



## A unique social microfinance model in Burkina Faso

### BURKINA FASO

- 19.2 million inhabitants
- 183<sup>rd</sup> out of 189 countries\*
- 38% unemployment rate
- 44% of the population living on less than €2 a day

\*Human Development Index  
Source: hdr.undp.org



### MILLENNIUM GOALS



### BACKGROUND



#### Villages and outlying districts with no infrastructure

Accessing education, employment, banking, social services, water and electricity is very difficult in rural areas and in the outlying districts of Ouagadougou, where population growth is exponential. Women and young people are the first to suffer from extreme poverty. Entrepreneurship is of vital importance to them. They can launch businesses almost overnight: reselling, running small restaurants, raising animals or making clothes. But they need support to develop their businesses and make them sustainable.

### MISSION



#### A microfinance model for the very poor

To help entrepreneurs like these, living with extreme poverty and/or facing exclusion, with very little access to traditional microfinance services, Entrepreneurs du Monde set up YIKRI, a social microfinance institution, in 2015. The team offers tailored services such as training, savings, microcredit and social support, helping micro-entrepreneurs achieve success and make lasting improvements to their living conditions.

### METHODOLOGY



#### A complete support package

The entrepreneurs form groups and can then access individual savings accounts and customised unsecured loans, without the need for a guarantee. Once or twice a month, the groups meet for training related to business (accounting, sales, stock management, etc.) or family life (disease prevention, domestic violence, civil rights, etc.). Then, a social worker at each branch helps those in difficulty by listening, offering advice and referring them to resource partners.

### SUPPORT



#### Supported growth

As with all of the programmes it sets up and incubates, Entrepreneurs du Monde will support YIKRI until it achieves autonomy in all areas. By the end of 2019, YIKRI had already achieved 75% operational viability, having enjoyed strong growth over the 5 years it has been operating - growth that brought with it significant funding needs. Entrepreneurs du Monde is still supporting the new local MFI\* to help it achieve its social and economic objectives.

\*MFI: Social microfinance institution



**Mariam ZONGO**  
a successful poultry farmer

*"I'm on my seventh loan: the first was for CFA 150,000 (€230) and the current one is for 1.5 million CFA (€2,300), because I manage my loans well and am expanding my business: I now have a thousand birds! I created jobs for myself, my husband and two other people in my neighbourhood. The financial support and training from YIKRI have given my business a real boost and transformed my family's daily life!"*

 **83%**

**OF THE MICRO-ENTREPRENEURS  
GIVEN SUPPORT ARE WOMEN**

## ZOOM

### SOCIAL MICROFINANCE SUPPORTING SUSTAINABLE AGRICULTURE

#### Proximity

In July 2019, YIKRI opened a branch in the Dano region in the south-western province of Ioba. Of the 8 branches YIKRI has opened since 2015, this is the 4<sup>th</sup> in a rural area. It gives farmers and agricultural processors the means to develop a second business stream to diversify and smooth their income over the year. For example, Odette Somda in Dano recounts that for 20 years her main income came from making dolo, the local beer, and that thanks to the support of YIKRI, she has now started a pig-fattening business. Today, with her 52 improved-breed pigs, she has made more in the last 6 months than she would from a year's beer-making!



#### Training

Three additional agricultural technology advisors were recruited in 2019. They provide one-to-one support, financial and social training and technical modules in the form of a field school. They teach bio-agriculture techniques to enrich the soil and prevent erosion, dry soil conditions and so on.

#### Agricultural loans

YIKRI adapted its loan policy for the agricultural context: bigger loans during the sowing season, post-harvest repayment, etc.



YIKRI's innovative and comprehensive support is unique in rural parts of Burkina Faso and is greatly appreciated.

## KEY FIGURES

<sup>1</sup> over 1 year <sup>2</sup> on 31/12	Entrepreneurs with access to savings	Micro-entrepreneurs who received at least one loan in 2019 <sup>1</sup>	Loans granted <sup>1</sup>	Average loan amount <sup>1</sup>	Outstanding loans <sup>2</sup>	Accumulated savings <sup>2</sup>	Operationally sustainable <sup>2</sup>	No. of employees <sup>2</sup>
2018	19,170	13,212	18,629	€ 218	ME 1.8	KE 529	62%	69
2019	23,782	15,476	21,790	€ 245	ME 5.4	KE 748	75%	93
Objectives 2020	27,000	18,000	25,000	€ 275	ME 6.9	ME 1	85%	104

## HIGHLIGHTS



#### Setting up a mutual

For the first time, a Burkina Faso micro-finance institution is offering its members the chance to join a formal mutual health-care scheme. By 31 December, 2184 people had already joined the mutual.

#### Working with former detainees

The team also decided to work with former detainees, a particularly vulnerable group. Marc Rouambia is one of them. The father of two is a farmer. "When I came out of prison I had no

idea how I'd get by. Thanks to the YIKRI project, I joined a group, received advice and support from a social worker, took part in training sessions and got a loan to help me back into work. I now have more than 400 chickens and thanks to my business I can support my family. It's given me back my self-esteem and my dignity. YIKRI gave me back my life!"

#### Vision / Mission / Values Workshop

In May 2019, the whole team took part in a workshop, exchanging ideas, sharing experiences and getting to grips with enterprise culture, its vision, mission and values. This workshop brought together existing staff and new team members to set forth YIKRI's vision and strategy.

#### Maintaining portfolio quality

YIKRI is growing but still holds the highest performing loan portfolio in Burkina Faso's microfinance sector.

## OUTLOOK



#### Digital Finance workshop

During a Digital Finance workshop organised with ADA, the team will be defining a long-term digital transformation strategy that will mean tasks can be carried out on mobile phones, allowing:

- trainers to enter data about entrepreneurs and loans;
- recipients to make loan repayments and withdraw their savings;
- both parties to track loans and savings in real time.



#### Developing new services

YIKRI hopes to develop loans using a project-centred rather than a purely activity-centred approach that takes into account all the borrower's financial needs, encourages customer loyalty and helps them avoid over-indebtedness with other institutions.

It will also be offering a Toongré loan ('emergence' in the national language) to entrepreneurs who have significantly grown their businesses. By doing so, YIKRI will address both their needs and the issue of its own viability.

## PARTNERS



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- > [www.entrepreneursdumonde.org](http://www.entrepreneursdumonde.org)
- > YIKRI
- > Testimony

## MORE ABOUT