

Link Banks and Others

Informal Information Exchange Meeting

27th October 2003

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Three Programmes and their Structural Approaches to Professional Supervision of Rural Networks

- **Crédit Rural de Guinée (Guinea Conakry)**
- **Fondation Banque Populaire (Morocco)**
- **AfriLand First Bank & MC2s (Cameroon)**

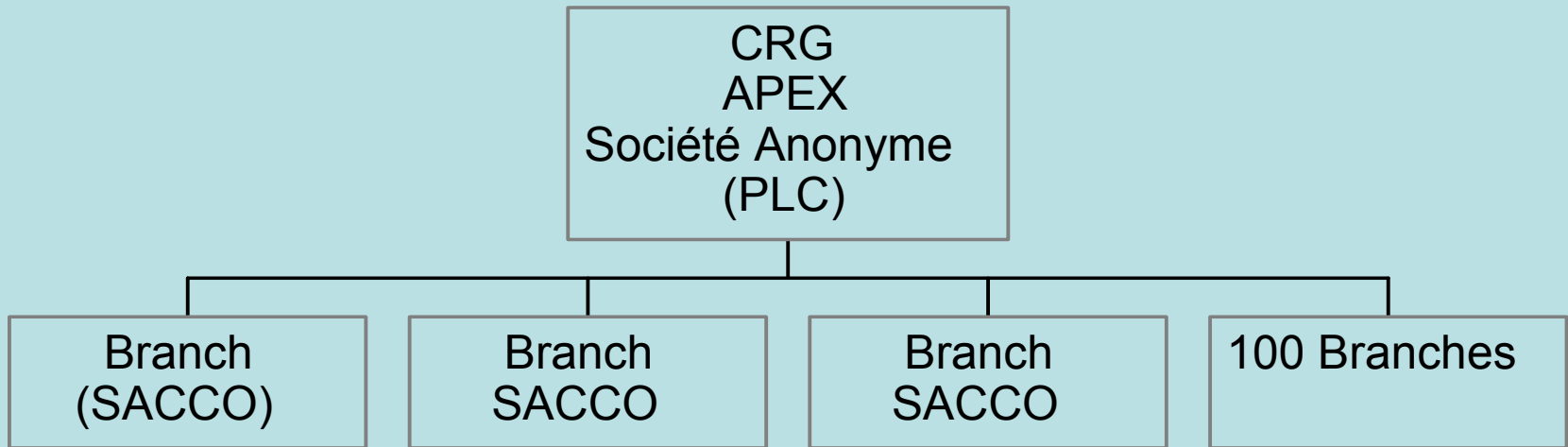
Rapid Comparison

	Country	Year Founded	Network	Apex
CRG	Guinea Conakry	1989	About 100 branches	PLC (<i>Société Anonyme</i>)
FBP	Morocco	2000	15 in 2001	Commercial Bank
MC2s	Cameroon	Early 1990s	52 MC2 3 MUFFA	Commercial Bank + NGO

