

 Early Warning System

IFC-49102

Baobab RSFs



## Quick Facts

|                                |   |
|--------------------------------|---|
| <b>Countries</b>               | Burkina Faso, Congo, Democratic Republic of, Ivory Coast, Madagascar, Mali, Senegal |
| <b>Financial Institutions</b>  | International Finance Corporation (IFC)   |
| <b>Status</b>                  | Proposed  |
| <b>Bank Risk Rating</b>        | B   |
| <b>Borrower</b>                | Baobab SAS  |
| <b>Sectors</b>                 | Agriculture and Forestry, Finance, Industry and Trade                               |
| <b>Investment Type(s)</b>      | Guarantee   |
| <b>Investment Amount (USD)</b> | \$ 120.00 million   |
| <b>Project Cost (USD)</b>      | \$ 200.00 million   |



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## Project Description

According to the Bank's website, the proposed project consists of two multi-country unfunded Risk Sharing Facilities (RSFs) totalling up to \$120 million in IFC's Maximum Risk Amount to be allocated across six Participating Affiliates (PAs) of Baobab Group legally domiciled in Burkina Faso, Côte d'Ivoire, DRC, Madagascar, Mali, and Senegal with Burkina Faso, DRC, Madagascar and Mali classified as IDA FCS countries. These RSFs represent the first regional facilities of this kind for microfinance institutions and will be structured as follows:

- An Agri RSF of up to \$70 million (in local currency equivalent), through which IFC will guarantee up to 70% of a consolidated portfolio of loans to smallholder farmers, cooperatives, agri-SMEs, and agri-enablers, with total exposure up to \$100 million.
- An SME RSF of up to \$50 million (in local currency equivalent), where IFC will guarantee 50% of an aggregated portfolio of MSME loans, with a total exposure of up to \$100 million.



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## Early Warning System Project Analysis

The project will support on-lending to SME and Agriculture clients across six African subsidiaries of Baobab Group, namely Burkina Faso, Côte d'Ivoire, Democratic Republic of Congo, Madagascar, Mali and Senegal. The targeted SME portfolios are mainly exposed to sectors such as trade, services, construction, production and agriculture with overall medium environmental and social (E&S) risks. Therefore, the project has been categorized as FI-2 in accordance with IFC's Sustainability Policy. The key E&S risks and impacts derive from the capacity of Baobab subsidiaries to identify and manage the potential environmental and social risks associated with its lending activities: labor and working conditions, Occupational Health and Safety, air emissions, waste management, production and handling of hazardous materials biodiversity, and any other relevant E&S risk.



## Investment Description

- International Finance Corporation (IFC)

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-An SME RSF of up to \$50 million (in local currency equivalent), where IFC will guarantee 50% of an aggregated portfolio of MSME loans, with a total exposure of up to \$100 million.

The proposed IFC investment consists of two multi-country unfunded Risk Sharing Facilities (RSFs) totaling up to \$120 million in IFC's Maximum Risk Amount to the six Baobab subsidiaries considered under the Project, allocated as follows:

SME RSFs through BAOBAB SLGP (52690):

Burkina Faso (52646) - \$10 million

Côte d'Ivoire (52644) - \$10 million

DRC (52642) - \$10 million

Mali (52650) - \$10 million

Senegal (52648) - \$10 million

Agri-RSFs:

Burkina Faso (52647) - \$7 million

Côte d'Ivoire (52645) - \$35 million

DRC (52643) - \$3.5 million

Madagascar (52652) - \$7 million

Mali (52651) - \$3.5 million

Senegal (52649) - \$14 million

## Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- [Baobab Group](#) (Financial Intermediary)



## Private Actors Description

*Baobab Group* is an MFI group with operations in 7 countries in Africa (Burkina Faso, Cote d'Ivoire, DRC, Madagascar, Mali, Nigeria, and Senegal) and a focus on MSMEs. The group was founded in 2005 with a focus on Africa and China, with IFC as one of the founding shareholders. Baobab SAS, the holding company of the group, is legally domiciled in France and oversees and manages the various subsidiaries. Its main shareholders include AXA (with a 34.3% stake through two legal entities AXA Belgium S.A and AXA Impact Fund), the European Investment Bank - EIB (15.3%) and three asset management companies (Apis Partners for 21%, GOJO & Company for 16.3%, Norwegian Microfinance Institute for 11.8%). As of March 2025, Baobab offers credits products, savings accounts, payments and insurance products to a total of 551,098 active customers.



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## Contact Information

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## ACCESS TO INFORMATION

You can submit a request for information disclosure at: <https://disclosures.ifc.org/#/inquiries>

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

## ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at [CAO@worldbankgroup.org](mailto:CAO@worldbankgroup.org) You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org>