



USAID
FROM THE AMERICAN PEOPLE

IMPACT BRIEF 2017

THE DEVELOPMENT CREDIT AUTHORITY

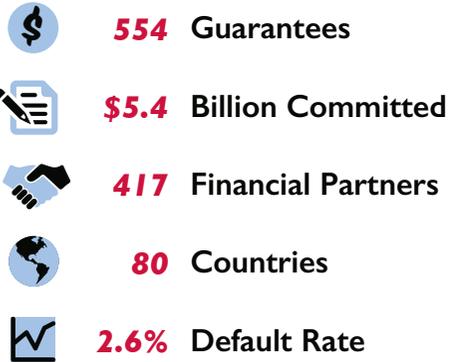
PUTTING LOCAL WEALTH TO WORK



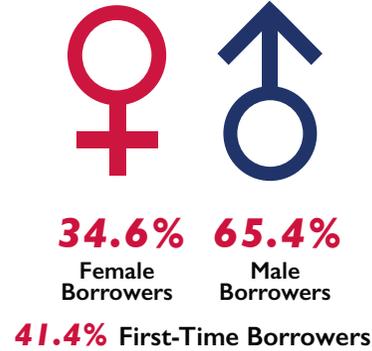
Inspiring Stories of Women Entrepreneurs

METRICS DASHBOARD

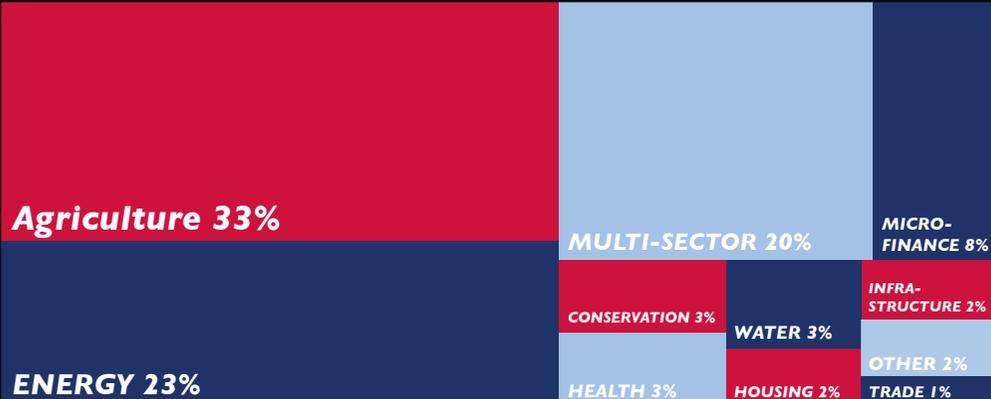
PORTFOLIO KEY RESULTS (1999-2017)



