COUNTRY: Cameroun

PROJECT NAME: Growth-Oriented Women Enterprises Development Programme (GOWE)

SECTOR: Financial Services

CONTRIBUTION OF ADB: EUROS 10 MILLION

PROJECT DESCRIPTION: The aim of the proposed programme is to support active women SMEs to mobilize financial and technical resources needed for the growth of their businesses. The programme comprises two inter-dependent components namely: i) a partial guarantee to commercial banks amounting to 10 millions euros; and ii) technical assistance to key beneficiaries. The partial guarantee will be granted to commercial banks for the benefit of target women’s enterprises. Local partner banks will grant loans to women’s enterprises which exhibit a strong growth potential under favourable conditions: attractive interest rate, reduction of collateral guarantees required, reduction of the percentage of equity requirement from 30% to 20% and extension of the loan repayment period to an average of 36 months. The aim is to support women owned businesses to finance their growth in all the eligible sectors authorized by the Bank. The principal portion of these loans will be covered by a 50% partial guarantee. Technical Assistance: entails the enhancement and upgrading of the capacities of programme partners and women’s enterprises through training and technical advisory services. It includes the technological upgrading of targeted SMEs; strengthening their financial management; upholding of intellectual property rights; improving their corporate governance practices; better access to the export markets through the use of ICTs as a tool for market positioning; and sensitisation on HIV/AIDS impacts.

PROJECT BENEFITS: The partial guarantee facility will be extended to well-established private local banks, thereby encouraging them to extend loans to the women clients. The Technical Assistance facility entails the enhancement and upgrading of the capacities of programme partners and women’s enterprises through training and technical advisory services. It also includes the technological upgrading of targeted SMEs; strengthening their financial management; upholding of intellectual property rights; improving their corporate governance practices; better access to the export markets through the use of ICTs as a tool for market positioning; and sensitisation on HIV/AIDS impacts.

Through the partial guarantee line, the Bank will directly impact on enhancing the investment climate with a value added mainly on: i) upgrading the financial sector and introduction of new SME financing tools; ii) upgrading of the export capacities of women enterprises and provision of training materials specifically designed to support their growth; iii) supporting government entities to design the women entrepreneurship national strategy and action plan; and iv) developing and enhancing the BDS market and capacitating business women associations.