



Impact Story

Supporting Female Entrepreneurship and Sustainable Development through Microfinance in Burkina Faso

Country: Burkina Faso

Program: Volunteer Cooperation Program 2020-2028

Partner: Association Professionnelle des Systèmes Financiers Décentralisés (APSFD-Burkina Faso)

Date: December 7, 2023

Key Themes: Business Support Services, Economic Development, Environment and Climate Action, Gender Equality, Human Resources, Inclusion, Microfinance, MSME Development, Women's Economic Empowerment

Context

Since 2020, Catalyste+ has implemented the Accelerating Women’s Empowerment (AWE) program, funded by Global Affairs Canada (GAC). This eight-year initiative aims to improve women and girls’ socioeconomic well-being through the strengthening of developing country partners’ sustainable and inclusive initiatives across 21 countries. One of Catalyste+’s partners in microfinance for AWE is the **Association Professionnelle des Systèmes Financiers Décentralisés (APSFDF) du Burkina Faso**. APSFD-BF started its partnership with us in 2021, requesting technical assistance for one of its members, the **Association Inter-Instituts “Ensemble et Avec” (ASIENA)**. With this support, ASIENA was able to make credit more accessible to many vulnerable women and youth in Burkina Faso and contributed to environmental sustainability by providing households with eco-friendly kitchen appliances.



Ouagadougou: Capital of Burkina Faso and Location of APSFD headquarters

APSFDF-BF is an association located in Burkina Faso that represents the interests of microfinance or decentralized financial services institutions across the country. The association acts as an intermediary to advocate for the needs of the sector to government, financial, and technical partners, and offers capacity building support to its members in order to improve access to microfinance and other financial services in Burkina Faso. Today, APSFD-BF caters to 88 member organizations, which combined, provide financial services to about 2 million Burkinabé people.

Microfinance services seek to make financial products more accessible to low-income individuals, for instance through the provision of savings and insurance plans and micro-credits, which are small loans. The beneficiaries of microfinance are often excluded from the formal financial system and have difficulty accessing traditional financial products.

One of APSFD-BF’s members, ASIENA, is a local NGO created in 2002. As a not-for-profit organization, ASIENA fights for the eradication of poverty among Burkina Faso’s most marginalized and disadvantaged communities, particularly in the country’s rural and peri-urban areas where women and young people struggle to make ends meet. Their vision is to offer, through mutual aid and solidarity, local financial and non-financial services adapted to the needs of the poor (men, women and young people), regardless of race, ethnicity or religion), in order to help them become

financially independent. The organization is involved in three types of activities with the aim to foster sustainable development among these communities: microfinance, health insurance, and entrepreneurial support. These services are crucial in the rural and peri-urban regions of Burkina Faso, where many local residents encounter different barriers to credit due to the absence of local branches in remote and isolated areas, as well as terms and conditions of service that are still difficult for women to meet (request for warranty, high-interest rate).



Catalyste+ Program Manager's monitoring visit to ASIENA

Women and girls' general lack of education and financial literacy skills also poses a problem, as traditional financial institutions are more reluctant to offer them affordable credit options. Moreover, ASIENA provides economic support to a growing number of families who have had to leave their hometowns and relocate as a result of security and instability issues in Burkina Faso since 2015. These families often need assistance to help them start temporary businesses and other economic activities from scratch, so that they have the resources to resettle and find a permanent home. A portion of ASIENA's financial services and products also aim to address climate change by reducing their beneficiaries' reliance on non-renewable and polluting energy sources, thereby increasing their resilience to climate change and resource scarcity.

Creating a Human Resources Policy

To improve their capacity to respond to their clients' needs, ASIENA sought Catalyste+'s support through APSFD-BF, one of our existing partners in the country. As a result, ASIENA received support in two different areas: creating a human resources (HR) policy to address HR issues within the association, and updating the organization's credits and savings manual to improve its offer of financial services and products.

On a first assignment, ASIENA wanted to tackle internal management issues that hindered the organization's financial viability and performance. At the time, many employees within the organization were confused about the roles and responsibilities associated with their position, and consequently, would complete tasks without having adequate accreditation and training. For instance, unaccredited agents would accept new clients and grant them loans without having the adequate training and capacity to assess loan requests properly. This situation led ASIENA to have an unpaid rate of around 15%. This, in turn, limited ASIENA's ability to support more customers and sustain its commitment to fighting poverty.

