (though this has not been confirmed) would weaken the solidity of the Foundation’s counterparties, leading to a substantial amount of provisions. This has not materialised up to now thanks to the resilience of the organisations supported and the coordination and joint actions of the various stakeholders in the inclusive finance sector.

— What has been the role of the Committee you chair in this context?
JB: The Compliance and Internal Control Committee has played its role by adapting the internal control system to the increase in Covid-19 risks, organising training on debt restructuring methods, adapting the provisioning policy and collecting more information on the end clients of our counterparties. But to be honest, it was the Finance, Risks and Impact Committee that had the primary role in mobilising the Foundation’s governance to deal with the consequences of the pandemic.

SL: The Finance, Risks and Impact (FRI) Committee already includes the Chair of the Compliance and Internal Control Committee among its members. Last year, we immediately felt the need to make the link with the Investment Committee, and its Chair also sat on the FRI Committee. The development of governance with this ad hoc committee has been extremely positive. It enabled us to build together, and with the Foundation’s Management Committee, a good understanding of the overall situation (the impact on the portfolio, liquidity and margin) and an intervention doctrine, which we developed as the crisis progressed. The objective is to

provide the necessary oxygen to our partners while monitoring the risk of default.

BL: Once the roadmap was established, the Investment Committee continued to meet every month, but by videoconferencing, with a reduced number of new projects of course, but with close monitoring of the maturity extensions granted to microfinance institutions that requested them and, more generally, enhanced risk monitoring. The Board also decided to set up an ad hoc committee consisting of the three chairmen of the specialized committees to examine and discuss possible adjustments to the Foundation’s strategy. This body met several times to exchange views with the teams and to provide input to the Board before decisions were made.

— What lessons have you learned from this experience one year later, and what prospects do you see for the Foundation in 2021?
SL: One year on, I am above all reassured by the quality of the men and women who make up the Foundation’s executive team and who have been able to respond to an unprecedented situation with great flexibility, professionalism and commitment. We were able to control the financial risks without abandoning our partners in difficulty, and to test the resilience of the organisations we supported, which reassures us as to their quality and as well as the resistance of the microfinance sector to shocks. This is a point that needs to be explored in order to gain a better understanding of the mechanisms that have been implemented locally and the real social impact behind the good financial performance. We all hope for a return to a less chaotic situation and the resumption of activities in 2021. We will have to learn the lessons of remote instructions and

juggle with an activity that seems to be picking up though travel remains limited. The pandemic is not yet behind us, but I hope it will remain under control in the countries in which we operate.

JB: The health crisis has shown, first, the solidity of the commitments undertaken by the Foundation, i.e. the judicious choice of its counterparts. Secondly, the quality of the response of the team and its Managing Director to adapt to this unprecedented context, helped by the mobilisation of its Board and its specialised committees. Finally, the Foundation’s commitment to continue its lending activity despite this «hostile» environment and to support microfinance institutions through an international initiative to harmonise the policies of other lenders and a precise dialogue with each of the borrowers.

BL: One year on, it is worth underscoring the remarkable mobilisation and adaptation of the Foundation’s teams, with great collaboration between the various functions. We should also note the great resilience of our portfolio to date, which has perhaps exceeded our expectations. Good information/involvement on the part of the Board has enabled it to express its full support and solidarity with the Foundation’s strategy and actions. Things are still very uncertain for 2021, with perhaps a better visibility in the 4th quarter, but again nothing is certain. Let’s hope that 2021 will be a year of transition that will enable us to resume our development activities in 2022.



