



An ARIZ guarantee to UBA to support Nigerian SMEs

12/07/2020 – Date of signature of the project

BANKS AND FINANCIAL SERVICES – Sectors

NIGERIA – Location

GUARANTEE – Financing tool

4 719 038 EUROS – Amount of funding

NGN 1.9BN GUARANTEE – Financing details

UBA – Client

Client presentation

United Bank for Africa (UBA) is one of the largest banks in Nigeria. It ranks 4th for the size of its balance sheet and has a network of 700 branches with over 7 million clients.

Project description

To support the growth of UBA's SME loan portfolio, Proparco has just signed an NGN 1.9bn portfolio guarantee (EUR 4.7m) to share the credit risk. This ARIZ guarantee will automatically cover 50% of future SME loans. Part of the loans covered (at least 30%) will specifically concern SMEs in the education sector or SMEs owned by women.

Project impact

The ARIZ program was launched in 2008 and aims to reduce the financing gaps faced by small and medium-sized enterprises, in particular due to the lack of collateral guarantees or difficulties in preparing financial statements.