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Celebrating Eight Years of Financing Teachers' Path To Prosperity, UMWALIMU SACCO



Rosa Kamatari, 37, married with five children, has been in the teaching profession for solid 16 years. She joined Umwalimu SACCO in 2009. She lives a happy life after taking her first loan from Umwalimu SACCO and bought a cargo boat. She managed to build a residential house for her family worth Rwf30million out of the money from the cargo transport business. She upgraded her education level and she is now a graduate. Her cargo transport business also created employment for others. She says that she will continue working with Umwalimu SACCO as she ventures into other income generating ventures.

UMWALIMU SACCO is a Savings and Credit Cooperative for the Rwandan Teachers mandated to empower the members towards uplifting of their social-economic welfare and to contribute to socio-economic development of the community in which they live. The establishment of the SACCO was the initiative from His Excellence the President of the Republic of Rwanda Paul KAGAME who dignified the lives of Teachers through innovative and affordable financial services which cannot be found in any other Rwandan financial institution.

The main concern was the economic position of teachers that would not cater for their basic needs, the budget constraint and the wage bill limit as normally advocated by international financing institutions. Lack of sufficient financial incentives calls for a combination of benefits and inducements as supplements to low wages.

This would contribute to teacher retention, stability, effective curriculum instruction, and may cause positive multiple effects in the community development through small business interactions, joint ventures and other services and skills that may be offered by motivated teachers.

For the past eight years in operation, Umwalimu SACCO has helped teachers transform their lives socially and economically thus increasing their motivation to provide quality education.

UMWALIMU SACCO joined MAIN since June 2013 in view of strengthening their capacity through exchange of ideas and learning opportunities which the network offers. UMWALIMU SACCO believes that it is also important to become a member of such international body in order to upgrade the institution to the next level.
Source: (UMWALIMU SACCO, Profile Magazine)

in the presence of Abdoulaye Mar Dieye, UNDP Director for Africa, and Victoire Dogbé, Minister of Grassroots Development, Handicraft, Youth and Youth Employment.
Source: <http://www.jeuneafrique.com>

ADA: Very positive results for the Young Entrepreneurs Project in Togo

Innov'up, an incubator dedicated to women inaugurated in Lomé

This business incubator, primarily intended for women was inaugurated on Thursday 13th of April in Lomé. This programme is an initiative of the Federation of women entrepreneurs and businesswomen from Togo ("FEFA").

"Promoting women's entrepreneurship in Togo", is the goal set by the Federation of women entrepreneurs and businesswomen of Togo (FEFA). They inaugurated the Entrepreneurial Center of Business Women named Innov'up on Thursday the 13th of April 2016 in Lomé, Togo. "We would like to promote a competitive women entrepreneurship", said to Jeune Afrique Magazine, Candide Bamezon-Legueude, président of the FEFA. She specified that the incubator will also accept men who wish to undergo training.

In Togo, women are significantly involved in entrepreneurship sectors such as Agriculture, Trade and Handicraft. 25% of businesses established in the country from 2009 to 2012 were only owned by women, while half of the Togolese women are working in the informal sector and face difficulties to make their micro-enterprises grow to a more comfortable statute of an SME.

Women entrepreneurship is growing with some timid successes that Innov'up wishes to support in Togo. There is for instance an enterprise that manufactures 100% Togolese chocolate owned by Nathalie Kpanté who won recognition in Europe during Brussels Chocolate Fair in February 2016; Aimée Abra Tenu, is a pioneer in the sales of fashion accessories made from recycled materials, for which she was rewarded in December 2013 by UNDP.

For Christelle Aquereburu, an initiator of the IBA (Innovating-Building-Acting) enterprise, active in financial services provision in rural and disadvantaged areas in the country, "mainstreaming Innov'up provides multiple benefits regarding the work environment and Internet connectivity notably". The Togolese manager also insists on the marketing support for projects and financial engineering from which she will benefit during two years.

The center's symbolic ribbon cutting ceremony took place

ADA – SUPPORT TO SELF-SUFFICIENT DEVELOPMENT is a non-profit Association based in Luxembourg since 20 years. ADA is committed to develop the provision of microfinance services to the populations who are excluded from the traditional banking system. Its action consists of strengthening self sufficiency and building the capacities of microfinance institutions (MFIs), professional associations and networks.

