

A loan to Sonibank to support the banking sector and SMEs in Niger



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27/03/2019 - Date of signature of the project

BANKS AND FINANCIAL SERVICES - Sectors

NIGER - Location

LOAN - Financing tool

10 000 000 EUR - Amount of funding

EUR 10M LOAN - Financing details

SOCIÉTÉ NIGÉRIENNE DE BANQUE - Client

IF-B - CES

CLIENT PRESENTATION

SONIBANK is the leading bank in Niger in terms of the size of its balance sheet. It mainly works with private enterprises (SMEs, individual companies, large corporates). The bank has been experiencing

growth since 2013 and wants to strengthen its presence in the territory and expand in the region (opening of a branch in Cotonou and plan to set up in Lomé).

PROJECT DESCRIPTION

It is Proparco's first loan to the banking sector in Niger.

This EUR 10m loan will allow SONIBANK to extend the maturity of its resources in order to meet the medium and long-term credit demand of its clients and thereby support the country's SMEs and SMIs.

This financing demonstrates Proparco's commitment to support the private sector in developing countries, and in particular fragile countries, with the aim of earmarking EUR 1bn for them between 2017 and 2020.

It also demonstrates AFD Group's strong ambition to scale up its support to African small and medium-sized enterprises, which materialized in March 2019 with the launch of the French Choose Africa initiative to speed up the growth of start-ups, microenterprises and SMEs in Africa.

PROJECT IMPACT

Proparco's operation should directly support the banking sector in Niger and indirectly the country's SMEs/SMIs. It aims to assist a key player in Niger's economy in the expansion of its activities and will therefore make a significant contribution to financing Niger's private sector.

This operation is fully in line with Proparco's strategy for operations:

- one of the rare opportunities to operate in the banking sector in Niger, one of the world's least developed countries (187/188 in the HDI ranking of UNDP) and one of the least industrialized countries in West Africa.
- a high level of subsidiarity, in a local context where bank loans have maturities that are too short.