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# AFRICAN SOLIDARITY FUND

AA+ / Positive / w-2

## COMPANY PROFILE

September 2021

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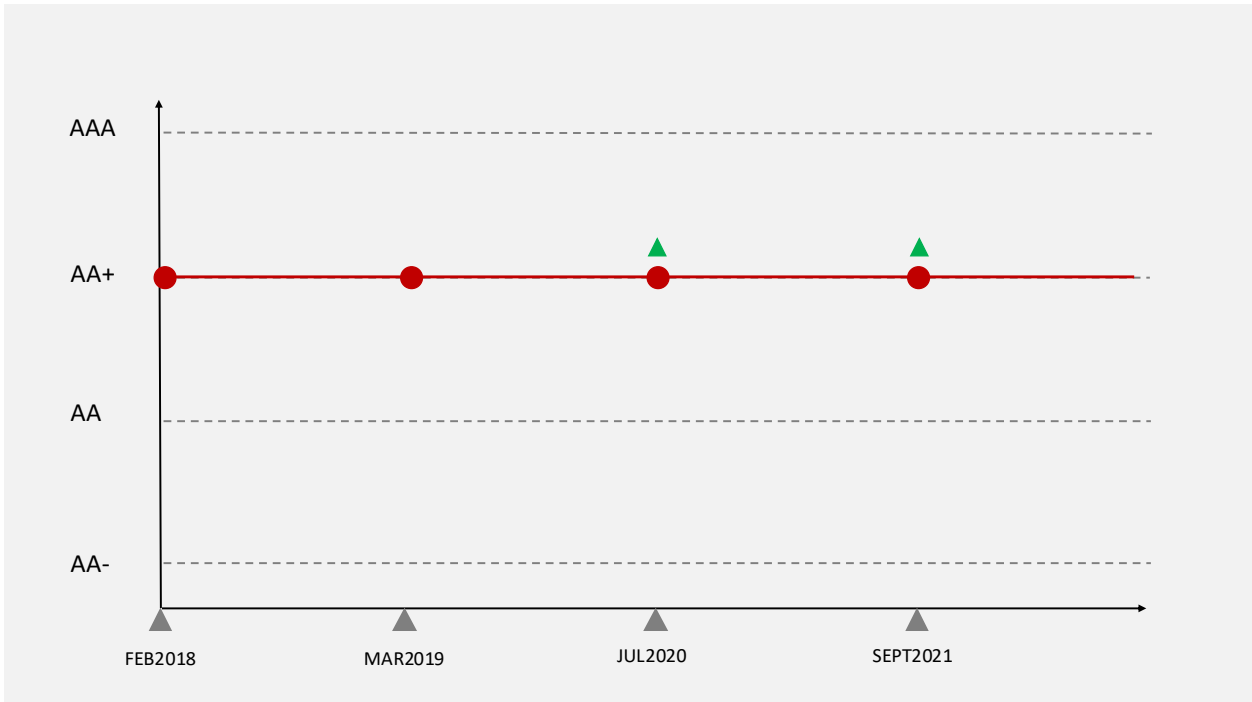
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**RATING**

Rating scale	Regional	International
Methodology	Bank/MDB/GarFund	Bank/MDB/GarFund
Long-term rating	AA+	iBB+
Outlook	Positive	Positive
Short-term rating	w-2	iw-5
Watch	No	No

**EVOLUTION OF THE LONG-TERM RATING**



**SUMMARY**

- The African Solidarity Funds (ASF) is a multilateral pan-African-oriented financial institution

**The ASF celebrated its 40<sup>th</sup> anniversary in 2019.** The association Agreement, having the value of a multilateral treaty, establishing the ASF, was signed in Paris on 21 December 1976. It became operational in September 1979. The ASF’s headquarters are located in Niamey, Niger.

**The ASF is a multilateral financial institution for development.** Its mission consists on *‘contributing to economic development and participating in the fight against poverty in Member States, by facilitating the access of investment projects to finance in both the public and private sectors, as well as in the microfinance segment’.*

**The public service mission of the ASF is demonstrated by its statutory objectives.** These objectives are: (i) to promote financing of the public and private investments in its Member States, in particular those intended for SMEs, by providing guarantees on the funds granted by credit institutions; (ii) to facilitate the mobilization of external savings to finance investments, by securing fundraising operations on financial markets; (iii) to contribute to the fight against poverty by supporting microfinance institutions (MFIs) in accessing bank financing; and (iv) to provide input into strengthening of national guarantee funds to enhance their support schemes intended for SMEs.