The goal of the Project, Young Entrepreneurs, is to develop, with partner MFIs, a provision of financial services (loan and savings) and non financial services (training, financial education, business management consulting, monitoring and support) adapted to the needs of young entrepreneurs wishing to start or strengthen their micro-enterprise.

Following an identification and thorough screening process in 2014, the MFI, FUCEC-Togo was selected for establishing the youth professional integration programme. The action consists in suggesting a technical support fund and a guarantee fund enabling the development of financial and non financial services adapted to the needs of the target young entrepreneurs.

Since the first disbursed micro-credit in mid-December 2015 by the Togolese partner MFI, FUCEC, we have noted very positive results. Here are some figures to illustrate this promising start-up. In late February 2016, FUCEC funded 115 young Togolese with an amount of 44 420 900 FCFA (67 719 €), seven of whom have obtained 2 loans: one for operation of their activities and one as a working capital. We therefore have a total of 122 disbursed loans.

Among these young customers, 24 were financed for a start-ups with an amount of 11 353 900 FCFA (or 17 310 € Euro). Specifically, the start-up consists in funding both the equipment and the operating fund.

<http://www.ada-microfinance.org/fr/nos-projets/creer-nouveaux-services/jeunes-artisans-avenir-vous-appartient>

How to add value at the base of the pyramid?

Microfinance has demonstrated that it is possible to synchronize the repayment of a microcredit with the cash flow of an economic operator in the informal sector by requesting weekly small reimbursements. If a client's cash flow is smoothed, he/she can rarely capitalize his/her profits. To achieve this second goal, we have to allow him/her to get a larger share of the value chain's margin.

For microfinance clients in rural areas, this capitalization can be achieved either by transforming primary agricultural production or by distributing energy saving products (solar, improved stoves, biogas).

Senbumo and Microfinanza are determined to support MFIs who wish to transform primary agricultural production by co-investing in agro-processing SMEs or in SMEs distributing energy saving products. A Co investment with the producers themselves is not excluded if feasible.

Because our mission is social, we, the 3 founding shareholders, will aim to value for the producer's best advantage the primary agricultural production or by distributing at the best price, within the limits of financial sustainability.

A more detailed presentation is available here: www.etc.do. Do not hesitate to contact us: Senbumo is a Swiss consultant specialized in designing sustainable business models at the base of the pyramid-www.senbumo.com | francois.rossier@senbumo.com

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Central Bank of West African States, Islamic Corporation for the Development of the Private Sector to invest \$30m in small, medium-sized enterprises (SMEs)

Banque Centrale des Etats de L'Afrique (BCEAO), the central bank for eight West African countries, and the Islamic Corporation for the Development of the Private Sector (ICD), a development finance institution affiliated with the Saudi Arabia-based Islamic Development Bank, recently agreed to provide USD 30 million to small and medium-sized enterprises (SMEs) in the West African Economic and Monetary Union (WAEMU). This region includes, Benin, Burkina Faso, Ivory Coast, Guinea-Bissau, Mali, Niger, Senegal and Togo.

ICD will be responsible for providing capital in a newly created "Sharia compliant investment fund". Furthermore, the organizations will try to attract investments from other institutions to increase the fund's size to USD 100 million.

BCEAO, in addition to providing incentives to invest, will be: (1) "conducting studies on support and coaching structures"; (2) "promoting complementary instruments tailored to the financing".

As of September 2014, ICD reported total assets of USD 1.5 billion, return on assets (ROA) of 1.92 percent and return on equity (ROE) of 2.82 percent.

Find out more at <http://www.microcapital.org>

Upcoming events

1. Annual Conference of SPTF, Marrakech-Morocco, from 30 May to 03 June 2016

2.2. Program Design Implementation (PDI), Lomé Togo from 20- 24 June 2016

3.3. Management of Information System (MIS) for community microfinance project, Lomé Togo from 27 June-01 July 2016

4.4. The Private Service Provider (PSP) model: a practical approach to fee-for-service Savings Group Programming, Lomé- Togo from 27 June-01 July 2016

5. Training session on Microfinance and community economic development, Nkozi-Uganda, Uganda Martyrs' University, 24 July to 7 August 2016