

## Nigeria: helping FCMB finance high-impact SMEs



10/28/2021 - Date of signature of the project

BANKS AND FINANCIAL SERVICES - Sectors

NIGERIA - Location

LOAN, GUARANTEE - Financing tool

40 185 424 EUROS - Amount of funding

USD 35M LOAN AND A GUARANTEE FOR NGN 5BN / EURIZ  
GUARANTEE - Financing details / financing program

FIRST CITY MONUMENT BANK - Client

IF / A - CES

### **Client presentation**

First City Monument Bank Ltd (FCMB) is the 3rd main operator in the SME segment on Nigeria's banking market, with a 10% market share. The bank offers an extensive range of digital services and has strong growth ambitions in this segment. Its priority target is high-impact sectors, such as the agriculture sector, and companies owned by women. Proparco and FCMB have already had the opportunity to work together on two operations arranged by FMO in 2014 and 2019 and through the allocation of two ARIZ guarantees signed in 2018 and 2020.

## Project description

Proparco's financing involves a USD 35m loan and a EURIZ portfolio guarantee for NGN 5bn (equivalent to EUR 10m) and is supporting FCMB's objective of promoting financial inclusion for women. The bank has set up the SheVentures program which offers women entrepreneurs dedicated solutions, such as interest-free and soft loans, as well as appropriate training and mentoring. In this respect, the project is eligible for the 2X Challenge.

The EURIZ portfolio guarantee will guarantee up to 70% of the bank's loans to high-impact SMEs. The guarantee benefits from the support of the European Union and European Development Fund, as well as the Organization of African, Caribbean and Pacific States (OACPS). It is part of the French Choose Africa initiative for African SMEs.

## Project impact

The project will support the economic development of the country by financing some 1,600 SMEs and the growth of over 300 SMEs managed or owned by women.

Some 35,000 jobs at the 1,600 SMEs may be financed through Proparco's credit line.

On the environmental front, it is planned to earmark part of the funds for projects with climate co-benefits.



This project is carried out with the support of the European Union and Organization of African, Caribbean and Pacific States (OACPS) and is part of [the 2X Challenge initiative](#).