



France Initiative Réseau

FRANCE INITIATIVE RESEAU : THE NETWORK OF « LOCAL INITIATIVE PLATFORMS »

DUBAI MICROFINANCE FORUM



TABLE OF CONTENTS

- ✓ National Network : France Initiative
 - Characteristics
 - Statistical data
- ✓ Regional Network : Ile de France Initiative



- One of the most important networks in **support of small business** start up

- A network of **240 local non-profit organizations** (local initiative platforms) dealing with :
 - Diagnostic and project analysis
 - Personal loans based on trust without interest and guarantee
 - On-going advisory : technical assistance and tutoring by established local business managers

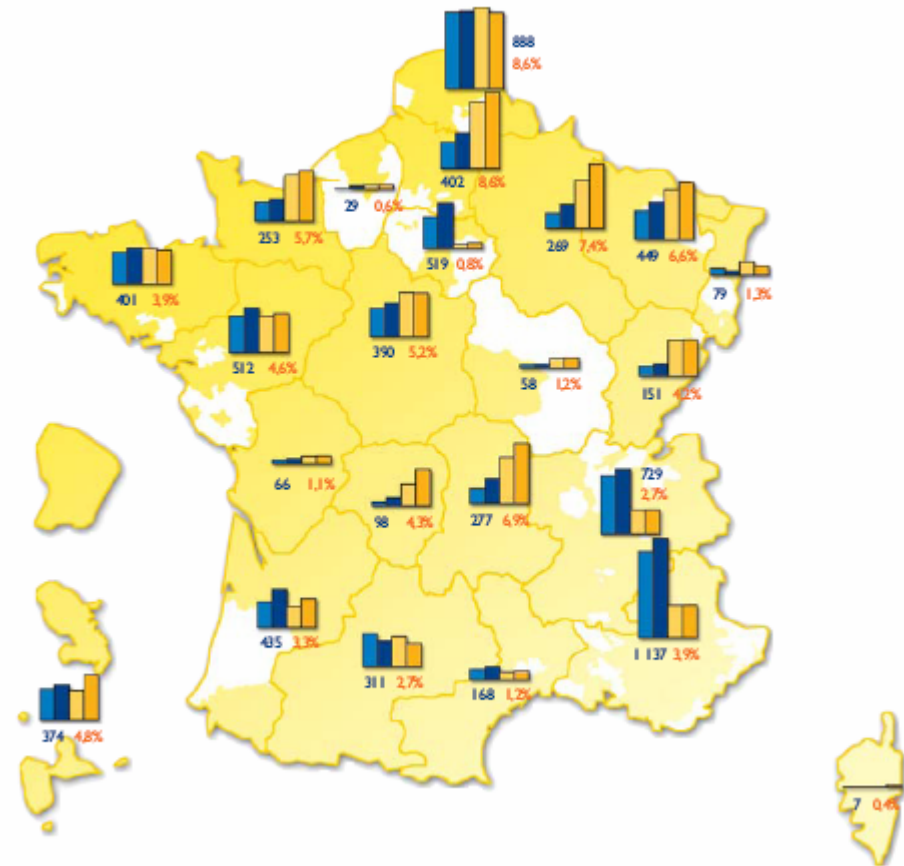
National Network :

- Number of projects financed by a personal loan 2004
- Number of projects financed by a personal loan 2005
- Rate of penetration 2004
- Rate of penetration 2005

In 2005:

- National Coverage
- High penetration rate in some areas with high unemployment (North of France)

