

PRODUCT UP-SCALING SUPPORT – FACTSHEET

Product Up-scaling Support	SCBF 2014-06: Savings and insurance linked to international remittances for Burkinabe diaspora and their families
Country	Burkina Faso
Partner Financial Institution	SONAPOST – National Postal Service Provider
Grantee	PlaNet Finance, 44 rue de Prony, 75017 Paris, France
Overall Budget	158'058 CHF (57% self-contribution)
SCBF Contribution	67'650 CHF (43% SCBF funding share)
Date of Approval	18.07.2014
Duration	11.2014 until 06.2016, extended to 02.2017, and to 04.2019
Context	<p>Today both international development stakeholders and diaspora acknowledge that linking migration and local development is a major stake for the future of developing countries. From 1962 to 2012, Burkina Faso registered an average negative migration balance of 158'000 people per year. The weak economic situation leads workers to the West African Economic and Monetary Union (WAEMU) countries, notably to Mali (> 600'000) and Ivory Coast (> 2'000'000). Despite recent political crisis in these countries, the migrants' community remains a large and needed contributor to their families' livelihoods in Burkina Faso.</p>
Current Status of the MFI	<p>SONAPOST employs 1'200 permanent staff, spread across a national network of about 112 post offices located in urban and remote areas. SONAPOST's positioning is halfway between banks and microfinance institutions. A 2012 market research (performed by Planet Finance) about existing and potential clients' needs provides an interesting comparison with EcoBank and RCPB, respectively the leading bank and leading MFI in Burkina Faso:</p> <ul style="list-style-type: none"> ✓ SONAPOST enjoys a clear advantage over banks in terms of network: 96 contact points (with a total of 300 wickets) against only 46 for the leading bank ✓ SONAPOST has twice as many savings accounts and current accounts as the leading bank, and about 100'000 less accounts than the leading MFI ✓ SONAPOST manages nearly 40% of international remittances (receptions and emissions) in Burkina Faso, far away from its two competitors.
Objective and Main Activities	<p>The goal of this project is to propose a new offer of money transfer services that would (1) allow burkinabe migrants to save in their country of origin for future investments and (2) encourage the families of migrants residing in the national territory to create income-generating activities and strengthen their financial independence. Due to a variety of factors, the main objective was shifted to development of savings products for burkinabe (both migrants and those residing on the national territory) to save for education and investments. 5 activities will be implemented within SONAPOST:</p> <ul style="list-style-type: none"> ✓ Activity 1 – Training on New Product Development ✓ Activity 2 – Developing prototypes of new products linked to IEMO ✓ Activity 3 – Pilot Preparation: MIS setting, agency staff training, etc. ✓ Activity 4 – Pilot Launch in 5 SONAPOST agencies. ✓ Activity 5 – Pilot Evaluation. ✓ Activity 6 - Generalization of the savings products in 112 <i>La Poste</i> agencies, supported by a marketing campaign <p>The overall intervention is supported by the EU together with La Poste, African Development Bank (AfDB) and SCBF, with the latter supporting the interventions under activity 2 and 6. At the end of the intervention (2019), at least 2'130 new clients will use the developed products.</p>