To address these issues, human resources Catalyste+ Advisor (CA) Johanne Boucher, assisted ASIENA in developing and implementing a human resources management manual detailing the roles and responsibilities for each position in the organization. This manual allowed the organization to define the limits and duties of each position, and in the words of Denis Simporé, operations manager for ASIENA, it made it possible for them to “assign [each employee] to the right position and give them the work they are most qualified for.” As a result, the organization became better able to manage financial risks and improved its capacity to follow up on loans, which culminated in a major drop in its default rate, from 15 to 2.5% on average. According to Mr. Nikiema, this marked a very positive change for ASIENA, as they now have the financial capacity to lend to a large number of individuals in need and have therefore gained trust by potential financial partners.

CA Johanne Boucher also assisted ASIENA in updating its human resources policy to ensure the organization complied with national labor laws. As a result, the organization considerably improved its employees' working conditions (contracts, vacations, etc.), and implemented staff satisfaction surveys, which revealed an increase in their employees' motivation and dedication to their work supporting vulnerable individuals.

Developing New and Improved Credit Lines

As part of a second assignment, another CA, Johanne Gilbert, worked with ASIENA to improve and diversify the organization's offer of financial products and services. They also collaborated to update the organization's savings and credit manual in order to provide more vulnerable people with access to credit. As a result, ASIENA developed two new credit lines, named “jeunesse entreprise” and “coup de pouce,” and formalized their existing credit line “environnement” by adding it to their manual.

	Jeunesse Entreprise	Coup de Pouce	Environnement
Loan Range/Benefit	CAD \$560-\$1,350	CAD \$34-\$168	Eco-friendly household equipment (e.g., gas bottles, solar cookers, etc.)
Interest Rate	10%	0 to 1%	-
Objective	Facilitate access to credit for young entrepreneurs, especially women	Provide economic relief to women in critical need of assistance	Limit the need for non-renewable and polluting energy sources Reduce women's time spent on household tasks

Table 1. ASIENA's new credit services and products

The “jeunesse entreprise” credit line targets young women and men seeking to create a new business. The loans range from 250,000 to 1,500,000 CFA (approximately CAD \$560 to \$3,350) offered at a 10% interest rate - significantly lower than the 18% that most financial institutions usually ask for. With this new product, ASIENA facilitated access to credit for the youth who often face difficulties coming up with the material and real estate guarantees that traditional banks request. According to Urbain Nikiema, Accountant for ASIENA, this “barrier [was creating] inequalities, and did not take into account the skills and experience of women and young people.” Instead of relying on warranties, the organization decided to ask for references from individuals who can offer insight similar to that of mentors. These references will testify to the applicant’s command of their desired business activity, ranging from farming and crafting to trade. ASIENA particularly focused on young women entrepreneurs who face higher barriers to credit than men, in an effort to empower them and improve their financial independence. As an added component to the credit, the association also provides training in agricultural techniques, business management and financial literacy, in order to deepen the beneficiaries’ technical skills and help them grow their businesses.

The credit “coup de pousse” provides critical support to vulnerable women, by offering them loans from 15,000 to 75,000 CFA (approximately CAD \$34 to \$168) at very low interest rates (up to 1%, and no application fees). The beneficiaries of this credit are typically victims of accidents, natural disasters or events out of their control - such as floods, internal displacement, and loss of their family homes - that prevent them from making a stable and livable income. This emergency credit allows them to set up small businesses like market gardening or the sale of condiments, at least until they find a more permanent economic activity.



Tegawende groupement (in the national language moore, which in English means to lean on god) Padema shea butter producers, they have opened savings accounts at ASIENA, to obtain credit.

Finally, ASIENA's assignment with CA Johanne Gilbert led to the addition of the "environnement" credit line to the credits and savings manual. The formalization of this product, which already existed but was rarely used by the organization, was an important step toward solidifying ASIENA's commitment to environmental sustainability. Finding that it could use its gender equality mandate to promote environmental conservation, the organization sought to revive the existing "environnement" credit and combine both objectives. Beneficiaries of the credit, mainly women, thus receive eco-friendly household equipment, such as solar cookers and gas bottles - mainly for domestic use. This initiative not only contributes to reducing households' need for firewood and charcoal - thereby limiting deforestation - but also reducing the time women and girls spend on cooking.