Activity of the Network





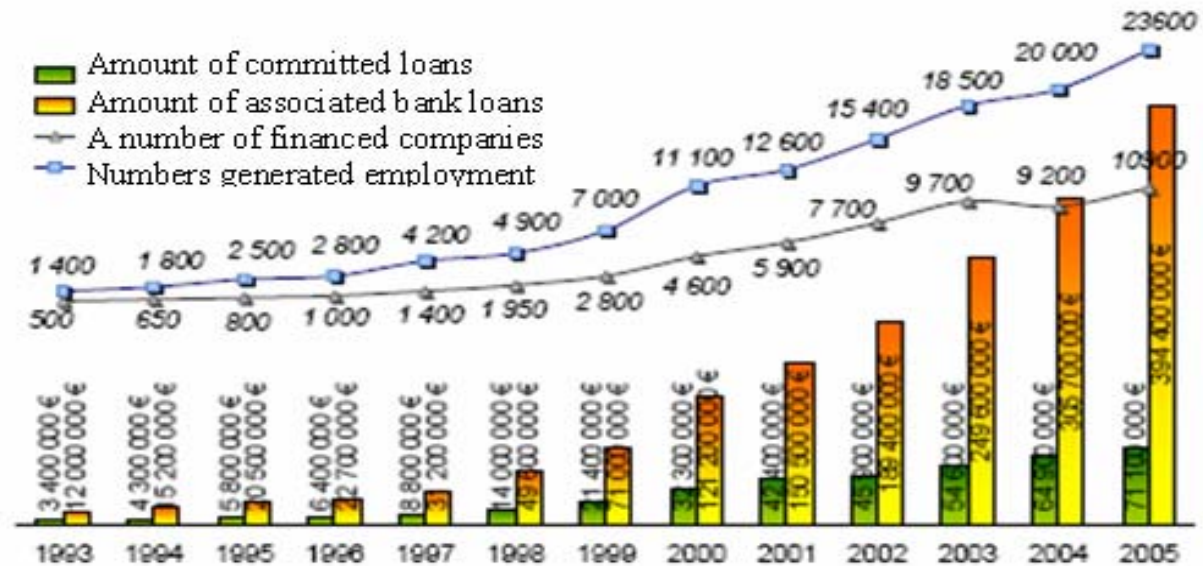
Statistical data

- **240 local non profit organizations (PFIL)**
- Rapid growth : 70 PFIL in 1996 – 240 PFIL in 2005
- Since 1982 : **50 000 new companies** creating 130 000 new jobs
- Average personal loan on trust : **10 000 €** (USD 13,000)
- Loan Amount between USD 4,000 and 52, 000
- Length of credit : between 2 and 5 years
- Grace Period : max. 1 year
- Loss Provisioning: 5%

Annual evolution of activity (1993-2005)

In 2005:

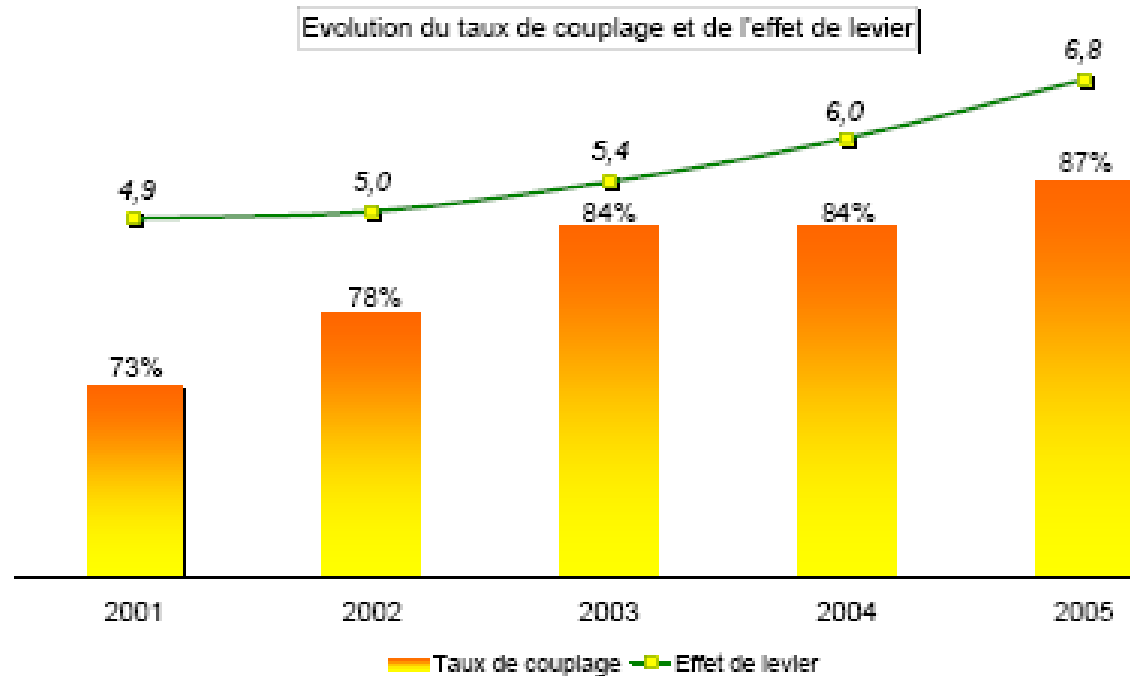
- 10 900 financed start-ups / new businesses (< 2-year old)
- Total loan disbursed: USD 592 million with
 - USD 92 million disbursed by France Initiative
 - USD 500 million disbursed by banks
- Average loan amount: USD 54,000



