



## **Equity Supports MSMEs With USD \$100 Million Partnership with Proparco (Agence Française de Développement Group)**

- Deal brings together a strategic partnership for job creation and sustainable development.
- New Partnership will allow Equity to access funding for Kenyan MSMEs focused on job creation.
- Funding is part of the French initiative [Choose Africa](#) dedicated to supporting MSMEs in Africa. Part of the funding will also support projects with climate change benefits.

**Nairobi, Kenya; October 2, 2020** – Equity Group Holdings Plc. is today announcing its new partnership with Proparco, a French Development Finance Institution, which will allow the Kenyan bank to grow and continue its support to the private sector and its deep commitment to MSMEs, women entrepreneurs and development of rural areas through dedicated products. MSMEs have been particularly affected by the economic shock of the COVID-19 crisis and the collaboration speaks to Equity's firm commitment to help the private sector to quickly recover and to thrive after the pandemic is over. The agreement was signed in Paris on the sidelines of President Uhuru Kenyatta's high-level trade delegation to France by Dr. James Mwangi and witnessed by Agence Française de Développement Group's (AFD) CEO, Remy Rioux.

In making the announcement, Dr. James Mwangi, Managing Director and CEO of Equity Group Holdings Plc. stated that, *"The impact of the COVID-19 pandemic started as a health crisis, which quickly became an economic crisis and humanitarian crisis that has seen almost 40% of Kenyan small business owners affected by the Great economic shutdown in business. Equity's goal is to keep the lights of the economy on to support lives and livelihoods and as the economy begins to open up, our partnership with Proparco will help us to support quick recovery of their businesses and most importantly their growth out of the crisis."*

Proparco is a French Development finance institution which is a subsidiary of Agence Française de Développement (AFD) together forming the AFD Group, devoted to private sector financing and engaged in promoting sustainable development for 40 years. The organization works in 80 countries across Africa, Asia, Latin America and the Middle East, providing funding and assistance to businesses and financial institutions.

Today's announcement will further support Equity's dedication to remaining Kenya's leader in MSME's financing and its ambition to better support underserved segments, in particular small scale farmers, micro small and medium enterprises, contributing to the "Big 4" developmental agenda: manufacturing, affordable housing, health and food security. In total, the project is expected to support about 240 MSMEs and more than 15,000 direct and indirect jobs.

Commenting on the agreement, AFD Group's CEO Remy Rioux said: "AFD Group is delighted to work once again with Equity Bank, whose dedication to SMEs in Kenya make it an important partner of the French initiative Choose Africa. This operation illustrates that AFD, through its subsidiary Proparco, is more than ever committed to empowering Kenyan entrepreneurs confronted with the challenges raised by the Covid-19 crisis while pursuing its fight against climate change in Africa by specifically dedicating \$20 million of the \$100 million loan to financing projects with climate co-benefits."

The project will also see Equity Group support the French initiative [Choose Africa](#), which is working to dedicate €2.5 billion to start-ups and MSMEs in Africa by 2022. This will also help AFD Group in its commitment to a clean climate and the Paris Agreement since USD 20 million of the USD 100 million loan will be dedicated to financing projects with climate finance.

This is Equity's second edition of its partnership with Proparco of the current USD 22.8 million loan granted in 2019 as part of a broader financing of USD 100m arranged by Proparco and released today in partnership with Germany's Deutsche Investitions-und Entwicklungsgesellschaft (DEG).

*"I am most gratified by Proparco's trust in and support of Equity Group, our customers and our stakeholders during this critical time in our society. With Proparco and AFD's willingness to work with us in such a substantial and significant arrangement, Kenyans can be reassured that their businesses and our economy will be strengthened and supported so that we emerge from the COVID-19 crisis stronger and better. Given Equity's purpose-driven mission, Proparco is a natural like-minded partner who will help us to expand opportunities and grow prosperity for Kenyans and the continent as we seek to build back better after COVID-19,"* said Dr. Mwangi.

### **About Equity Group Holdings, Plc:**

Equity Group Holdings (EGHL), is a Pan-African financial services holding company listed at the Nairobi Securities Exchange, Uganda Securities Exchange, and Rwanda Stock Exchange. The Group has banking subsidiaries in Kenya, Rwanda, Uganda, South Sudan, Tanzania, and DRC and a representative office in Ethiopia. It has other subsidiaries in investment banking, insurance, telecom, fintech and social impact investments. Equity Group has an asset base of nearly USD 9 Billion. With over 14.5 million customers, the Group is one of the biggest banks in customer base in the region. Since 2008, the Group's corporate foundation, Equity Group Foundation (EGF), has delivered humanitarian programs in Education and Leadership, Food and Agriculture, Social Protection, Health, Clean Energy and the Environment, Enterprise Development and Financial Inclusion to millions of Africans. EGF has a networked health care provider, Equity Afia which has been supporting COVID-19 relief efforts.

For more information, please visit: <https://equitygroupholdings.com/>

Contact:

Alex Muhia

Email: [CorporateCommunications@equitybank.co.ke](mailto:CorporateCommunications@equitybank.co.ke)

[Alex.Muhia@equitybank.co.ke](mailto:Alex.Muhia@equitybank.co.ke)

Office: +254 763 026007 : Mobile: + 254 763 618871

### **About Proparco:**

Proparco is a subsidiary of Agence Française de Développement (AFD) focused on private sector development. It has been promoting sustainable economic, social and environmental development practices for more than 40 years. Proparco provides funding and support to both businesses and financial institutions across Africa, Asia, Latin America and the Middle East. It seeks to partner projects in key development sectors – infrastructure (with a specific focus on renewable energies), agribusiness, financial institutions, healthcare and education, etc. – and to boost the contribution of the private sector to achieving the sustainable development goals adopted by the international community in 2015. As a means to this end, Proparco finances businesses that are instrumental in creating decent jobs that pay decent wages, in supplying essential goods and services and in battling climate change.

For more information, please visit: [www.proparco.fr/en](http://www.proparco.fr/en)

Contact :

Romain Esperon – [presse@proparco.fr](mailto:presse@proparco.fr)

M : [+33-6-67-87-81-76](tel:+33667878176)