



1 million to benefit from new partnership to boost financial inclusion in the Democratic Republic of the Congo

FSD Africa and Equity Bank Congo implement agency banking project to target unbanked people in rural areas

Kinshasa, March 20 2019: Farmers, youth, women and small businesses in the Democratic Republic of the Congo will gain better access to financial services following the launch of a new project between FSD Africa and Equity Bank Congo.

The three-year US\$2.8 million project will train and enrol at least 4,000 people to become bank agents across 22 of DRC's 26 provinces. Once trained, the "Equity Cash Express" agents will help unbanked populations in rural areas gain better access to financial services including savings accounts, credit and micro-insurance products.

Agency banking, where local people are trained to provide banking services, is proving to be a viable approach for increasing financial inclusion in previously underserved areas.

By 2021, the project aims to have opened one million new savings accounts, approved 10,000 loans and issued 5,000 new insurance products. A large proportion of these products will be opened by farmers and small businesses who until now have had limited access to formal financial services.

Poor infrastructure, a large geography and a prolonged civil war means financial inclusion rates in DRC remain low. Out of a population of 88 million, more than 25 million remain excluded from the financial system, while only 14 per cent of people have an account at a financial institution. While financial institutions have expanded their branch network in recent years, access to financial services remains limited once outside DRC's key economic zones of Kinshasa, Matadi, Lubumbashi, Kivu and Goma.

Only seven per cent of Congolese are employed within the formal sector, with the remainder working in the informal economy. With limited access to financial services, those working within the informal sector have limited ability to weather political, environmental and economic instability or access capital to grow their businesses or pay for emergencies like unexpected health costs.

Paul Musoke, Director, Financial Institutions, FSD Africa said: "We know that when people in fragile states, like DRC, have better access to financial services their lives improve, and the economy grows. FSD Africa is supporting Equity Bank's vision of providing inclusive financial services to all. This project will increase access to finance for previously unserved and underserved customers in DRC, improving their livelihoods and resilience while demonstrating the potential of agency banking in a fragile and conflict affected state such as DRC."

Celestin Mukeba, Managing Director of Equity Bank Congo said: "At Equity Bank Congo, we have been implementing state-of-the-art Agency Banking technology for over three years. Today we have more than 2,100 accredited agents, working across Kinshasa, central Kongo, Bandundu, the two Kivus and Grand Katanga. Our new service, "Equity Cash Express", will allow our clients to carry out banking transactions quickly, easily and safely via our network of accredited agents. Thanks to "Multipay", Equity Cash Express will also give customers of three other partner banks the

opportunity to make withdrawals. Our authorized agents can be traders, food stores, pharmacies and other forms of shop, throughout the DRC. This new local service will reduce the cost of banking transactions for our clients, and generate additional income for our Equity Bank agents, who will earn paid commissions from working with us. Our partnership with FSD Africa will support us to expand our services across the country, benefiting our bank and our customers in the long-term.”

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About FSD Africa

FSD Africa is a non-profit company which aims to increase prosperity, create jobs and reduce poverty by bringing about a transformation in financial markets in sub-Saharan Africa and in the economies they serve. It provides know-how and capital to champions of change whose ideas, influence and actions will make finance more useful to African businesses and households. It is funded by UK aid from the UK Government.