Commercial bank debt financing

In 2005:

- France Initiative's revolving loan program is coupled to partnerships with banks
- 87% of France Initiative's beneficiaries have had access to bank loans in addition to France Initiative's loan
- Leverage effect: 6.8





Significant Figures

	France Initiative	National Average
Survival after 5 years	85%	47%
Average number of jobs per start up	2.5	1.1

- **Reimbursement rate in the last 5 years: > 95%**

Sectors of activity supported by FIR

■ In 2005:

1. Trade: 40%

2. Services: 35%

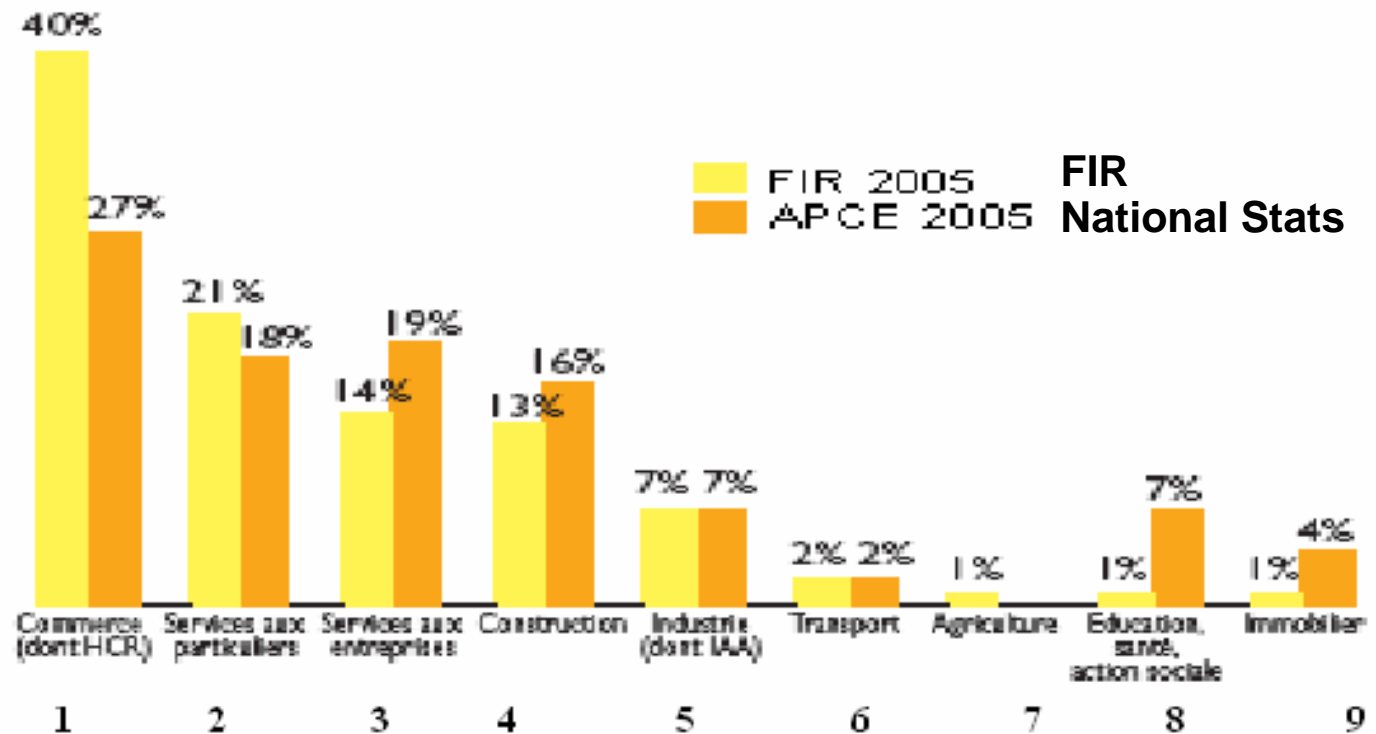
B2C services: 21%

B2B services: 14%

Others activities:

Construction

Industry

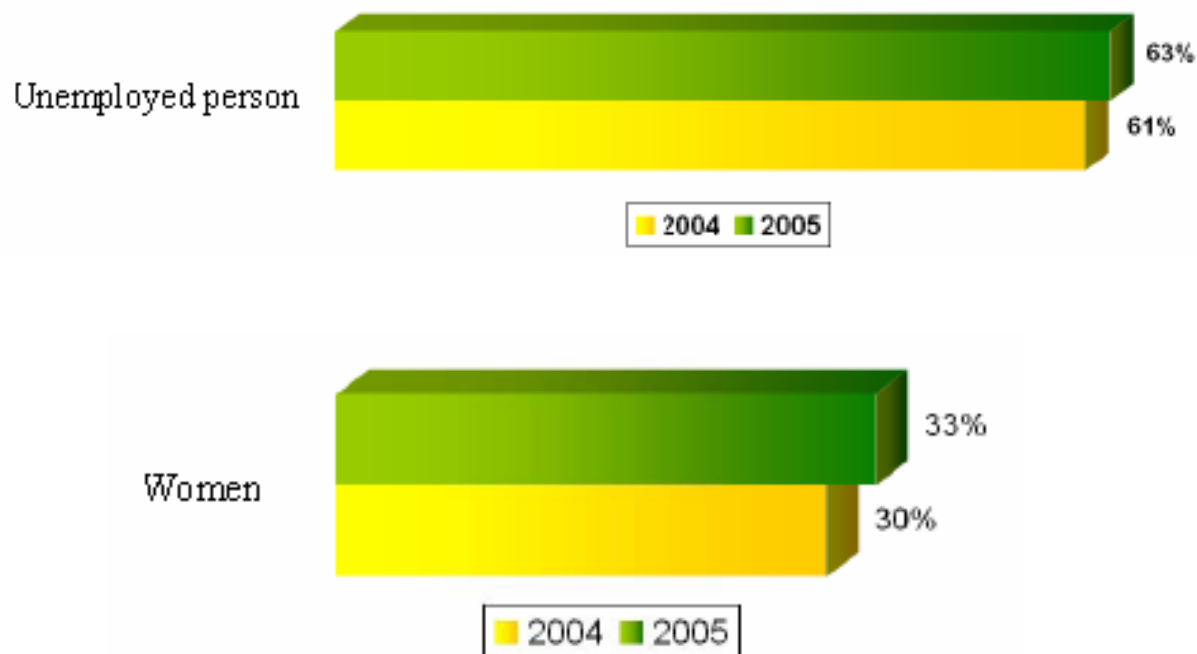


Evolution of two specific profiles of entrepreneurs

- In 2005:

63% of financed entrepreneurs were unemployed people

33% were women





France Initiative's Loan Portfolio Make-Up

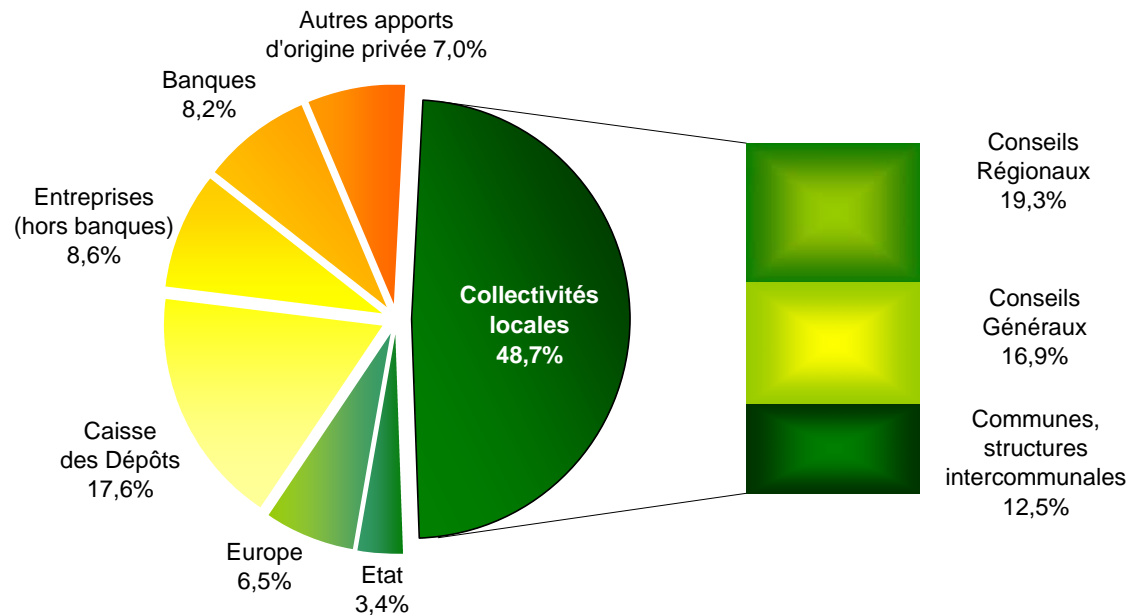
Make-up of the Loan Portfolio:

58,6% public funding
48,7% regions and municipalities
3,4% from state
6,5% from Europe

Banks 25,8%

Private sector 15,6%

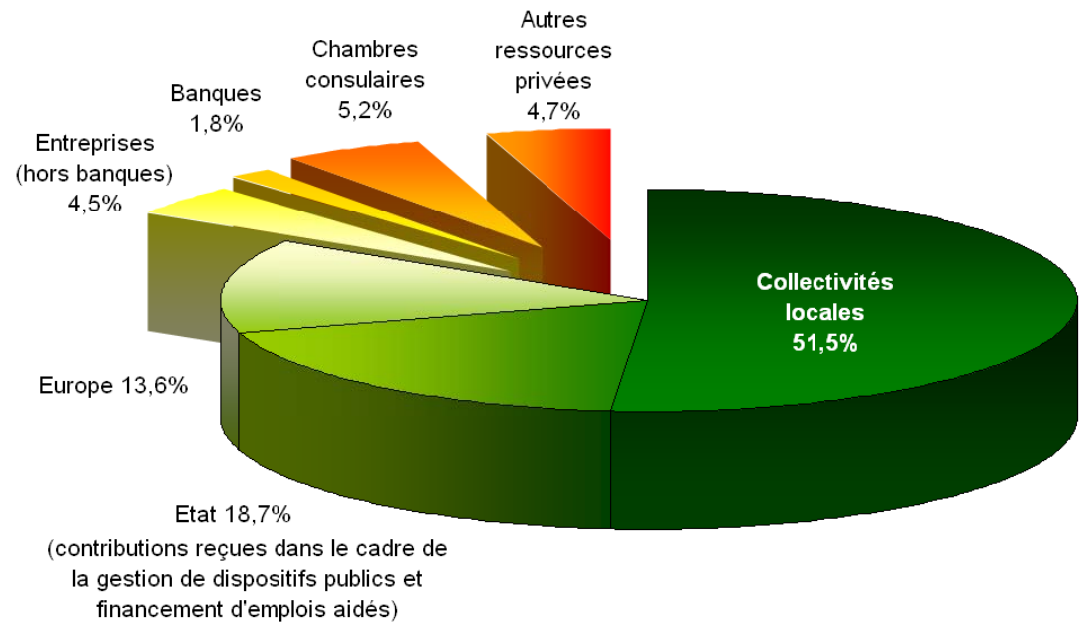
Outstanding portfolio:
USD 250 million (USD 1 million per local network)



Annual Budget France Initiative

■ **Total Budget:**
83,8% public funding

Average budget per local network: USD 130,000



Evolution of the fund commitment

