

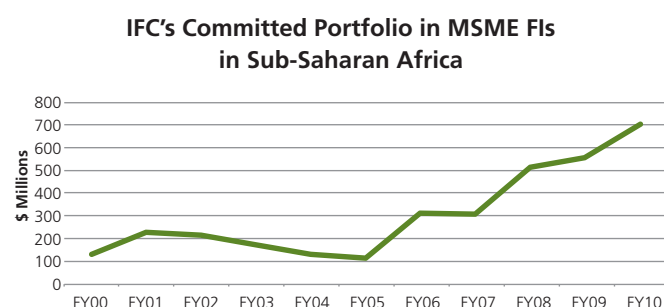
IFC Financing to Micro, Small, and Medium Enterprises in Sub-Saharan Africa

KEY HIGHLIGHTS

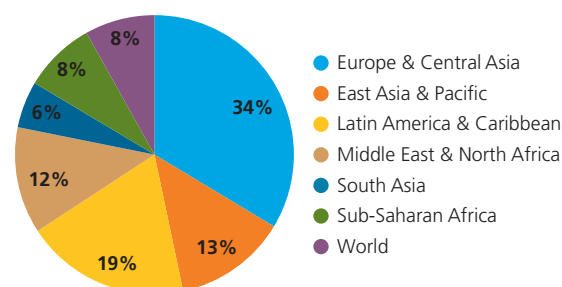
IFC is working to develop solutions to close the micro, small, and medium enterprise (MSME) financing gap, collaborating with 52 financial institutions across 22 countries in Sub-Saharan Africa.

As of June 2010, IFC committed a total of \$705.4 million to MSME finance in Sub-Saharan Africa, with \$196.8 million in fiscal year 2010. In addition, IFC's microfinance institution (MFI) clients had 123 thousand loans outstanding to micro-enterprises in Sub-Saharan Africa by end of 2009, totaling \$90.4 million. Similarly, IFC's SME financial institution (SME FI) clients had 35 thousand loans outstanding to SMEs by end of 2009, totaling \$3.4 billion in this region.

MSME FINANCIAL INTERMEDIARY PORTFOLIO, JUNE 2010



IFC's Regional Committed Portfolios in MSME FIs



MSME LOANS BY IFC CLIENTS, DECEMBER 2009

MSME Loans by MFIs

IFC was able to survey or extrapolate outreach data from 14 MFI clients in 11 countries. 36% of these clients received advisory services from IFC.

	Outstanding Loan Portfolio in #	Outstanding Loan Portfolio in \$	Average Loan Size	NPL %
Micro Loans	123,578	90,403,145	732	2
Small Loans	4,750	39,812,853	8,382	1
Medium Loans	1,482	14,608,622	9,857	0

MSME Loans by SME FIs

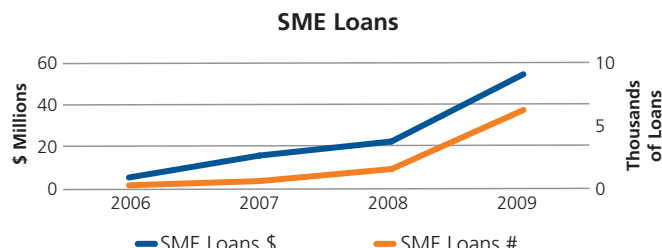
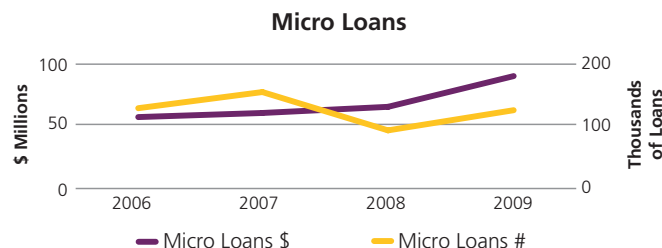
IFC was able to survey or extrapolate outreach data from 23 SME FI clients in 13 countries. 35% of these clients received advisory services from IFC.

