



loan to Société Générale du Burkina Faso, SGBF to help SMEs in Burkina Faso access credit

17/09/2019 – Date of signature of the project

BANKS AND FINANCIAL SERVICES – Sectors

BURKINA FASO – Location

LOAN – Financing tool

25 000 000 EUR – Amount of funding

A EUR 25M SUBORDINATED LOAN – Financing details

SOCIETE GENERALE BURKINA FASO – Client

IF-B – CES

CLIENT PRESENTATION

SGBF is the country's 3rd largest bank for lending activity. The bank, which has traditionally been positioned on large companies, has developed a range of products for SMEs, which make up the bulk of the local economic base, and retail business. SGBF, in line with the Group's strong ambitions (Grow with Africa initiative), is developing extensive expertise in order to provide effective support to its SME clients in the context of several initiatives: PUSH PME, La Maison des Entreprises.

PROJECT DESCRIPTION

This financing in subordinated debt will sustainably strengthen SGBF's equity and support the bank's growth strategy, in particular for the SME segment, in line with the French strategy to support this African region which faces several development challenges, as well as with the Choose Africa initiative.

PROJECT IMPACT

The operation should make a positive contribution to the development of the economic base in Burkina Faso by increasing the allocation of loans to companies in the country. The operation is taking place in a context where there is limited lending to the private sector, which focuses on a few large companies and sectors: 6% of SMEs in the country had taken out a loan from a bank or MFI in 2016.

On the social front, the project could have a positive impact on improving access to banking services in the country, where only 43% of the population has a bank account, and on creating local jobs.

