NSIA BANQUE | Côte d’Ivoire

Providing women-owned small and medium enterprises (WSMEs) with access to finance in Côte d’Ivoire

Market Gaps

COUNTRY CONTEXT

According to Enterprise Survey 2014, 69 percent firms identified that access to finance is a major constraint in Côte d’Ivoire.

The micro, small and medium enterprises (MSMEs) finance gap is $2.3 billion (representing ~7 percent of GDP) (MSME Finance Gap Report, 2017).

Domestic credit to the private sector has grown from 18 percent to 26 percent in 2018 as a percent of GDP, according to the World Bank.

Bank lending is relatively concentrated in loans to a few large customers, implying that small and medium enterprises (SMEs) are generally served.

ACCESS TO FINANCE

Compared to men, financial access for women is 97 percent lower and their ability to borrow for their businesses is 57 percent lower (World Bank Global Findex, 2017).

Barriers

- BANKS HAVE UNDER-DEVELOPED PRODUCTS AND CHANNELS TO REACH SMEs
- SMEs LACK OF FINANCIAL OR OPERATIONAL TRACK RECORDS
- SMEs LACK OF COLLATERAL AND WEAK PROPERTY RIGHTS

EXPECTED IMPACT

- 500 # of WSMEs loans
- $23 million In financing to WSMEs

The Women Entrepreneurs Finance Initiative (We-Fi) is a collaborative partnership among 14 governments, six multilateral development banks (MDBs), and other public and private sector stakeholders, hosted by the World Bank Group. It seeks to address financial and non-financial constraints faced by women-owned small and medium enterprises in developing countries. International Finance Corporation We-Fi (IFC We-Fi) program, is a part of the World Bank Group We-Fi program, a joint global initiative of the World Bank and IFC.
NSIA Banque based in Côte d’Ivoire is a part of a leading regional financial service provider in West and Central Africa.

ABOUT THE PROJECT

The project is part of IFC’s Small Loan Guarantee Program (SLGP) and will increase lending to SMEs and very small enterprises (VSEs), including to WSMEs with the support of We-Fi, in Côte d’Ivoire. The project is expected to be supplemented with IFC advisory services to help the client with SME market segmentation and product development. It comprises a Risk Sharing Facility to NSIA to help the bank on-lend to SMEs and WSMEs.

BLENDED FINANCE STRUCTURE

NSIA

Lends to SMEs including WSMEs, under IFC’s guarantee supported by IDA Private Sector Window

WOMEN SMES

NSIA on-lends at least 35 percent of the Risk Sharing Facility portfolio to WSMEs

Client receives performance-based incentive upon achieving gender targets

This project comprises EUR10 million equivalent unfunded Risk Sharing Facility from IFC covering 50 percent of the risk of an aggregate EUR20 million SME portfolio originated by the Bank, supported by the IDA Private Sector Window Blended Finance Facility which provides risk mitigation to enable on-lending to SMEs. The performance-based incentive is provided along the Risk Sharing Facility to encourage NSIA to lend to WSMEs.

IFC INVESTMENT

EUR10 million equivalent unfunded Risk Sharing Facility

We-Fi SUPPORT

$130,000 performance-based incentive