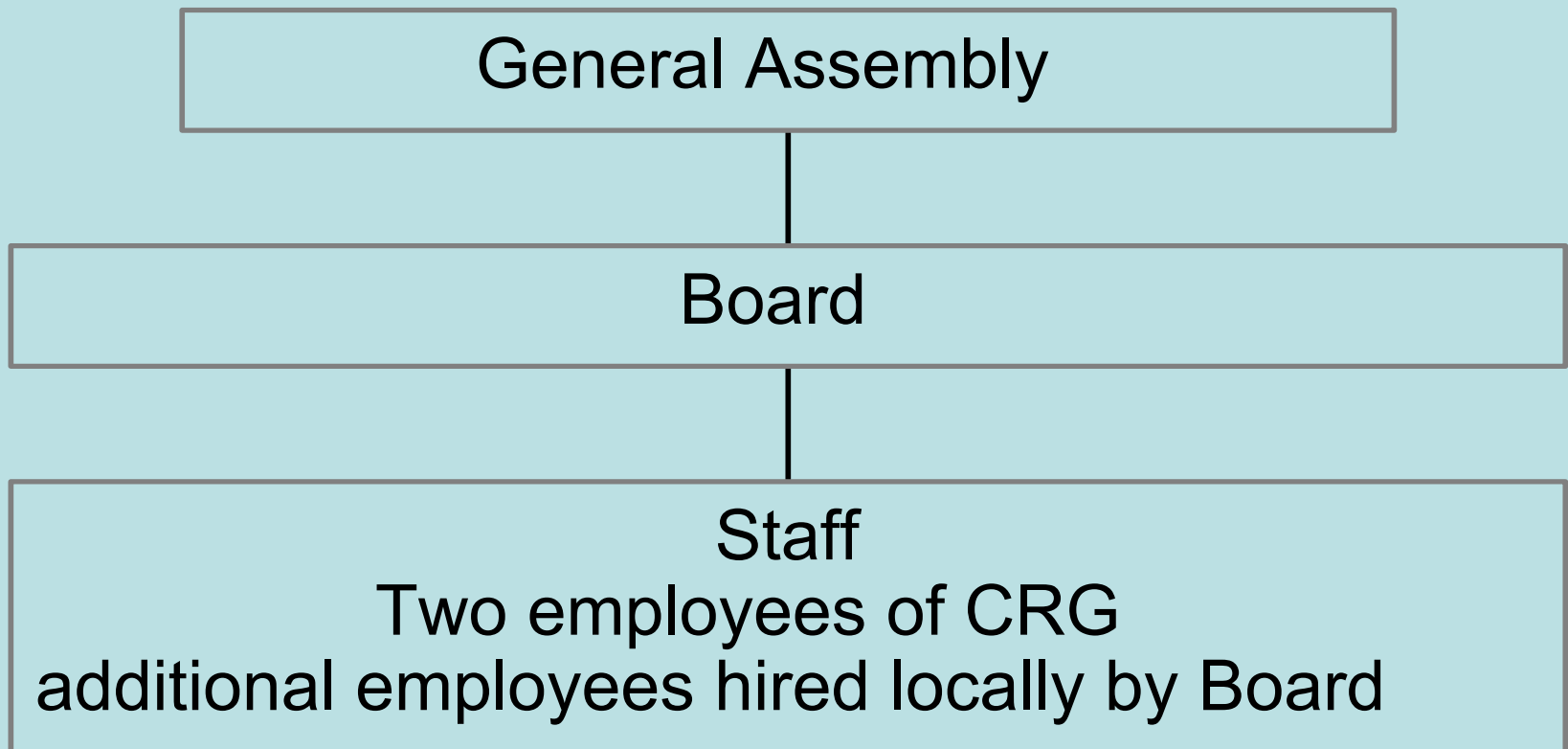
Rapid Comparison (continued)

	Historical motivation	Other indicators
CRG	15 year old project looking for institutionalisation	4.4 M € portfolio PAR >30 d. 11.4% <150,000 clients
FBP	State owned bank with double mission	Line of credit of bank about \$20 M
MC2s	Visionary founder wanting to serve villages	Of 52 MC2s, 44% have attained OSS, and 27% FSS