Impact

Catalyste+ and ASIENA's partnership through APSFD-BF, contributed to improving women's decision-making power and socio-economic conditions by supporting their participation in income-generating activities that allowed them to provide for their families. With improved management and its new line of products and services, ASIENA extended its reach to provide its financial services and products to a greater number of women, men, and youth in need of financial support. In fact, 7,645 additional women were able to secure a loan over the past year - contributing to a



ASIENA's members explaining their cooperative system

15% increase in the organization's number of customers. The association thus contributed to financial inclusion in Burkina Faso by enabling women, young people and other vulnerable people to access and effectively use a range of financial products and services tailored to their needs at an affordable price.

In doing so, ASIENA also contributed to the mitigation of gender inequalities in Burkina Faso, which negatively impact girls' lives very early on. While boys generally benefit from formal education, girls are expected to help their mothers take care of the household. Even later on, women shoulder a disproportionately large share of household chores relative to men, as they have to feed their families, collect basic necessities - such as food and energy supplies - and look after their children. Altogether, this prevents women from sparing the time and gaining the skills necessary to start an economic activity.

Thanks to ASIENA's new credit lines, vulnerable women and young people increased their ability to fend for themselves through the development of various skills, from financial literacy to farming and production techniques, which will also support them in growing their businesses in the long term. Some of the credit recipients developed profitable income-generating activities that have already benefited their households and families alike.

In addition, these improvements led to the beginning of a change in men's attitudes towards women, as they now grant more importance to women's activities and show support towards their endeavors. Explaining the positive impact these financial improvements had on men-women relationships, Mr. Nikiema also pointed out that many women who used to bike to ASIENA alone, are now accompanied by their husbands, who leave their regular occupations to support their wife's activities. According to him, this demonstrates the positive effect that these initiatives have on the family.

Awa and Mariam, two female vegetable and cereal sellers and members of the **"Solidarité de bonheur ville"** group in Ouagadougou, benefited respectively from an insurance-free "Jeunesse entreprise" credit of CAD \$330 (150,000 FCFA), and CAD \$1110 (500,000 FCFA) over 8 to 12 months aimed to develop their businesses. When asked about the changes these credits brought to their lives, they explained:

“ Thanks to these loans and increased income, we feel more considered because we are now being consulted on family investments (such as house improvements and food stock purchases). We also feel more fulfilled interacting with our spouses, which wasn't the case before. ”



Left: Mrs Zoundi Mariam, cereal seller and beneficiary of ASIENA. Right: Mrs. Tidiga Awa, vegetable seller and beneficiary of ASIENA

Overall, the support that women beneficiaries received and the success many encountered in their businesses also gave them the confidence to make their voices heard in the household, and to encourage their husbands to listen. This newfound assurance also fueled their professional ambitions, as evidenced by Mr. Nikiema's observation: "for a first loan, they might ask for 400 or 500,000 [CFA]; but for another one [later on] they ask for one million. [...] Most of the time, the repayment goes well, which shows that their activities are doing well." Awa and Mariam also explained that they were very satisfied with ASIENA's services and stated that:

“ *The income generated enables us to contribute to our families' daily needs (food, soap, schooling, etc.), to pay our monthly fee to ASIENA, and to support our children in their job-seeking process.* ”

Conclusion

Catalyste+ is proud of the accomplishments achieved through our collaboration with ASIENA. By enhancing ASIENA's capacity, our partnership with APSFD-BF contributed to women's economic empowerment and sustainable development. From formulating an HR policy to improving and creating financial products tailored to vulnerable individuals, Catalyste+ enabled ASIENA to transform beneficiaries' business ideas into realities, fostering prosperity for men and women alike. By leading efforts to improve women and girls' economic independence and resilience while promoting more sustainable ways of living for all, ASIENA's partnership with Catalyste+ resulted in a success story that we are glad to celebrate.

The Association Professionnelle des Systèmes Financiers Décentralisés du Burkina Faso (APSFD-BF), our main partner, is also satisfied with the results accomplished by this collaboration and is eager to continue working with Catalyste+ to support their members and develop the microfinance sector across the country. As Mr. Salif Kinda, one of APSFD-BF's accountants, noted, ASIENA's success benefits APSFD-BF directly:

“ *When the members do well, the association does well.* ”



Acknowledgements

Catalyste+ would like to thank Claudia Aparicio and Alice Lussato for leading the creation of this impact story, as well as Denis Kima, Tikatiéssé Nakoaré, Urbain Nikiema, Kinda Salif and Denis Simporé whose valuable inputs contributed to this publication.

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Catalyste+ gratefully acknowledges financial contributions from Global Affairs Canada and Indigenous Services Canada.