

Empowering Farmers and Small and Micro Entrepreneurs in the Democratic Republic of Congo

IFC worked with Minoterie de Matadi, a flour and feed milling company in the Democratic Republic of Congo known as MIDEMA, to strengthen its value chain by providing IFC's Business Edge training to farmers and Small and Medium Enterprises (SMEs) and facilitated their links to financial institutions and their access to finance.

Many farmers and SME owners who increased their business revenue through their partnership with MIDEMA were women.

"I have been able to expand drastically my bakery as a result of improving my knowledge and practices in the Business Edge training workshops I attended. My sales have gone up from 450 flour sacks to 2,340 per month. The bakery has repeatedly accessed loans from Advans Bank Congo for a total of \$57,000, thus allowing it to renew and purchase modern production equipment and raw materials."

—Ngimbi Tembo Dimbunu, female owner of NTB Bakery



RESULTS AND IMPACT

- 5,403 SME personnel trained, of whom 2,022 were women, with satisfaction rate of over 90 percent.
- 696 entities reported performance improvements.
- \$33.8 million in sales revenue for local bakeries.
- 400 SMEs accessed \$11.4 million worth of financing, achieved through SME linkages to financial institutions.
- IFC–MIDEMA partnership proved successful in supporting 317 locally owned bakeries in MIDEMA's distribution chain.
- The program is highly regarded as being transformational in the SME realm. It has achieved strong demonstration effects, with strong demand and recognition on the ground from corporates, financial institutions, and SMEs.

*This series provides examples of IFC's impact, expertise and lessons learned working with clients and partners.

The Opportunity

Small business owners in the Democratic Republic of Congo often lack the ability to supply large companies because they don't have adequate business management skills or access to the bank financing that could help their enterprise grow. As a result, MIDEMA, a large milling company, was often forced to go abroad to find suppliers to satisfy its milling needs. IFC worked with the company to provide Business Edge management training to the farmers and small businesses most likely to become suppliers. The training focused on writing successful business plans to better access finance, marketing, accounting, and business productivity.

IFC also invested more than \$12 million in Advans Bank, Rawbank, and ProCredit Bank to enable them to provide credit to farmers and small business owners so that they could expand their businesses, operate more efficiently, and become attractive business partners for MIDEMA. With the support of IFC, these financial institutions have also provided non-financial services to their customers utilizing Business Edge workshops. For instance, Rawbank's initiative, known as "Lady's First," has helped train more than 500 female entrepreneurs and helped 110 of them secure more than \$7.2 million in bank financing.

IFC's Approach

IFC partnered with MIDEMA to provide IFC's Business Edge management training to the suppliers in its corporate value chain so that they could build well-managed and efficient small businesses. IFC also invested in local banks to ensure that they were well-positioned to provide financing to the small businesses that could supply MIDEMA. The project sought to increase the profits of both MIDEMA and its suppliers by strengthening the ability of local farmers and small businesses to beat the competition, become sustainable,

and reverse the trend of bakeries going out of business. MIDEMA in return could rely on local producers for its mills and help consolidate jobs in local communities. The project with MIDEMA was so successful that its parent company, the Seaboard Corporation, has asked IFC to replicate the project in other African countries and in Haiti.

IFC is committed to working with clients such as MIDEMA to strengthen the small and medium enterprises that make up its corporate value chain. By providing small business owners and employees with the business skills needed to manage efficiency and access bank financing IFC helps to ensure these businesses remain profitable and able to contribute to economic growth—a key IFC development goal. Like other developing countries, small and medium enterprises in the Democratic Republic of Congo have the potential to become the backbone of the private sector and their growth helps fuel the economy. The partnership with MIDEMA showcases IFC's ability to work with key clients in developing countries to provide the tools small businesspeople need to succeed.

Since 2002, IFC has used Business Edge management training solutions to help around 200,000 individuals strengthen their management skills, grow their businesses, and stay competitive in more than 50 developing countries. Offered in 20 languages, the workshops cover key management topics: marketing, governance, human resources, quality and operations management, finance and accounting, and personal productivity skills.

IFC, a member of the World Bank Group, is the largest global development institution focused exclusively on the private sector.

IFC CLIENTS Minoterie de Matadi (MIDEMA)