

PREMIERES ASSISES AFRICAINES DU LEASING
Casablanca, Maroc, 8 mai 2017

Leasing development in Africa

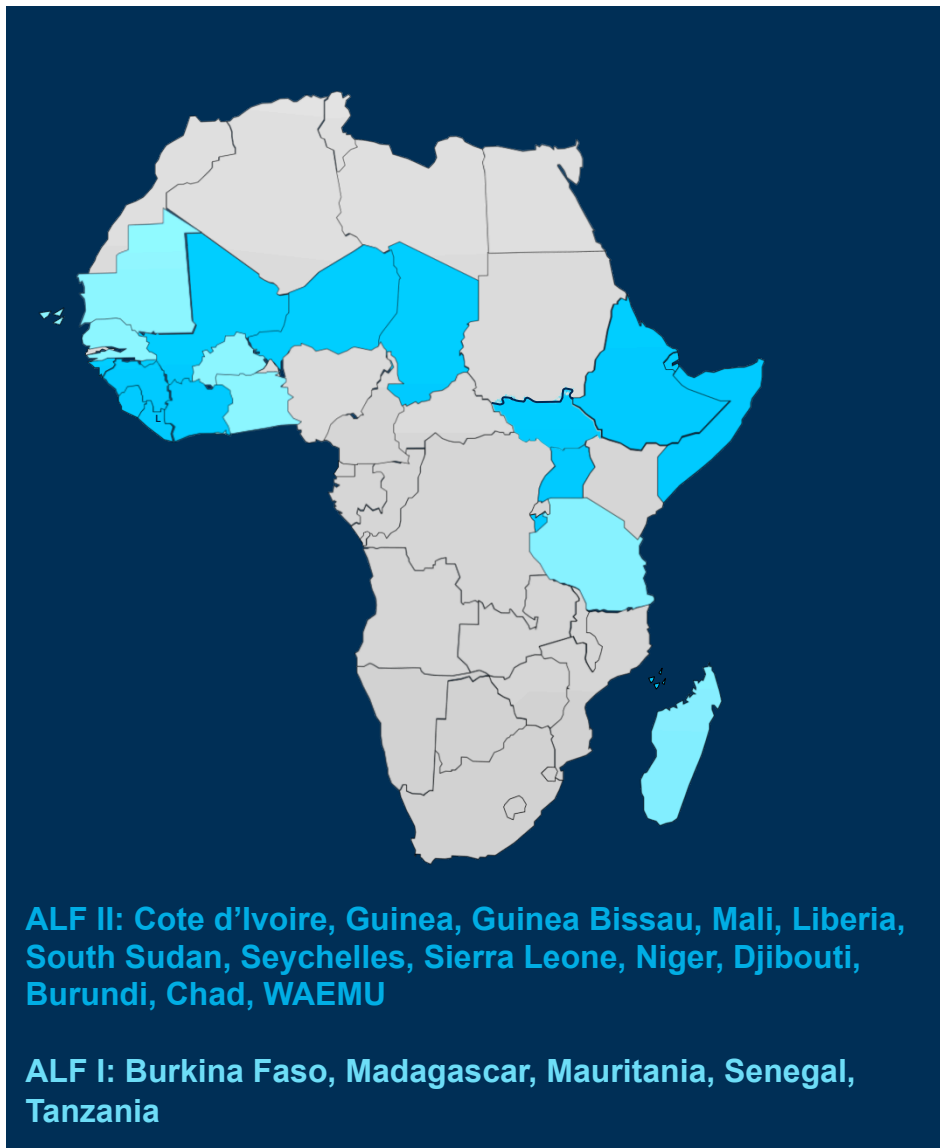
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LEASING DEVELOPMENT IN AFRICA



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AFRICA LEASING FACILITY



Strong track record in leasing investments and advisory services



Unique expertise on policy level, institution building & leasing investment work

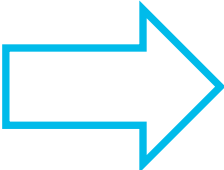
ALF in Sub-Saharan Africa - Results



The objective of ALF II is to facilitate increased access to finance for micro, small and medium enterprises (MSMEs) in fragile states, by developing a sustainable leasing infrastructure to promote this sector.

AFRICA LEASING FACILITY

COMPONENT 1: IMPROVING LEGAL FRAMEWORK



**Improve the legal and
regulatory leasing
framework.**



**Facilitate Leasing
Operations refinancing**

COMPONENT 2: BUILDING CAPACITY & PUBLIC AWARENESS

**Building Capacity of Key
Stakeholders**

**Communications and
awareness materials**

COMPONENT 3: PROMOTE ACCESS TO FINANCING FOR LEASING FIRMS

**Increase access to
financial services by
helping small business
owners (micro) and SMEs
gain access to leasing
knowledge and
information to finance
their equipment needs**