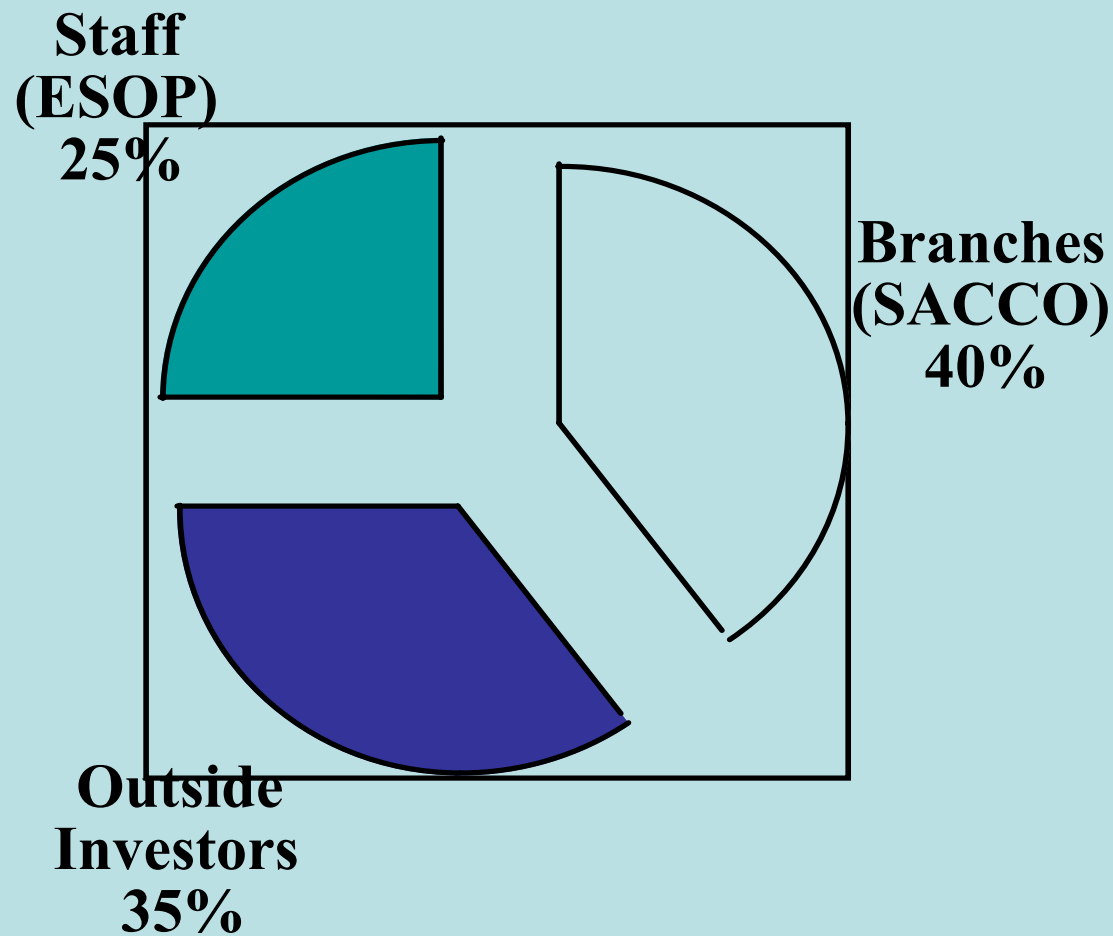
Crédit Rural de Guinée



Management of Branch



Ownership of CRG (Apex)



Services Provided by Apex

- Training
- Product development
- Audit
- Two staff in each branch
- Mobilisation of funds
- Transfers between net borrowers and net savers

