

MID-TERM REVIEW OF THE INITIATIVE

The Choose Africa initiative fulfils the commitment made in Ougadougou by the French President, Emmanuel Macron, to support the revolution in entrepreneurship and innovation in Africa.

Through Agence Française de Développement Group, France will earmark EUR 2.5bn between 2018 and 2022 to African start-ups, microenterprises and SMEs. This initiative will thereby support over 10,000 companies to ensure they play their key role in job creation, economic growth and innovation in Africa.

AFD Group is carrying out a mid-term review of this initiative.

DEPLOYMENT OF THE INITIATIVE AT 1 SEPTEMBER 2020

€2^{BN} OF FINANCING COMMITTED FOR AFRICAN COMPANIES

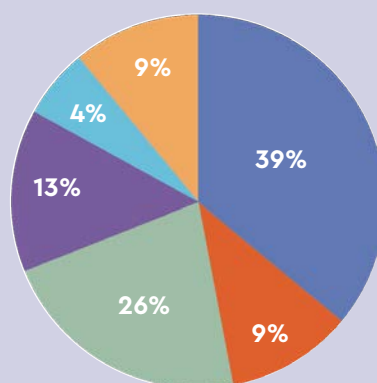
Access to credit for Microenterprises/SMEs

€ 1,620m

Investments in start-ups and SMEs

€ 380m

CONTINENTWIDE COVERAGE



- North Africa
- East Africa
- West Africa
- Southern Africa
- Central Africa
- Multi-zone

OVER 16,000 BENEFICIARY COMPANIES*

Over 16,000 companies and several thousand microentrepreneurs will be financed by the loans and investments already allocated to our partners under the Choose Africa initiative. About 2,000 will also benefit from technical assistance.

** Impact data estimated ex ante*

JOBS CREATED OR MAINTAINED OVER THE NEXT 5 YEARS

20,000 DIRECT JOBS

1.4 MILLION INDIRECT JOBS



11,900 SMEs

financed indirectly over the next 5 years via EUR 1.15bn of loans committed at 01/09/2020. The unit loan amount allocated to these SMEs generally varies between EUR 20k and EUR 50k.



3,900 SMEs

financed over the next 5 years via EUR 465m of guarantees allocated at 01/09/2020.



220 START-UPS AND SMEs

with strengthened capital over the next 5 years via EUR 380m of investments. The average unit amount invested ranges from a few tens of thousands of euros under the Digital Africa seed fund to several million euros for more mature SMEs.

PRESENCE ON THE GROUND



SOME 200 LOCAL PARTNERS

Incubators, investment funds, banks, microfinance institutions, leasing companies



14 CHOOSE AFRICA EVENTS

including 9 in Africa, often supported by the highest authorities of the French Republic



LATEST INFORMATION IN OUR NEWSLETTERS AND ON OUR WEBSITES AND SOCIAL NETWORKS

(launch of the Digital Africa seed fund, calls for expressions of interest for the creation of a fund for Africa...)