	Outstanding Loan Portfolio in #	Outstanding Loan Portfolio in \$	Average Loan Size	NPL %
Micro Loans	127,024	166,110,635	1,308	5
Small Loans	25,181	766,064,054	30,422	5
Medium Loans	10,391	2,602,093,708	250,430	6

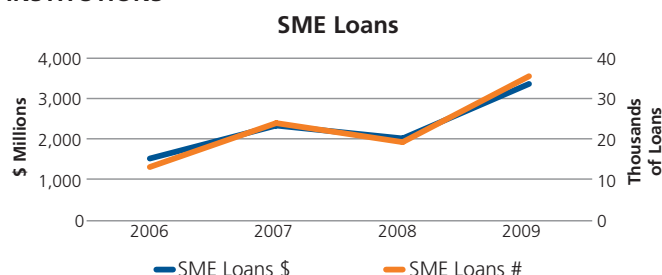
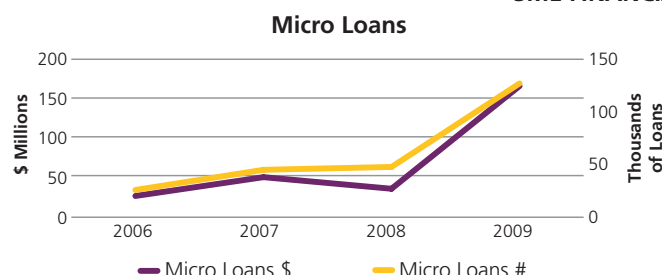


GROWTH TRENDS

MICROFINANCE INSTITUTIONS



SME FINANCIAL INSTITUTIONS



CLIENT HIGHLIGHT: DIAMOND TRUST BANK GROUP — EAST AFRICA

Objective and Client Needs: The Diamond Trust Bank group is an agency of the Aga Khan Development Network (AKDN). AKDN comprises a group of international, private, non-denominational development agencies and institutions, and seeks to empower communities and individuals in order to improve living conditions and opportunities.

The Diamond Trust Bank (DTB) Kenya was incorporated in 1945 as the Diamond Jubilee Investment Trust. DTB Kenya, DTB Uganda and DTB Tanzania started commercial banking operations in 1997. A subsidiary bank was established in Burundi in 2009. The Group had assets of US\$900 million at end 2009, employing 930 staff across East Africa. Market share based on total assets is Kenya 3.5 percent, Uganda 3.0 percent and Tanzania 2.7 percent. DTB targets a 10 – 12 percent market share and recently embarked on an aggressive expansion strategy in the three countries with a specific focus on the SME segment. Approximately 70 percent of the Group portfolio can be defined as MSME definition with an average loan size of US\$52,700.

With a current branch footprint of 57 (Kenya 30, Uganda 15, Tanzania 10, Burundi 2), the DTB Group aims to have 100 branches by 2012. The DTB wants to use its high level of

technological capability to entrench and extend its position in the SME space.

IFC's Involvement: DTB became the first bank in East Africa to join the IFC AMSME program in 2008. Working closely with the IFC Advisory Services program, DTB aims to strengthen its positioning in the MSME segment through enhanced efficiency and innovative product and service offerings.

IFC has a 9.8 percent equity stake in DTB Kenya, which is the group holding company, and a 16.3 percent equity holding in DTB Burundi. DTB has two lines of credit from IFC including subordinated debt of US\$ 15 million and a senior loan of US\$ 10 million, enabling DTB to lend in foreign currency on longer terms.

Development Impact: Based on an MSME strategy developed in 2008, IFC Advisory Services has a number of areas of intervention: 1) strengthen credit delivery, 2) enhance efficiency through technology, 3) enhance efficiency through organizational design, and 4) improve the banks current account/savings account ratio.

From commencement of the project, DTB Group's MSME portfolio has increased by US\$ 57 million and grew by 14 percent during 2009, and 10.7 percent during the first half of 2010.

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**International
Finance Corporation**
World Bank Group