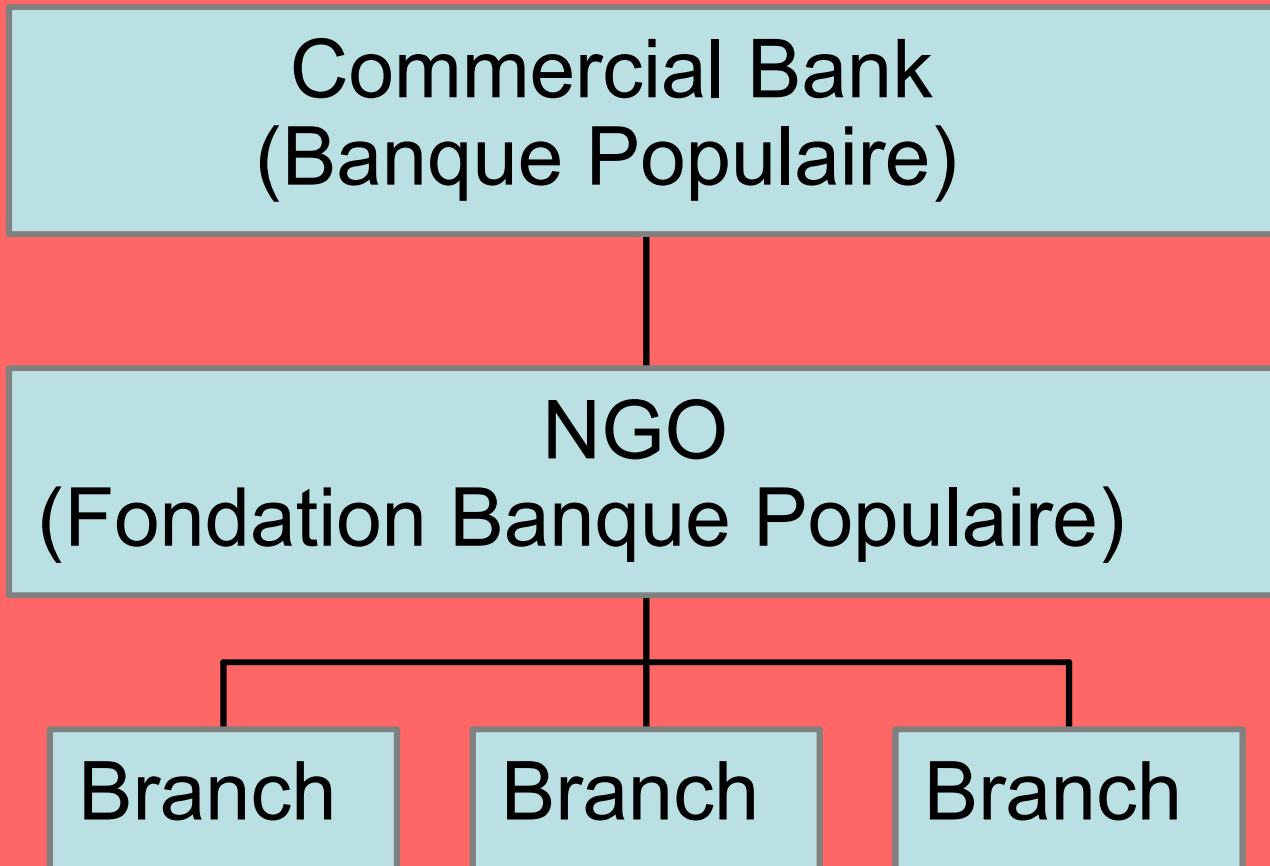
Responsibilities of the Branch

- Loan decisions, in common with manager
- Loan repayment
- Mobilisation
- Additional staff as needed

Lessons Learnt

- Great investment in training
- Co-management - Branch/SACCO and Apex
- Product diversity (group and individual loans for commerce/consumption and agriculture, salary backed civil servant loans, and multiple savings products)

Fondation Banque Populaire



Management of Branch

Branch Manager
Seconded by Bank

Staff
Employees of NGO



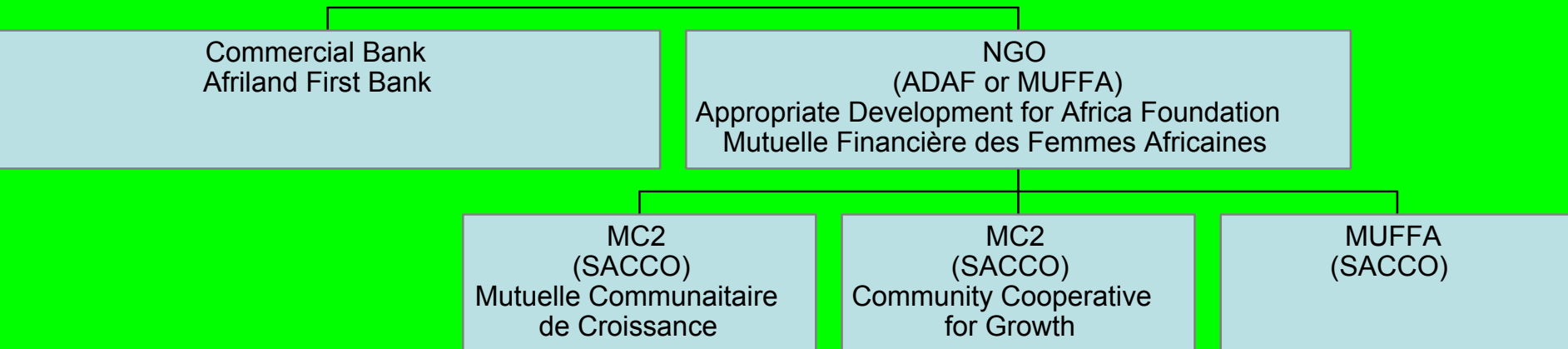
Services Provided by Bank (Apex)

