



Press release

28 October 2021

EQUITY GROUP STRENGTHENS ITS PARTNERSHIP WITH PROPARCO TO SUPPORT AN INCREASED NUMBER OF MSMEs IN KENYA

As part of the visit to Kenya of the French Minister Delegate for Foreign Trade and Economic Attractiveness, Franck Riester, Proparco granted Equity Bank two guarantee facilities, ARIZ and EURIZ totalling €39 million (5 billion KES) to help the Kenyan bank further support job creating MSMEs. Proparco also granted a €550,000 technical assistance facility to support Equity Group Foundation's health projects. The EURIZ guarantee and the technical assistance grant benefited from support from the European Union and the Organization of African, Caribbean and Pacific States.

Equity Group is the biggest bank in asset base in the region, with a strong focus on supporting businesses in the real economy. It stands out for its continued support to SMEs, women entrepreneurs and rural populations with products designed to expand opportunities for wealth creation. It is also well-known for its high-impact development programs in Education and Leadership Development, Energy and Environment, Food and Agriculture, Health, Financial Inclusion and Enterprise Development and Social Protection led through the Equity Group Foundation.

Upon completing the signing, Dr. James Mwangi, Managing Director and CEO of Equity Group Holdings Plc. stated that, "Our strong relationship with Proparco is one that we greatly value. Our shared vision for the transformation of lives and livelihoods on the African continent is one we are both committed to. It is this shared mission that continues to support and expand opportunities for wealth creation on the continent for our people, and which will allow Africa to thrive and prosper in the post-Covid economy and underpins our collaborations under the French "Choose Africa" and Equity's post covid Africa resilience and growth plan."

Over the past three years, Proparco and Equity Bank have grown to become strong partners thanks notably to a \$22.8 million loan granted in 2019 and a \$100 million loan granted in October 2020, both intended to support the Bank's commitment to Kenya's MSMEs the actors in the real economy.

On the occasion of the visit to Kenya of the French Minister Delegate for Foreign Trade and Economic Attractiveness, Franck Riester, Proparco and Equity further strengthened their relationship by signing two new guarantees and of a technical assistance grant.

The first, a €19,5 million (2.5 billion KES) ARIZ guarantee will cover 50% of the amount of eligible loans allocated by Equity Bank to Kenyan MSMEs.

The second, a €19,5 million (2.5 billion KES) EURIZ guarantee will cover up to 70% of loans granted to women entrepreneurs or to MSMEs in sectors with a high social or societal impact

such as Agriculture, Fisheries, Education and Health. Launched in May 2019 with the support of the European Union (EU) and the European Development Fund, and the Organization of African, Caribbean and Pacific States (OACPS), the EURIZ guarantee aims to facilitate access to credit for MSMEs, in particular in sectors with a high development impact, in order to help them play their essential role in economic growth and job creation.

The two guarantees, which amount to a total of €39 million (5 billion KES), are the largest ever granted by Proparco to a financial institution. They both contribute to [Choose Africa](#), the French initiative dedicated specifically to African entrepreneurs, start-ups and MSMEs while supporting Equity's Africa recovery and growth plan.

Proparco also allocated today a €550,000 (70 million KES) technical assistance grant to the Equity Group Foundation (EGF). This technical assistance, which also benefited from support from the EU and the OACPS, aims to support the development of EGF's health pillar through several components, including the development of entrepreneurial and management training for Equity Afia's doctor-entrepreneurs, the implementation of a quality management program within the network and the strengthening of the Equity Afia clinic economic and social model.

"With this 5bn KES guarantee facility for the benefit of hundreds of MSMEs including in high social impact sectors such as agriculture and healthcare, Proparco is very proud to further strengthen its partnership with Equity Bank, one of the leading and most innovative banking groups of Africa. Equity Bank historical and long-lasting commitment to MSMEs makes it a prominent partner of the AFD Group in the roll out of the Choose Africa initiative launched in 2018 by the French Government.", said Djalal Khimdjee, Deputy CEO of Proparco.

"This is a fantastic example of how Team Europe support can leverage funding to key sectors for inclusive green growth in Kenya. Through this partnership with Equity Bank, women entrepreneurs and MSMEs operating in high-impact sectors such as Agriculture, Fisheries, Education and Health will be able to receive loans to expand their business and have greater social impact", said Deputy EU Head of Delegation, Katrin Hagemann.

"We want to see continued progress for our SME and MSMEs as the world opens up and by working together with partners such as Proparco, the European Union (EU) and the European Development Fund, and the Organization of African, Caribbean and Pacific States (OACPS), we are offering our clients a way to empower themselves while creating economic opportunities for wealth creation for our people", stated Dr. Mwangi.

These initiatives will contribute to several Sustainable Development Goals, including #3 (Good Health and Well Being), #5 (Gender Equality) and #8 (Decent Work and Economic Growth).

About Proparco:

Proparco is the private sector financing arm of Agence Française de Développement Group (AFD Group). It has been promoting sustainable economic, social, and environmental development for over 40 years. Proparco provides funding and support to both businesses and financial institutions in Africa, Asia, Latin America and the Middle East. Its action focuses on the key development sectors: infrastructure, mainly for renewable energies, agribusiness, financial institutions, health, and education.

Its operations aim to strengthen the contribution of private players to the achievement of the Sustainable Development Goals (SDGs) adopted by the international community in 2015. To this end, Proparco finances companies whose activity contributes to creating jobs and decent incomes, providing essential goods and services, and combating climate change. For a World in Common.

For further information: www.proparco.fr and [@Proparco](https://twitter.com/Proparco)

About Equity Group Holdings, Plc:

Equity Group Holdings Plc 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, DRC, Rwanda, Uganda, Tanzania, South Sudan, and a Commercial Representative Office in Ethiopia. It has other subsidiaries in investment banking, insurance, telecom, fintech and social impact investments.

Equity Group is the largest bank in the region in assets of Kshs 1.12 trillion (USD 11.2 billion). It is also the biggest bank in deposits, market capitalization of USD 2 billion and with a customer base of over 15 million customers. The Group has a footprint of 337 branches, 56,772 Agents, 32,269 Merchants, 697 ATMs and an extensive adoption of digital banking channel.

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/> and <https://equitygroupfoundation.com/>.