THE GOVERNANCE

Chairman of the Foundation



Raphaël Appert

Directors representing Grameen Trust



Pr Muhammad Yunus



Abdul Haï Khan



M Shahjahan
Vice-Chairman
of the Foundation

Directors representing Crédit Agricole Group



Véronique Faujour



Bernard Lepot
Chairman of the
Projects Committee



Jean-Pierre Paviet



Jean-Marie Sander

Independent Directors



S.A.R la Grande
Duchesse du
Luxembourg



Miren Bengoa



Jérôme Brunel
Chairman of the Ethics,
Compliance and Audit
Committee



Sylvie Lemmet
Chairman of the
Finance, Risk and
Impact Committee



Soukeyna N'Diaye Bâ

Independent Experts



Bernard Fouquet



Etienne Viard

THE TEAM

Executive Committee



Éric Campos
Managing Director



Philippe Guichandut
Head of Inclusive
Finance Development



Edouard Sers
Head of Risk,
Compliance & Social
Performance



Carolina Viguet
Head of
Communication
& Partnerships



Hélène
Keraudren Baube
Chief Financial
Officer



Pascal Webanck
Head of Investment
Funds and
Cooperation with CA

Inclusive Finance Development



Victoire Binson
Technical Assistance
Officer



Violette Cubier
Technical Assistance
Manager



Laurent Chauvet
Senior Investment
Manager



Maxime Borggno
Junior Investment
Manager



Caroline Brandt
Senior Investment
Manager



Lamine Cisse
Investment Advisor

Inclusive Finance Development



El Hadji Diop
Investment Advisor



Kathrin Gerner
Investment Advisor



Robin Lavrilloux
Investment Manager



Julie Serret
Investment Manager



Sébastien Simonot
Senior Investment
Manager

Administration & Finance



Rym Boukharouba
Middle Office Officer



Rachida Hidja
Middle Office Officer



Valérie Iguersaid
Middle Office Officer



Alexia Jaunet
Executive Assistant



Pierre Lamouroux
MIS Project Officer



Claire Lecocq
Middle Office Officer

Investment funds & Cooperations with CA



Céline Hyon-Naudin
Senior Investment
Manager



Guilhem Vincent
Investment Manager



Hélène Sananikone
Senior Investment
Manager



Pauline Blit
Risk & Compliance
Analyst



Gabrielle Ferhat
Risk & Social
Performance Analyst



Maria Franco
Communication
Officer

Intern (6 months interships)



Brian Kimani
Investment intern



Ilham Oshir
Investment intern



Alice Rullier-Maugue
Investment intern



Aurore Joseph
Communication &
Partnerships intern



Oumnia Najdi
Communication &
Partnerships intern

FINANCIAL STATEMENTS

— Buoyed by portfolio growth over recent years, while maintaining a good risk profile, the Foundation has remained sustainable. It has stabilized its business during 2020 by accompanying its existing partners in need for new financing.

Consolidated balance sheet (in € 000)

Assets	2020	2019
Financial assets	73 721	83 921
Loans	60 437	70 148
Term deposits	7 614	7 683
Equity investments	5 089	5 432
Debtors receivables	581	658
Current assets	18 064	12 545
Debtors due in 1 year or less	919	846
Cash at bank and in hand	17 145	11 699
Prepaid expenses	726	53
TOTAL ASSETS	92 512	96 520

Profit and loss account (in € 000)

	2020	2019
Income from financial assets	4 952	4 448
Other financial income	421	246
TOTAL FINANCIAL INCOME	5 373	4 694
Other operating income	487	623
Financial charges	-1 034	-868
Personnel expenses	-1 519	-1 399
Other external charges	-2 179	-2 217
OPERATING RESULT	1 128	834

Liabilities	2020	2019
Grants and result	48 761	48 701
Initial grant	50 001	50 001
Profit/loss carried forward	-1 300	-1 725
Profit/loss for the financial year	60	425
Creditors	40 965	45 336
Amounts owed to financial institutions	39 721	43 922
Tax and social security debts	4	50
Other accrued charges payable	376	389
Other creditors	864	975
Deferred income	2 786	2 483
TOTAL LIABILITIES	92 512	96 520

	2020	2019
Reversal of value adjustments on financial assets	40	240
Value adjustments	-1 115	-643
Realised losses	-14	-3
Extraordinary income	21	38
Extraordinary charges	0	-40
PROFIT / LOSS FOR THE FINANCIAL YEAR	60	425

THE PARTNERS

FINANCIAL AND OPERATIONAL PARTNERS



MICROFINANCE INSTITUTIONS SUPPORTED IN 2020

AZERBAIJAN VIATOR	GEORGIA CRYSTAL	KOSOVO AFK KRK	MYANMAR PROXIMITY DESIGNS THITSAR OYOIN VISION FUND MYANMAR	SRI LANKA BERENDINA MICROFINANCE
BENIN ACFB COMUBA PEBCO RENACA VITAL FINANCE	GHANA SINAPI ID GHANA*	KYRGYZSTAN FMCC OXUS KYRGYZSTAN SALYM FINANCE	NIGER ACEP NIGER	TAJIKISTAN HUMO OXUS TJ
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Its actions in favour of access to financial services, the autonomy of women through entrepreneurship and the development of rural areas contribute to the resilience of economies and the promotion of a more inclusive world.



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