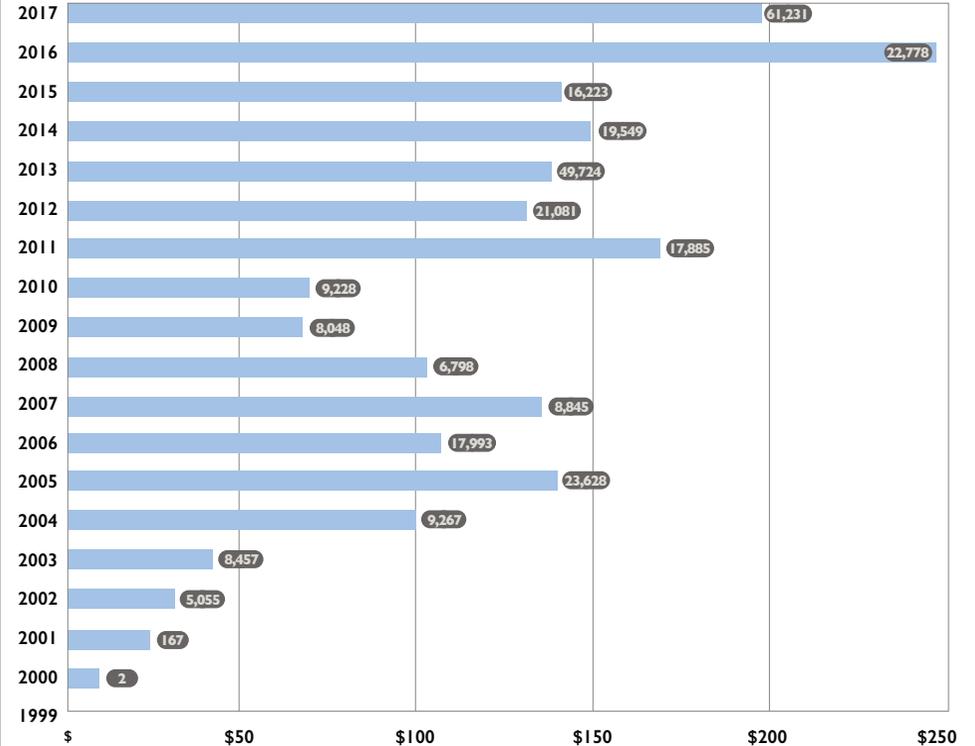
SINCE 2008



PORTFOLIO BY SECTOR (1999-2017)



LOANS DISBURSED UNDER DCA GUARANTEES BY YEAR



TOTAL DISBURSED \$2 BILLION | 305,959 LOANS

= VALUE OF DCA LOANS DISBURSED IN FISCAL YEAR (USD MILLIONS) = NUMBER OF LOANS DISBURSED



A woman shop owner in Burma prepares for her clients.

WOMEN ENTREPRENEURS ARE AN ECONOMIC FORCE

The economic impact of women entrepreneurs is significant and a major driver of economic growth. When women participate in economic activity and own and control assets, countries see positive development outcomes such as reduced poverty, improved food security and nutrition, and higher education rates.

However, women-owned small- and medium-sized enterprises (SMEs) face a number of barriers to entry and business growth, including access to finance. While financing is almost always a challenge for SMEs, the difficulties are often intensified by gender-related factors, including women's lack of collateral, weak property rights and discriminatory regulations, laws and customs.

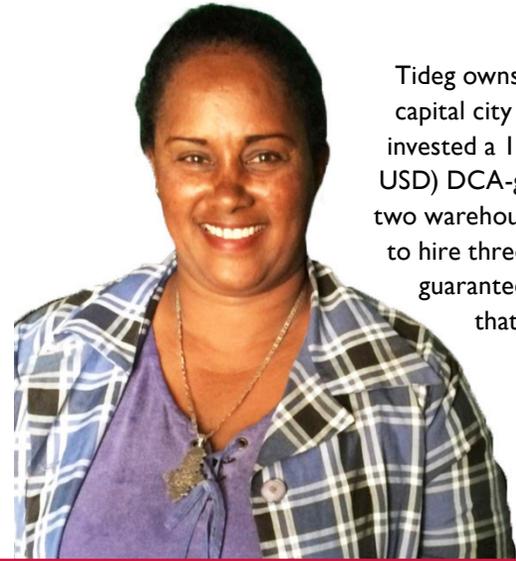
Goldman Sachs estimates 70 percent of women-owned formal SMEs are unserved or underserved in terms of access to credit, amounting to a \$285 billion credit gap. Closing this credit gap in developing countries could increase per-capita GDP by 12 percent by 2030.

DCA is helping to close this gap. Nearly 80,000 women borrowers have accessed credit since 2008 thanks to DCA. Together these women have used \$160 million of new capital to grow their businesses and contribute to the well-being of their families.

► AFRICA

Changing the African landscape by strengthening the flow of private capital for agricultural production, infrastructure development, and renewable energy production.

