

Factsheet

Catalyzing Systemic Change to Create Jobs Through Small Business Growth Powered by Access to Finance

FIRST+ applies an ecosystem development approach to increase job opportunities for Ghanaian youth and women by delivering what small businesses say they need most in order to thrive – access to finance. Ghana’s small businesses provide 80% of the country’s jobs, but are constrained from growing by a \$4.99 billion shortfall in affordable finance to expand their facilities and hire more employees.¹ In addition, women-owned businesses face an 8% gender-based financing gap.

FIRST+ is led by CapitalPlus Exchange (CapPlus) in partnership with Mastercard Foundation, Bank of Ghana, and the Ghana Microfinance Institutions Network (GHAMFIN). In collaboration with financial institutions, we address underlying challenges that inhibit them from meeting the lending needs of small businesses by implementing proven methodologies and practices, shifting mindsets, and tailoring financial services for women and youth with a focus on the agricultural sector.

GHAMFIN offers group-based skills training on critically relevant topics to financial institutions, reinforcing the on-site coaching and skills transfer that CapPlus delivers in the field through a team of talented Ghanaian, regional, and global consultants. Over the first 18 months, GHAMFIN delivered 46 webinars and workshops through FIRST+ to more than 1,800 management and staff from 660 financial institutions, demonstrating the hunger for skills-building among Ghana’s nonbank financial institutions that serve many rural or lower-income entrepreneurs and households.

CapPlus’ capacity development is tailored to address the specific constraints that entrepreneurs experience. SME entrepreneurs, particularly women, are often underfinanced relative to their needs and ability to pay, or the finance often comes too late and is not structured in line with the business’ cash flow. Women are often screened out by onerous collateral and other requirements. CapPlus works to overcome these constraints in partnership with each financial institution to address their challenges in meeting client needs.

Aggregate Impact, Current Long-Term Partners, 2022



75,271

MSMEs Financed
66% Women-Owned



137,221

Jobs

Jobs Disaggregated by Age and Gender

52% Youth, 70% Women

Youth

19%



11%

Over 35 years

Youth

33%

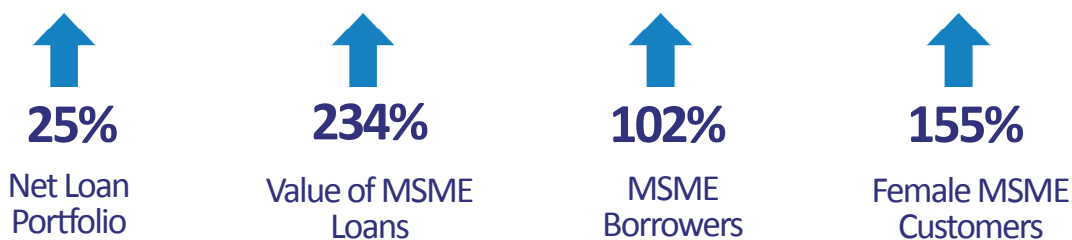


37%

Over 35 years

¹ World Bank

Aggregate Performance, Current Long-Term Rural Bank Partners,



Our most recent work with 18 financial institution partners in Ghana includes:

- + Creating and implementing **gender finance strategies** and new products to increase women's economic empowerment.
- + Applying new **agriculture finance methodologies** including leasing, input financing, warehouse receipts, and agricultural value chain financing to provide affordable credit when it is needed with repayment schedules that match farmers' and processors' cash flow patterns.
- + Introducing new **innovative products** such as equipment leasing for the health and agricultural sectors, student loans and youth savings accounts that enable youth to obtain job skills, and health care finance that allows providers to expand and improve quality.
- + Improving **investment readiness** of financial institutions to attract new sources of capital.
- + **Transforming financial institutions** by equipping them to successfully scale MSME finance by providing new systems and automated processes to assess loan requests and improve risk management; co-creating new loan products that address customer constraints; transitioning from group-based to individual-based lending; and improving sales and marketing practices to ensure small businesses know the finance they need is available.



"COVID-19 hit us so hard, and as an entrepreneur I was faced with the difficult decision to lay off some of my workers, but thankfully, I didn't have to do that because the loan provided the cushioning my business needed. My workers are still in employment, and I have been able to offer them a 25% pay increase on average." – Gloria Andoh



John Bokaah shares how his job is preparing him to reach his future entrepreneurial aspirations. "I am extremely happy being an electrical engineer for my employer. I would like to own a business like hers in the next few years, so having a job like this is giving me all the experience I'll need to achieve that goal and sustain a livelihood for my family."



CapPlus equips financial institutions in emerging economies to deliver finance profitably for social impact, delivering sustainable solutions for economic opportunity, job creation, asset building for social enterprises and women-owned businesses, and poverty alleviation. Established in 2004 in tandem with the ShoreCap equity fund, CapPlus also partners with impact investment funds to provide technical assistance alongside their capital investments in financial institutions. CapPlus clients have provided over \$13.2 billion in 13.4 million loans to MSMEs.

For more information, contact:

Lynn Pikhholz, CEO
lpikhholz@capplus.org
+1 (312) 404-6049

Binyam Tadesse, Program Lead
btadesse@capplus.org
+233 (0)59 952 5234

www.first.capplus.org