Supporting pathways into work for young people and women
Opening access to entrepreneurship: The Initiative France approach
CMI Cairo Workshop – October 2nd, 2012

The Initiative France approach
Who we are

• **One network**: 230 platforms
• **Two values**: solidarity and trust
• **One goal**: help women and men create and/or develop their own company, usually micro or small and medium-sized enterprises (“SME”).
• **Two pillars**: financing and coaching
The Initiative France approach
Who we are

• Local voluntary organisations spread over French territory and overseas
• Local community anchorage
• Local governance and financial autonomy
• Decentralized network

• Goals: « social capital » i.e. local networks of human, technical and financial resources to the benefit of the local community

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Loans on trust (« prêts d’honneur »)

• Micro-loan
• Free of charge
• Personal
• Uncollateralized
• Zero-interest

• Goals: to increase own cash and open access to bank loans
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Coaching

- Technical and human support
- Solidarity
- Trust
- Mentoring
- Tailor-made assistance

**Goals:** to increase self-confidence, to comfort both entrepreneurs and banks and decrease banks’ reluctance

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What we achieve (figures for 2011)

- 35,367 jobs created or maintained
- 15,953 SME created or developed
- €154,100,000 loans on trust granted
- €979,200,000 bank loans associated to loans on trust
- Thus, €1,133,300,000 invested in local economic development
- Redemption rate: 98%
- SME sustainability after 3 years: 85%
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What we achieved since 1985 (date of creation)

- 328,000 jobs created or maintained
- 150,000 SME supported
- 135,000 loans on trust granted
- More than €1 billion loans on trust granted
- More than €6.2 billion bank loans associated to loans on trust

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Funding sources – Loans on trust

**Loans on trust funding sources**

- Local territories: 51.2%
- Region: 22.7%
- Department: 16%
- City: 12.5%
- Europe & French Government: 11.3%
- Chambers: 2.2%
- Caisse des Dépôts: 15.9%
- Financial institutions: 9.9%
- Private companies (banks excluded): 7%
- Other private funds: 3.8%
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Funding sources – Operational costs

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Replicability

- 5 platforms in Morocco
- Project in Tunisia: Medenine, Gafsa, Tunis, Kasserine
- 1 platform in Burkina Faso – 2 upcoming
- Project in Luxembourg
- Project in Portugal
- Project in Quebec
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Sharing best practices – Lessons learnt

- Cross-border relevant economic and social development model
- Not a “cut and paste” approach
- Exchange of know-how but to be adapted to local environments
- Appropriation by local actors
- Evolution towards the federation of local platforms

- The “Initiative” approach is theirs.... and is yours!