**Contribute to the
increase of leasing
transactions in program
countries by the end of
December 2017**

LEASING ENVIRONMENT AND TRENDS



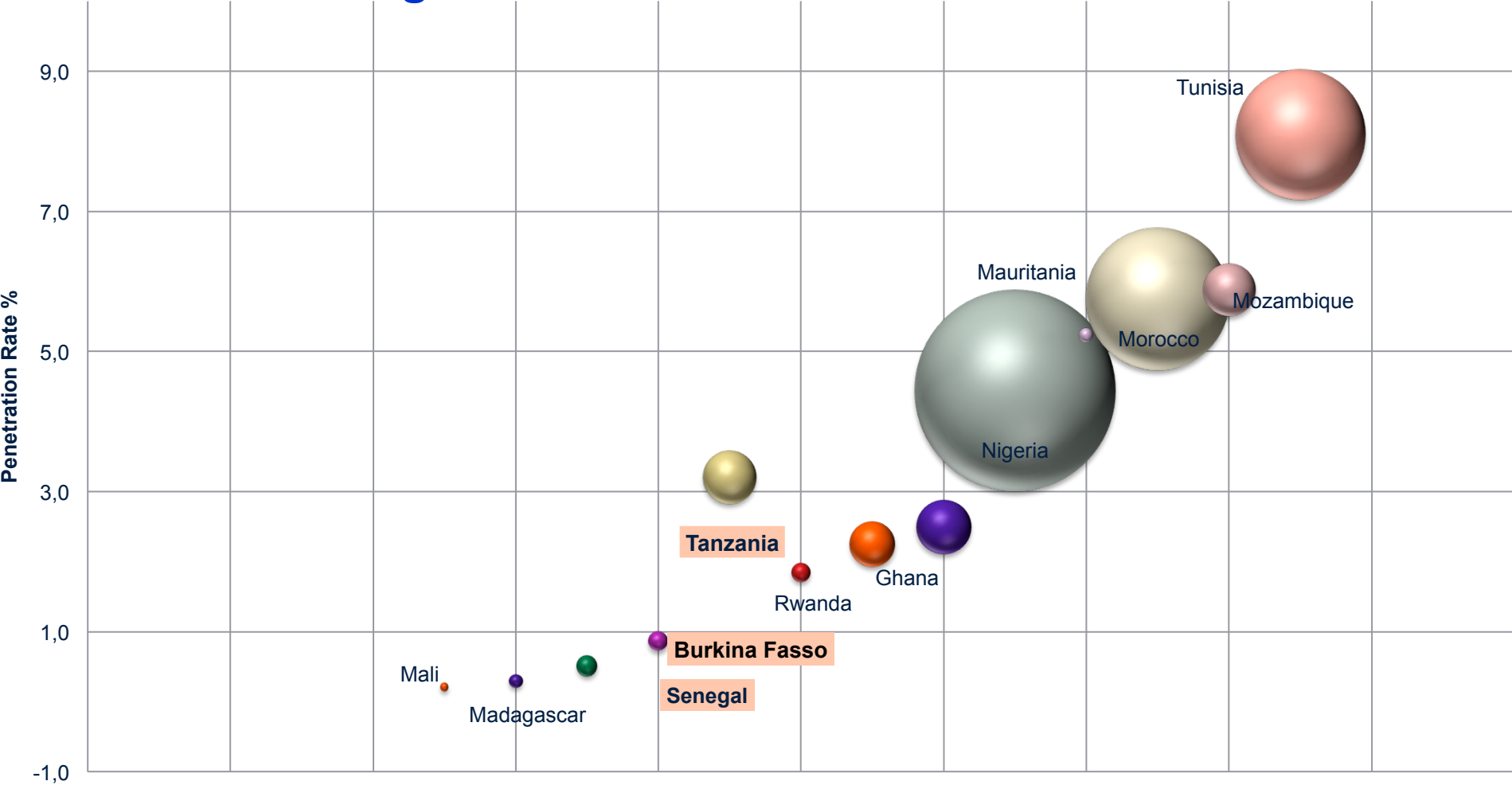
- Setting aside six countries (Egypt, Morocco, Mauritius, Nigeria, Tunisia, and South Africa), leasing is generally nascent in the continent.
- The penetration rate, as compared to the global average of 20 percent, is typically around an extremely low (one to five percent).

CONSTRAINTS FOR LEASING



- Inadequate legal infrastructure
- Inappropriate tax and / or regulatory regime
- Medium to long term funding challenges
- Lack of awareness and education
- Lack of skilled personnel
- Lack of product innovativeness
- Lack of Stakeholders support and commitment

Leasing Penetration VS Volume SSA REGION

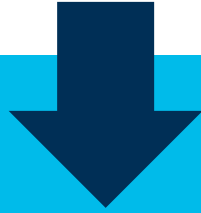


OPPORTUNITIES FOR LEASING IN AFRICA

- In spite of the constraints and challenges, the potentials of leasing remains highly untapped in Africa.
- Expansion in communications, oil & gas, agriculture, tourism, construction and other capital intensive projects offer greater opportunity for the expansion of the leasing market and development in Africa.
- SMEs in African countries contribute a significant part of the GDP; yet, they are generally unable to qualify for or procure traditional bank financing.



INCREASING LEASING PENETRATION



- Good legal environment
- Good leasing law
- Simple tax regime and treatment
- Recognition of legal ownership of asset
- Fast court procedure (in event of repossession)

- Sensible regulatory environment
- Minimal supervision (recognising that lessors are non deposit takers)
- Sensible reporting requirements
- Sensible licence requirements
- Sensible (if any) MCR
- Trained supervisors



- Fast service from lessors
- Fast credit decision
- Fast pay-out of supplier invoice
- Easy documentation
- Competitive pricing
- No additional collateral requirements - Normal
- Sensible down-payment policy of lessees
- Fast, simple, low-cost court system in the event of dispute with lessor

INVESTMENT FORUM – ABIDJAN, SEPTEMBER 19-20, 2016



- TWO DAYS
- 250 PARTICIPANTS
- LEASING STAKEHOLDERS AND GOVERNMENT REPRESENTATIVES FROM 10 AFRICAN COUNTRIES
- GOOD MEDIA COVERAGE

A photograph of a man with a beard, wearing a white shirt with a colorful patterned collar, leaning against a white wall. Behind him is a sign that reads "SCINPA" in large letters, with "Societe Cooperative Ivoirienne du Negoce des Produits Agricoles" written below it. To the right, another sign partially shows the word "CONTACTS". The entire image is overlaid with a blue tint.

THANK YOU

ALF II CONTACT

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