Breaking into Traditionally Male Sectors



Tidedeg owns a construction supply store in Mekelle, the capital city in the northern Tigray Region of Ethiopia. She invested a 1 million Ethiopian Birr (approximately \$62,000 USD) DCA-guaranteed loan in 2010 in her business to open two warehouses in addition to the retail store and was able to hire three new employees. After she repaid her DCA-guaranteed loan, she was approved for another loan. Now that she has built a credit history with the help of DCA, she feels confident in her ability to access additional finance in the future. She dreams of becoming a wholesaler of imported goods, such as agricultural inputs, and eventually opening her own factory.

■ Africa: \$599.4 million guaranteed lending

► ASIA/MIDDLE EAST & NORTH AFRICA

Piloting guarantees with new types of partners while deploying traditional DCAs, in support of small- and medium-sized enterprises (SMEs), agriculture, energy, women entrepreneurs, and trade.

Teaching the Children of Pakistan One School at a Time



Her husband's death inspired Shaheen to fulfill her vision of doing something to give every boy and girl in Pakistan access to education. She sold her small flat and invested all of her savings to open a school. Being a teacher and administrator was rewarding, but being an entrepreneur opened doors of opportunity that she had never imagined. For the first time in her life, she was building something on her own. Something that could help her community and support her family. Shaheen pulled together enough funds to open the school, but struggled to afford additional materials and teachers as her school expanded. With a DCA-guaranteed loan from she met these needs. Today, Shaheen's school educates more than 300 students.

■ Asia/Middle East & North Africa: \$401.1 million guaranteed lending

▶ EUROPE & EURASIA

Accelerating economic growth by increasing access to finance for SMEs, particularly those in the agriculture, clean energy, and information and communications technology sectors.

Scaling an Agricultural Enterprise

Mrs. Pervorfi and her family were able to grow their farm, after receiving a loan made possible by a DCA loan guarantee from local Kosovan bank. She purchased more cows and expanded their barn. Since the loan, the livestock farm has increased their production and revenue, hired a new employee and have many new customers. Thanks to the increased income, they have a new home closer to the farm and her son is studying English at a nearby university and hopes to be a professor one day.



■ Europe & Eurasia: \$358.4 million guaranteed lending

▶ LATIN AMERICA & THE CARIBBEAN

Addressing root causes of irregular migration by expanding access to finance to increase rural incomes, encouraging clean energy, and creating economic opportunities.

Investing to Improve Livelihoods

Patricia teaches middle school French. Once she dismisses her students though, she walks to her farm where she grow plantains, beans, peppers, and yucca. She sell her harvest in her local hometown, Saint Marc or travels 45 kilometers to Haiti's capital, Port-au-Prince. Thanks to loans first made possible by a DCA loan guarantee from a local credit union cooperative, she has been able to produce more crops. She started with her first loan of 25,000 Haitian gourdes (approximately \$365 USD) in 2008 and built up her credit history. Now her current loan is 700,000 gourdes (approximately \$10,420 USD), which allows her to buy seeds and hire contract workers to prepare the land and harvest crops. Patricia's expanded business is enhancing livelihoods in her community.



■ Latin America & the Caribbean: \$421.7 million guaranteed lending

▶ GLOBAL

Partnering with global banks, investment funds, and other multinational financial institutions with a large geographical scope to unlock private capital across USAID's priority areas.

Illuminating Opportunities for Entrepreneurs

With an innovative solar model, known as Zola, Off Grid Electric, a DCA borrower, has connected more than 150,000 households in Africa to electricity. Access to electricity is particularly vital for women, who make up 75% of those in energy poverty, to run their businesses, manage their homes and take care of their families. Grace, for example, has a grocery stand and restaurant out of her home in the Arusha region of Tanzania. She originally bought the system to light her home and power other small appliances, but found it useful for her business. Grace grows produce on a small farm on her property. With reliable electricity, she can extend her stand's hours and sell produce in the evenings. She also expanded her business and opened a restaurant.

