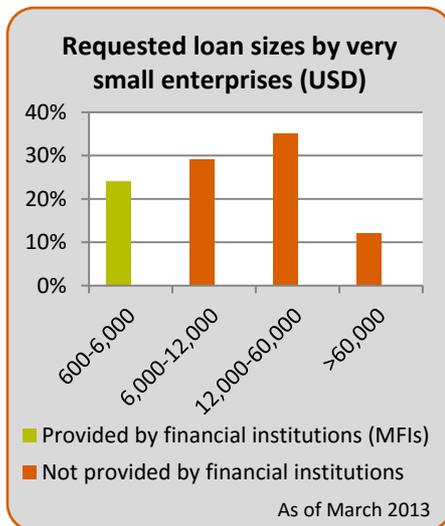


APPLIED RESEARCH AND DEVELOPMENT



FACTS & FIGURES

Project: Feasibility Study for Very Small Enterprise (VSE) Lending

Type of partner institution: Microfinance Institutions (MFIs) and Banks

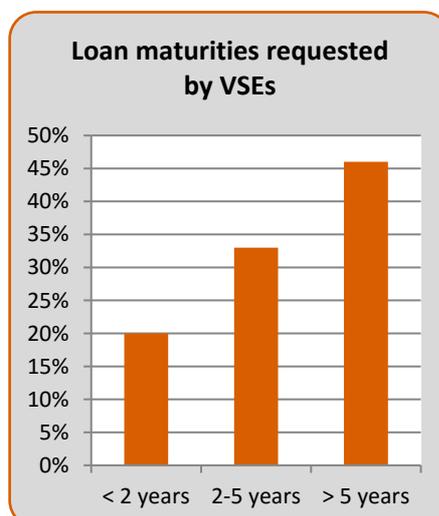
Country: Morocco

Overall project budget: USD 70,000

Despite recent challenges, Morocco has consistently maintained the largest and one of the most sophisticated microfinance sectors in SANAD's target region. Yet the sector has further growth potential: little is known about Morocco's small enterprise sector, perceived to be risky by MFIs and banks.

The SANAD Technical Assistance Facility (TAF) offers a broad range of services to its partner institutions, such as Applied Research and Development, which consists of in-depth gap analyses, development and pilot-testing of innovative approaches, impact assessments, and market studies on the supply and demand of financial products. The aim is to enhance knowledge and transparency in SANAD's target countries.

The above feasibility study in Morocco helped various sector stakeholders to a deeper understanding of the demand for financial services among very small enterprises in Morocco. The study consisted of 400 interviews with households and very small enterprises, focus groups, and interviews with the major microfinance providers. The results, which were eye-opening for several financial institutions, have raised sectoral awareness of small business lending and may contribute to further expansion in Morocco's financial services.



"SANAD's aim is also to function as market enabler. By enhancing sector knowledge, the SANAD Technical Assistance Facility enables financial institutions to offer the right financial products to meet the needs of micro, small and medium enterprises."

TAILORED SUPPORT AT A GLANCE

SANAD Technical Assistance Facility

SANAD takes a holistic approach, combining funding with Technical Assistance (TA) to strengthen the ability of partner institutions to increase access to finance to MSME. It has therefore created a Technical Assistance Facility (TAF), which operates independently from the Fund in a fiduciary arrangement under Luxembourg law. The TAF supports SANAD's mission by providing partner institutions with the hands-on support they need to optimize product offerings, access new customer segments, adopt alternative lending technologies, and develop new initiatives.

Our activities

Capacity building for partner institutions

Strengthening (potential) partner institutions through

- individual TA and training tailored to the specific needs of each financial institution
- a combination of dedicated consulting services, trainings, workshops, and on-the-job coaching

Financial sector support

Support the development of inclusive financial systems by

- providing support to sector institutions, e.g. central banks or microfinance associations
- organizing sector workshops and conferences
- fostering sector dialogue on responsible finance

Applied research

Pushing the Fund's frontier through

- impact measurement
- research on topics of strategic importance for the Fund
- development and pilot testing of innovative approaches in MSME finance

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All information as
at January 2014