- Decreasing operating subsidy to NGO
- Branch managers temporarily seconded to NGO
- Control and audit
- Lends funds at below market rates to NGO
- Some graduation of clients

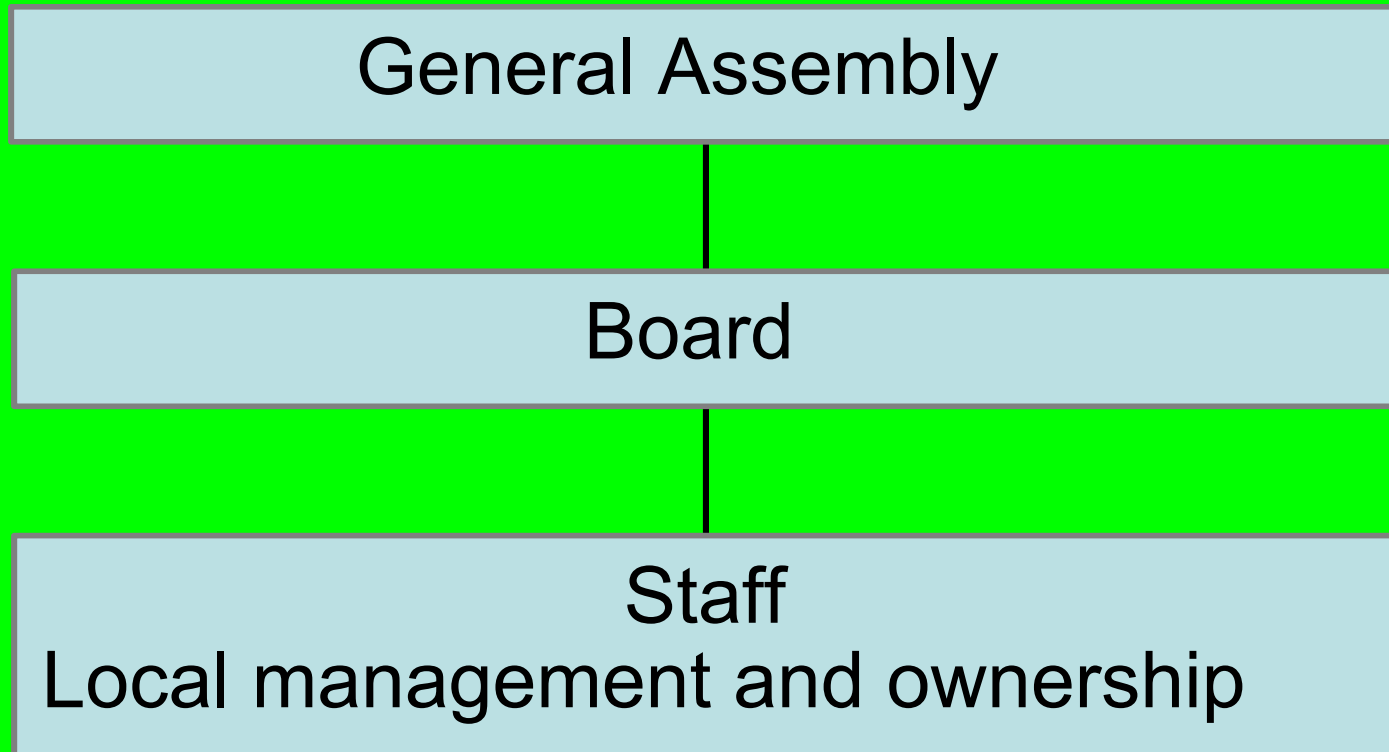
Responsibilities of NGO

- Product development
- Branch operations
- Mobilisation
- Credit management

Afriland First Bank /MC2s



Management of Branch (MC2 or MUFFA)



Services Provided by Afriland (APEX)

- Audit and control
- Small operating subsidy to NGO
- Banking products
- Security and image
- Transfers from net borrowers to net savers

Services provided by NGO (ADAF or MUFFA)

- Product development
- Training

Services provided by MC2 or MUFFA

- Mobilisation
- Credit management
- Staff

Lessons Learnt

- “Elites” of village will save through SACCOs because of association with Bank
- Strong social mission drives business model
- Benefit to bank is diverse and difficult to quantify