**Applicable rating methodology**

According to WARA’s methodology, a financial institution is considered as a Multilateral Development Bank (or Institution) (MDB) if most of the following criteria are true:

Criteria for identifying a MDB	True	False	Comments pertaining to the ASF
The institution's main objective does not consist in maximizing its profit	X		Profit maximization is not the overriding goal of the ASF
The institution has a role, a mission, and objectives of public service	X		The ASF pursues a public service mission, which consists in the economic development of its Member States, including their SMEs, by securing funding
The shareholders of the institution established by a treaty ensuring its immunity, are sovereigns in their majority	X		The ASF’s shareholders are exclusively states, called ‘Member States’
The institution can claim a preferred creditor status	X		By treaty, the ASF fully enjoys a preferred creditor status
The institution is not regulated	X		The ASF is not regulated as a financial institution, but is regulated as a guarantor by the Regional Council for Public Savings and Financial Markets (CREPMF) in WAEMU

Furthermore, according to WARA’s methodology, a financial institution is considered as a Guarantee Fund (GarFund) if most of the following criteria are true:

Criteria for identifying a GarFund	True	False	Comments pertaining to the ASF
The institution provides, primarily, financial guarantee services	X		The ASF’s main product is precisely the “Bank Loan Guarantee”
The institution has a role, a mission, and objectives of public service	X		The ASF pursues a public service mission, consisting in the economic development of its Member States, including their SMEs, by securing funding
The shareholders of the institution are predominantly sovereign or public	X		The ASF’s shareholders are exclusively states, called ‘Member States’.
The institution is systemically important in the country or countries where it operates		X	The ASF, given its size and macroeconomic impact, is not viewed by WARA as systemically important, either nationally or regionally

As per these methodological classification criteria, WARA considers the ASF to be both an MDB and a GarFund. Accordingly, the applicable methodology is that of banks, while considering the particularities pertaining to MDBs and GarFunds, including the rules of parental external support factors calibration.

**Shareholding and Board of Directors**

Shareholding structure

- The shareholders of the ASF are exclusively African States

14 Member States, out of the 54 countries of the African continent, are currently shareholders of the ASF. These states are also members of one of the following three integrated regions: Economic Community of West African States (ECOWAS); Economic Community of Central African States (ECCAS); and Common Market for Eastern and Southern Africa (COMESA):

WEST AFRICA RATING AGENCY

African States	ASF Member State	ECOWAS	ECCAS	COMESA
1 Algeria				
2 Angola			X	
3 Benin	X	X		
4 Botswana				
5 Burkina Faso	X	X		
6 Burundi	X		X	X
7 Cameroun			X	
8 Cape Verde		X		
9 Central African Republic	X		X	
10 Chad	X		X	
11 Comoros				X
12 Democratic Republic of Congo			X	X
13 Republic of Congo			X	
14 Côte d'Ivoire	X	X		
15 Djibouti				X
16 Egypt				X
17 Equatorial Guinea			X	
18 Eritrea				X
19 Eswatini				X
20 Ethiopia				X
21 Gabon	X		X	
22 Gambia		X		
23 Ghana		X		
24 Guinea		X		
25 Guinea-Bissau	X	X		
26 Kenya				X
27 Lesotho				
28 Liberia		X		
29 Libya				X
30 Madagascar				X
31 Malawi				X
32 Mali	X	X		
33 Mauritania				
34 Mauritius	X			X
35 Morocco				
36 Mozambique				
37 Namibia				
38 Niger	X	X		
39 Nigeria		X		
40 Rwanda	X		X	X
41 Sao Tome-and-Principe			X	
42 Senegal	X	X		
43 Seychelles				X
44 Sierra Leone		X		
45 Somalia				
46 South Africa				
47 South Sudan				
48 Sudan				X
49 Tanzania				
50 Togo	X	X		
51 Tunisia				
52 Uganda				X
53 Zambia				X
54 Zimbabwe				X
<b>TOTAL</b>	<b>14</b>	<b>15</b>	<b>11</b>	<b>19</b>

The ASF's authorized capital amounts to CFAF 150 billion, of which CFAF 90 billion has been called, and CFAF 60 billion are still subject to call. As of 31 December 2020, called and paid-in capital totalled CFAF 32 billion, and called unpaid capital amounted to CFAF 58 billion. As of 31 December 2020, the ASF's shareholders were following:

## WEST AFRICA RATING AGENCY

SOVEREIGN SHAREHOLDER	PART OF EACH SHAREHOLDER		PAID-IN CAPITAL	ARREARS ON THE FIRST TWO MATURED INSTALMENTS	THIRD TRANCHE CALLED IN 2020 WITH PAYMENT SPREAD OVER 3 YEARS FROM 2021
	In CFAF	In %			
BENIN	5,480,650,896	6.09	1,336,000,000	2,317,767,264	1,826,883,632
BURKINA FASO	5,464,241,760	6.07	3,187,474,360	455,353,480	1,821,413,920
BURUNDI	5,915,492,960	6.57	2,452,709,986	1,490,951,987	1,971,830,987
CENTRAL AFRICAN REPUBLIC	5,398,605,226	6.00	509,702,514	3,089,367,637	1,799,535,075
CHAD	5,579,105,702	6.20	2,074,919,493	1,644,484,308	1,859,701,901
CÔTE D'IVOIRE	9,960,344,592	11.07	2,428,000,000	4,212,229,728	3,320,114,864
GABON	6,908,245,592	7.68	1,094,600,000	3,510,897,061	2,302,748,531
GUINEA-BISSAU	5,398,605,226	6.00		3,599,070,151	1,799,535,075
MALI	6,465,198,960	7.18	2,922,861,135	1,387,271,505	2,155,066,320
MAURITIUS	7,113,359,770	7.90	4,742,239,667	180	2,371,119,923
NIGER	7,068,234,650	7.85	2,312,019,554	2,400,136,879	2,356,078,217
RWANDA	5,669,355,944	6.30	3,307,124,301	472,446,328	1,889,785,315
SENEGAL	7,876,384,522	8.75	1,920,000,000	3,330,923,015	2,625,461,507
TOGO	5,702,174,210	6.34	3,801,449,473	0	1,900,724,737
<b>TOTAL</b>	<b>90,000,000,010</b>	<b>100</b>	<b>32,089,100,483</b>	<b>27,910,899,524</b>	<b>30,000,000,003</b>

## Governance and management

### Composition of the ASF's General Assembly as of 31 December 2020

The ASF's General Assembly	Role	Member State	Position
Mr Romuald Wadagni	President	Benin	Minister of Economy and Finance
Mr Lassané Kaboré	Member	Burkina Faso	Minister of Economy, Finance, and Development
Mr Domitien Ndhokubwayo	Member	Burundi	Minister of Finance, Budget, and Economic Planning
Mr Henri Marie Dondra	Member	Central Africa	Minister of Finance and Budget
Mr Adama Coulibaly	Member	Côte d'Ivoire	Minister of Economy and Finance
Mr Sosthène Ossoungou Ndibangoye	Member	Gabon	Minister of Budget and Public Accounts
Mr João Aladje Mamadu Fadia	Member	Guinea-Bissau	Minister of Finance
The Honourable Renganaden Padayachy	Member	Mauritius	Minister of Finance, Economic Planning, and Development
Mr Alfousseyni Sanou	Member	Mali	Minister of Economy and Finance
Mr Mamadou Diop	Member	Niger	Minister of Finance
Dr Uzziel Ndagijimana	Member	Rwanda	Minister of Finance and Economic Planning
Mr Abdoulaye Daouda Diallo	Member	Senegal	Minister of Finance and Budget
Mr Tahir Hamid Nguilin	Member	Chad	Minister of Finance and Budget
Mr Sani Yaya	Member	Togo	Minister of Economy and Finance

## Composition of the ASF's Board of Directors as of 31 December 2020

The ASF's Board of Directors	Role	Member State	Position	Ministry
Mr Oumara Karimou Assouma	President	Benin	Director General of the Treasury and Public Accounting	Ministry of Economy and Finance
Mr Serge Louis Marie P. Toe	Member	Burkina Faso	Treasury Inspector	Ministry of Economy, Finance and Development
Mr Jean Liéven Gakwavu	Member	Burundi	Assistant to the Minister	Ministry of Finance, Budget, and Economic Planning
Mrs Tatyana Yangoupandé	Member	Central Africa	Project Manager for Digital Innovation and Projects Evaluation	Ministry of Finance and Budget
Mr Kobenan Tano	Member	Côte d'Ivoire	Director of Regional Economic Affairs	Ministry of Economy and Finance
Mr Jean Jacques Essono	Member	Gabon	Advisor to the Minister	Ministry of Economy and Finance
Mr José-Abdul-Carimo Ly	Member	Guinea-Bissau	Advisor to the Minister	Ministry of Finance
Mr Ely Prosper Arama	Member	Mali	Director-General of Public Debt	Ministry of Economy and Finance
Mr Gerard Pascal Bussier	Member	Mauritius	Acting Director	Ministry of Finance, Economic Planning and Development
Mr Alassane Souleymane	Member	Niger	Cabinet Director	Ministry of Finance
Mr Obald Hakizimana	Member	Rwanda	Economist in charge of the Real Sector	Ministry of Finance and Economic Planning
Mr Abdoulaye Dieng	Member	Senegal	Internal Control Director Budget Directorate General	Ministry of Finance and Budget
Mr Loukman Moustapha	Member	Chad	General Inspector of Finance	Ministry of Finance and Budget
Mr Affo Tchitchi Dedji	Member	Togo	Finance Administrator, Permanent Secretariat for Monitoring Reform Policies and Financial Programs	Ministry of Economy and Finance

