

# Microfinance Solidaire

September 2021



## Project overview

Microfinance Solidaire SAS, a French company working in close collaboration with the NGO 'Entrepreneurs du Monde' finances and grows social microfinance institutions and social businesses in fragile regions (53% of its portfolio) and is mainly befitting women (85% of the final beneficiaries). Microfinance Solidaire SAS is run as an independent profit-making enterprise and has not recorded a deficit exercise in its more than 10 years of existence, demonstrating its ability to implement strong social missions in an economic sustainable way. Its outstanding portfolio reached in 2020 an historically high level of more than EUR 9,5 million and 25% of it is already for agricultural activities for small end-beneficiaries. In the current COVID-19 context, Microfinance Solidaire is faced with difficulties in obtaining funding to continue its role at a time when vulnerable communities require support more than ever.

## Funding objective

EDFI AgriFI will support the growth of Microfinance Solidaire with long term means to contribute to leverage funding from other investors. AgriFI will specifically earmark its funding to increase the volume of microloans offered by its MFI clients/partners towards sustainable agriculture activities through an additional amount of 2 million EUR by 2025. AgriFI will measure this impact on final beneficiaries, with a target of at least 10.000 additional beneficiaries by 2025, namely small farmers.

## Investment rationale

By providing long-term funding, EDFI AgriFI's key aim is to support further expansion of a proven social business model and to improve its economic sustainability. Supporting Microfinance Solidaire will enable EDFI AgriFI to accompany fragile communities that EDFI AgriFI could not reach directly, on their path from subsistence farming to an income generating and sustainable agriculture.

EDFI [AgriFI](#), the EU Agriculture Financing Initiative, is an impact investment facility funded by the European Union, with a mandate to unlock, accelerate and leverage sustainable investments in medium, small and micro agri-enterprises (MSME) that operate in developing countries, with a specific focus on smallholder's inclusiveness. AgriFI is managed by [EDFI Management Company](#) on behalf of the 15 European Development Finance Institutions (DFI).

## AT A GLANCE

- **Investment/Project:**  
Microfinance solidaire
- **Total AgriFI financing:**  
EUR 2M
- **Financial instrument:**  
Junior debt
- **Region:** Africa & Asia
- **Sector:** Social microfinance
- **Allocation:** AgriFI Global

## ENVIRONMENTAL & SOCIAL ASSESSMENT

Based on Environmental and Social (E&S) risks/impacts the E&S risk category is **C**.

<https://microfinance-solidaire.com/>