A CHOOSE-AFRICA.COM WEB PLATFORM

to get information about the initiative and identify local partners

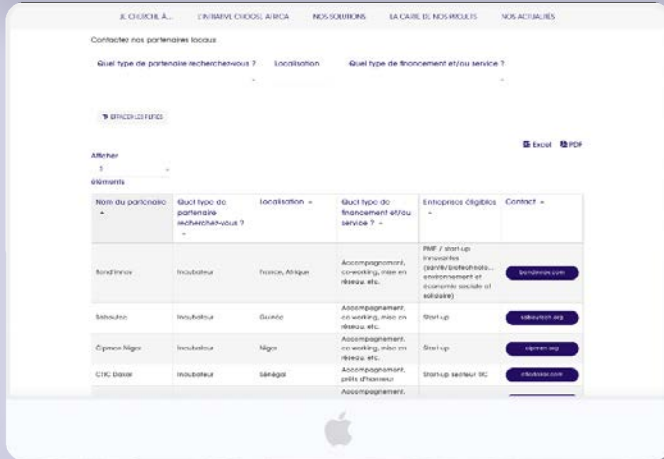
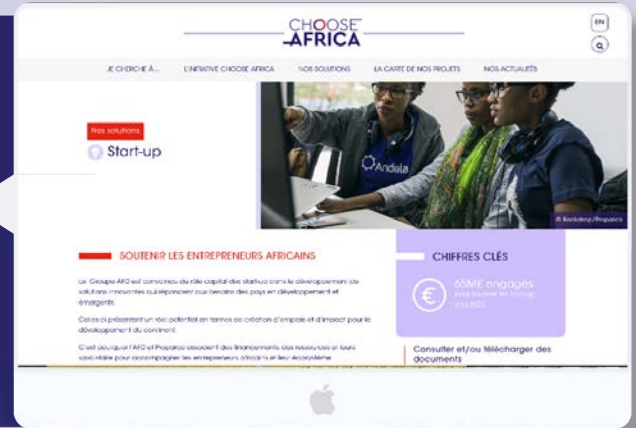
PATHS TARGETED BY PROFILE TO BETTER INFORM AND GUIDE

A dedicated web platform, www.choose-africa.com, is available to entrepreneurs and AFD Group's partners to give them up-to-date information about the initiative and refer them to the appropriate partner and tool depending on their profile.

Indeed, on the homepage, visitors are directed to appropriate information via a differentiated user path.

Customized documentation with:

- A tutorial video explaining how a company, depending on its maturity, can be financed by one of the Choose Africa tools
- Brochures and videos tailored to the solutions visited.

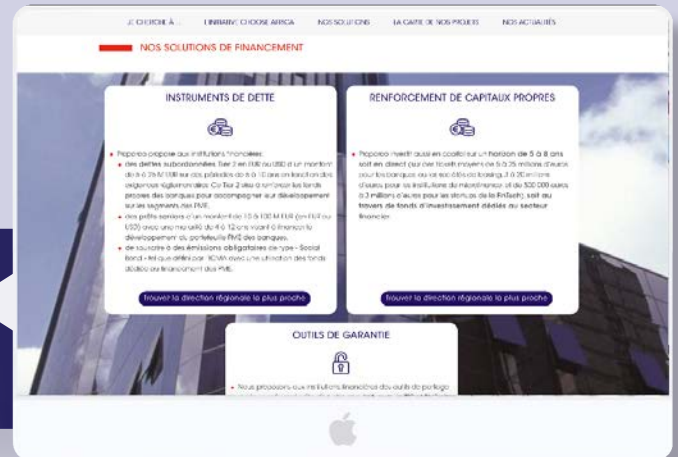


LIST OF LOCAL PARTNERS

A search engine to identify the local partners of the initiative.

AN "OUR SOLUTIONS FOR FUNDS, BANKS AND INSTITUTIONS" SECTION

to showcase AFD Group's tools geared to start-ups/SMEs that are available to financial institutions and partners.



A CONTACT PAGE

In addition to the search engine for the local partners of the initiative, start-ups and growing SMEs can find out whether their company prequalifies for an equity investment by PROPARCO. If so, they can submit their application on the platform.



A CHOOSE AFRICA NEWSLETTER

This bimonthly newsletter is available in French and English. It is a way of keeping in touch with visitors that so wish and gives news & recent information about the initiative.

EXAMPLES OF CHOOSE AFRICA PROJECTS



INTERMEDIATED LOANS VIA PRIVATE FINANCIAL INSTITUTIONS

SOCIÉTÉ GÉNÉRALE BURKINA FASO: A LOAN TO SUPPORT BURKINABE SMEs

Sector: Banks and financial institutions

Country: Burkina Faso

Financing amount: EUR 25m

Activities / Project:

Sustainably strengthen the equity of SGBF and support the bank's growth strategy for the SME segment

Project impacts:

+ 800 loans to Burkinabe companies and creation of local jobs

ADVANS DRC: A MICROFINANCE INSTITUTION FOR MICROENTREPRENEURS

Sector: Microfinance

Country: Democratic Republic of Congo

Financing amount: USD 3m

Activities / Project:

- 2nd largest Congolese microfinance institution by the size of its portfolio
- Advans DRC currently serves over 7,400 borrowers and 110,000 depositors, a client base made up of microentrepreneurs and SMEs

Project impacts:

- ~2,500 people or microenterprises will have access to microfinance products and services
- ~ 2,900 jobs created or maintained

INTERMEDIATED LOANS VIA PUBLIC BANKS

MSMEDA: SUPPORTING WOMEN'S ENTREPRENEURSHIP IN EGYPT

Sector: Banks and financial institutions

Country: Egypt

Financing amount: EUR 50m

Activities / Project:

- Support for the reduction of gender inequalities by promoting women's entrepreneurship and creating job opportunities for women
- Range of financing tailored to MSMEs managed and/or owned by women and targeted technical assistance

Project impacts:

- Creation of a transformational effect in Egypt's financial sector, to support financing for women's entrepreneurship
- Increase in the volumes of investment generated by MSMEs managed by women
- Job creation and new job opportunities for women

MSMEDA: SUPPORTING RWANDAN SMEs FINANCING

Sector: Banks and financial institutions

Country: Rwanda

Financing amounts: USD 20m loan, combined with a EUR 300,000 technical assistance grant

Activities/project:

Support for the development of Bank of Kigali's loan portfolio for Rwandan microenterprises and small and medium-sized enterprises and for strengthening its capacity to finance this business segment in a responsible and appropriate manner.

Project impacts:

- At least 200 microenterprises/SMEs supported
- An investment volume of some USD 96.3m generated by the microenterprises/SMEs supported
- Some 3,000 jobs created by these microenterprises/SMEs, with at least 50% for women
- Strengthening of the capacity of Bank of Kigali to finance microenterprises/SMEs through the technical assistance received



INTERMEDIATED LOANS VIA PUBLIC INSTITUTIONS

RAPID ENTREPRENEURSHIP DELEGATION: SUPPORTING AND PROMOTING THE ENTREPRENEURIAL INITIATIVES OF WOMEN AND YOUNG PEOPLE IN SENEGAL

Sector: All

Country: Senegal

Financing amount: EUR 20m

Activities / Project:

Support for job creation through the promotion of entrepreneurship and consolidation of the economic fabric of MSMEs, by offering technical and financial assistance to the entrepreneurial initiatives targeted by the program

Project impacts:

- 1,060 entrepreneurial initiatives financed with a volume of EUR 26m, with 50% of financing allocated to women entrepreneurs;
- 2,470 direct jobs created and/or safeguarded, with 56% concerning women and 5,560 indirect jobs created and/or safeguarded, with 50% for women;
- 820 companies formalized, 1,791 MSMEs will benefit from technical assistance.

DIRECT EQUITY INVESTMENTS

RENSOURCE HOLDINGS: CLEAN AND AFFORDABLE ELECTRICITY FOR 250,000 SMES

Sector: Energy, Climate

Country: Nigeria

Financing amount: USD 3m

Activities / Project:

Start-up installing and operating solar mini-grids

Project impacts:

- Develop, build and operate over 100 solar mini-grids over the next five years, with a total capacity of over 35 MW.
- Supply clean and affordable electricity to 250,000 SMEs, promote employment and reduce annual CO2 emissions by 30,000 tons

AJUA: AN INNOVATIVE START-UP SPECIALIZED IN CONSUMER OPINIONS

Sector: Start-ups, Digital technologies

Country: Kenya

Financing amount: USD 0.5m

Activities / Project:

Kenyan start-up specialized in the real-time monitoring of consumer opinions via mobile phone

Project impacts:

Support the development of an innovative digital start-up that offers companies a service with added value and benefits African people by i) extending the range of services and ii) improving the quality of goods/services after collecting and analyzing consumer data

EQUITY INVESTMENTS VIA PARTNER INVESTMENT FUNDS

NOVASTAR: SEED CAPITAL AND VENTURE CAPITAL PIONEER IN EAST AFRICA

Sector: Investment funds

Country: East Africa, Nigeria and Ghana

Financing amount: USD 10m

Activities / Project:

- Seed capital and venture capital investments in start-ups in Africa

Project impacts:

Novastar's portfolio currently comprises 17 start-ups and SMEs. These investments should create or support 3,600 jobs by 2022

SAWARI FUND I: AN INVESTMENT TO DEVELOP INNOVATIVE START-UPS IN NORTH AFRICA

Sector: Investment funds

Country: Egypt, Tunisia, Morocco

Financing amount: USD 5.8m

Activities / Project:

Venture capital fund with a target size of USD 70m, with the objective of investing in about 20 start-ups developing innovative technologies in order to finance their growth and scaling up

Project impacts:

- Diversification of the equity market for start-ups
- + 9,100 direct and indirect jobs created and maintained, including 3,600 held by women
- Structuring of a venture capital industry, advice for start-ups, mentoring



SUPPORT FOR ENTREPRENEURS AND THE ECOSYSTEM

SOCIAL AND INCLUSIVE BUSINESS CAMP: ACCELERATING SOCIAL & INCLUSIVE INNOVATION IN AFRICA

Sector: Social Business

Country: Multi-country Africa

Financing amount: N/A

Activities / Project:

- Acceleration program for African social entrepreneurs
- AFD acts as a platform to provide technical or financial assistance to champions to allow them to accelerate their project and join a community of trusted peers

Project impacts:

A network of 150 women and men from 37 African countries, supported and assisted by 60 mentors internationally recognized for their expertise

AFRIC INNOV / AFRILABS: BUILDING THE CAPACITIES OF INCUBATORS IN AFRICA

Sector: Incubators / Accelerators

Country: Multi-country Africa

Financing amount: EUR 4m

Activities / Project:

Technical assistance mechanism that will contribute to increasing the capacity of support structures

Project impacts:

Professionalization of support structures to enable them to provide long-term assistance for the development of new innovative companies in Africa

UIB – TECHNICAL ASSISTANCE SERVING MSMEs FINANCIAL INCLUSION

Sector: Banks and financial institutions

Country: Multi-country Africa

Financing amount: EUR 75k (out of a total project amount of EUR 150k)

Activities / Project:

Design of a training program and support for the creation of content for SMEs

Project impacts:

- Strengthen the bank's image and proximity to SMEs
- Access to financing for 94 additional SMEs

BCEAO: REGULATION AS A TOOL FOR FINANCIAL INCLUSION

Sector: Regulation and supervision of financial inclusion

Country: Regional support in 8 West African Economic and Monetary Union (WAEMU) countries

Financing amount: EUR 3m

Activities/project:

Support to BCEAO for key activities under the implementation of the Regional Financial Inclusion Strategy (RFIS). The objective is to facilitate access to financial services for people in the WAEMU zone:

- Promotion of a legal and regulatory framework and effective supervision
- Consolidation and strengthening of the microfinance sector.

Project impacts:

Increased access to a wide range of affordable financial products and services tailored to the needs of individuals and small and medium-sized enterprises, offered by formal and sustainable financial institutions governed by appropriate regulation.

STORIES OF START-UPS AND SMES SUPPORTED BY CHOOSE AFRICA

LYSA & CO: WOMEN ENTREPRENEURS AT THE HELM IN SENEGAL



In the Dakar region, Lysa & Co processes and markets cashew nuts, peanuts and corn. 85% of this SME's 34 employees are women. Lysa & Co is supported by the Senegalese fund Teranga Capital which has invested in it for the construction of a new production unit. Teranga Capital is an impact fund supported by I&P, a longstanding partner of PROPARCO.