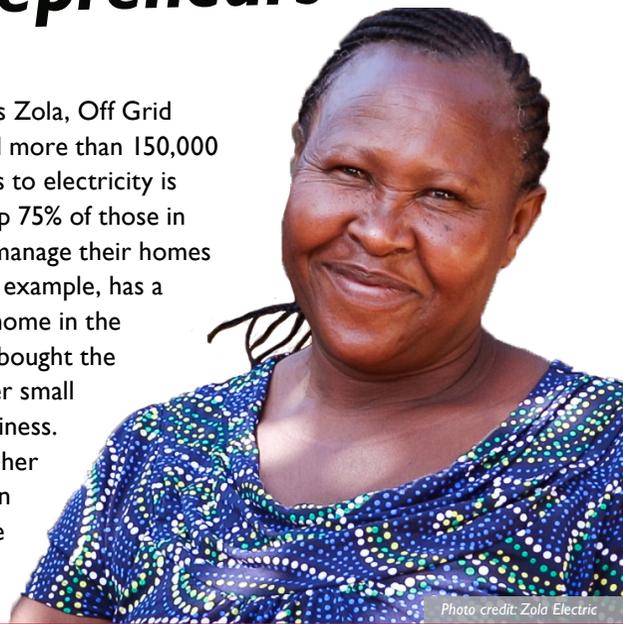


Photo credit: Zola Electric

■ Global: \$213.9 million guaranteed lending

▶ DCA ACTIVITY IN 2017

Total \$ Committed
\$736,526,792



AGRICULTURE

Cambodia	\$14,957,998
Colombia	\$3,000,000
Ethiopia	\$5,000,000
Ethiopia	\$5,000,000
Global	\$17,564,403
Mozambique	\$2,000,000
Senegal	\$7,095,347
Ukraine	\$4,002,802
Ukraine	\$967,239



MICROFINANCE

Colombia	\$40,000,000
Colombia	\$4,000,000
Colombia	\$25,000,000
Colombia	\$15,000,000



MULTISECTOR

Afghanistan	\$6,000,000
Asia Regional	\$13,406,600
El Salvador	\$53,790,839



INFORMATION & COMMUNICATIONS TECHNOLOGY

Moldova	\$8,919,747
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HEALTH

India	\$10,000,000
Madagascar	\$3,097,129
Uganda	\$5,000,000



ENVIRONMENT

Asia Regional	\$23,000,000
Indonesia	\$95,000,000
Indonesia, Philippines	\$17,500,000



TRADE

Burkina Faso, Côte d'Ivoire	\$8,337,731
Côte d'Ivoire	\$8,086,957
Ghana	\$4,800,000



ENERGY

Ghana	\$220,000,000
Pan-Africa	\$60,000,000
Uganda	\$50,000,000



FINANCIAL TECHNOLOGY (FINTECH)

India	\$6,000,000
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DCA'S INNOVATIVE DEAL OF THE YEAR

The annual Innovative Deal of the Year Award recognizes the most innovative application of a DCA guarantee to mobilize capital for development by a USAID field mission or Washington-based operating unit. The 2017 Innovative Deal of the Year Award goes to USAID/Philippines, USAID/Indonesia, and the Meloy Fund, collectively, for The Meloy Fund Loan Portfolio Guarantee for Sustainable Fisheries.

The guarantee will help mobilize at least \$17.5 million for sustainable fisheries and fisheries-related businesses, supporting fisher livelihoods and maintaining ecosystems in coastal fishing communities in the Philippines and Indonesia. It will also help the Fund crowd-in new investors to the sustainable fisheries sector.

The opportunity to support sustainable fisheries-related enterprises is significant; however, businesses poised to take advantage of this opportunity often lack access to finance. There is a growing consciousness locally and internationally to support sustainable fishing. Consumers are demanding sustainable, traceable seafood, creating a very real opportunity for the private sector to catalyze community adoption of sustainable fisheries practices. Businesses need loans to adopt new technologies, implement best practices, grow, and, in some cases, start-up. Local financial institutions, however, often perceive these businesses as too nascent or too risky to warrant a loan. The Meloy Fund aims to close this access to finance gap while supporting the sustainability and maintenance of coastal ecosystems alongside coastal community livelihoods.





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