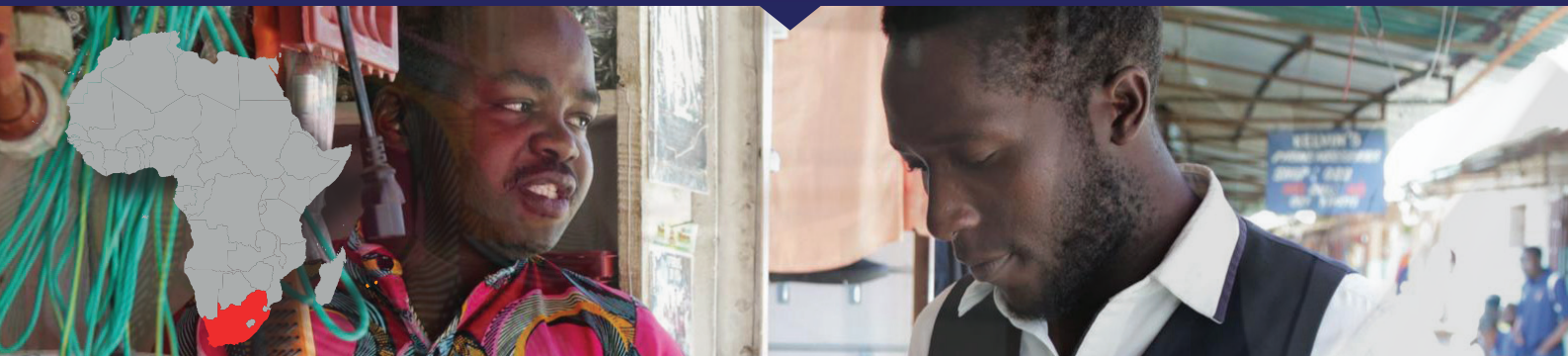
Find out more: <https://bit.ly/3l8VgGw>

AURORA: A SCHOOL WITH A SOCIAL IMPACT IN THE DEMOCRATIC REPUBLIC OF CONGO



Founded in 2012, Aurora Institute meets the needs of Kinshasa's growing middle class and provides their children with a quality and affordable education in line with international standards. It currently has 800 students, from kindergarten to the final year. It has benefited from support from the African Rivers Fund (ARF), managed by XSML Capital, in which PROPARCO has invested. Thanks to ARF's support, Institut Aurora has one of the highest exam pass rates in the country, with about 80%. **Find out more:** <https://bit.ly/2zfUFQM>

JUMO: A FINTECH FOR AFRICAN ENTREPRENEURS



JUMO is a start-up based in Cape Town in South Africa. It offers its clients the possibility of taking out loans and subscribing to savings products using their mobile phones. The Fintech has developed a credit scoring algorithm that helps people estimate their credit rating and thereby access financing with very low costs. In 2017 alone, the start-up allocated 12.2 million loans to its clients. JUMO currently operates in Ghana, Kenya, Tanzania, Uganda and Zambia.

Find out more: <https://bit.ly/2TOoBdD>

ENDA: A DRIVER FOR THE ECONOMIC INCLUSION OF TUNISIAN WOMEN



Enda has been the leading microfinance institution in Tunisia and the Arab world since 1995. Today, it offers a range of customized products that contribute to the financial empowerment of marginalized populations, especially women. In addition to its financial support, PROPARGO has also assisted Enda with its commitment to mainstream the "gender equality" dimension into its strategic and organizational concerns. **Find out more:** <https://bit.ly/35XiARq>

LEGACY GIRLS' COLLEGE: A NEW GENERATION OF WOMEN IN GHANA



Located in Akuse, in the Eastern Region of Ghana, Legacy Girls' College provides quality and affordable education to over 400 girl students. Since 2015, the school has been training a new generation of Ghanaian women based on core values, such as integrity, responsibility and excellence. To finance its expansion, Legacy Girls' College is benefiting from support from Oasis African Fund, in which AFD Group's Investment Support Fund for Businesses in Africa – FISEA, managed by PROPARGO, has invested. **Find out more:** <https://bit.ly/2TTZ42t>

LYNK: A START-UP FOR WORKERS IN THE INFORMAL SECTOR IN KENYA



In Africa, the vast majority of the population works in the informal sector, especially young people. LYNK, a young Kenyan start-up, has launched an application to put clients in touch with workers in the informal sector. This practical solution allows cooks, electricians and carpenters to develop their business. LYNK is supported by the Novastar Ventures East Africa fund in which AFD Group's Investment Support Fund for Businesses in Africa – FISEA, managed by PROPARGO, has invested. **Find out more:** <https://bit.ly/3oW2oZm>