**The Board of Directors has set up three committees in charge of specific issues:**

- The Audit Committee is responsible for monitoring and evaluating the compliance with the institution's internal control systems.
- The Compensation Committee is responsible for deciding on the policy and remuneration levels applicable to the bodies' members and to the General Manager of the ASF.
- The Superior Committee for Intervention is responsible for deciding on requests for intervention of the ASF beyond the CFAF 500 million limit. Below this limit, the decisions on requests for intervention are made by the Restricted Credit Committee, i.e., the Project Committee (under the authority of the General Manager).

## Products et services provided by the ASF

### Business lines

**The ASF offers several products and services which are important for African economies.** The ASF's interventions are intended for financing granted in the following cases: business creation; renewal and strengthening of operating capacities; upgrading and extension; transfer of ownership; restructuring and privatization. In sectoral terms, the ASF is agnostic, meaning that all economic sectors are eligible, without any restriction. The ASF intervenes in the same currency as that of the financing benefiting from its intervention. The operations within the ASF's intervention scope must have at least a two-year tenor (except those relating to the coverage of sureties and import-export operations). The ASF's interventions are important in Africa as they allow to:

- Enhance the capacity of companies, SMEs, and microfinance institutions to mobilize medium- and long-term financing;
- Secure the financing granted by credit institutions and protect them, to a certain extent, from the counterparty default risk;
- Improve the credit portfolio quality of these financial institutions and, consequently, their financial situation and solvency ratio;
- Ensure immediate cash flows in the event of credit impairment, through guarantee calls;
- Protect investors against issuers' defaults and secure capital markets investors, including bondholders; and
- Promote public investment and contribute to the improvement of public services.

The ASF intervenes only in its Member States, with regards to the following products and services:

N°	OPERATIONAL PRODUCTS	CONDITIONS	PRICING	SURETIES	REFERRAL
1	<i>Individual Bank Loan Guarantee (including counter-guarantee and co-guarantee)</i>	<ul style="list-style-type: none"> <li>Max. 80% of the loan amount, not exceeding 30% of the ASF's eligible own funds;</li> <li>Final loss guarantee (and exceptionally, Payment default guarantee)</li> </ul>	<ul style="list-style-type: none"> <li>Commitment fee: from 0.5% to 1.5% (flat fee) of the guarantee amount, due upon acceptance of the indicative offer and payable immediately;</li> <li>Guarantee fee: from 0.5% to 2.5% p.a. of the outstanding guarantee, payable at the beginning of the period in accordance with the repayment schedule.</li> </ul>	Real and/or personal, and other repayment measures taken by the lender and registered in its favour.	By banks or financial institutions.
2	<i>Fundraising Guarantee</i>	<ul style="list-style-type: none"> <li>Max: 100% of the raised principal and interest amount, not exceeding 30% of the ASF's eligible own funds;</li> <li>First-demand payment default guarantee</li> </ul>	<ul style="list-style-type: none"> <li>Commitment fee: 1% (flat fee) of the guarantee amount due upon acceptance of the indicative offer and payable immediately;</li> <li>Guarantee fee: from 1% à 2% p.a. of the outstanding guarantee, payable at the beginning of the period in accordance with the repayment schedule.</li> </ul>	Real and/or personal, and other repayment measures taken by the arranger/broker and registered in favour of the ASF.	By a financial intermediary approved by the monetary and financial authorities.
3	<i>Portfolio guarantee</i>	<ul style="list-style-type: none"> <li>Max. 50% coverage per project, provided that certain eligibility conditions are met.</li> <li>Final loss guarantee</li> </ul>	<ul style="list-style-type: none"> <li>Commitment fee: from 0,5% to 4% (flat fee) of the granted line amount. A minimum of 25% of the commission is due upon acceptance of the indicative offer and payable immediately;</li> <li>Guarantee fee: from 0.5% to 5% p.a. of the outstanding guarantee, payable quarterly.</li> </ul>	Real and/or personal, and other repayment measures taken by the lender and registered in its favour.	By banks, financial institutions or decentralized financial systems (DSF).
4	<i>Guarantee Line for National Guarantee Funds (NGF)</i>	<ul style="list-style-type: none"> <li>Maximum amount of the Guarantee Line: fixed by mutual agreement between the ASF and the delegated NGF considering its commercial capacity and risk management quality;</li> <li>Max. 80% coverage per project, provided that certain eligibility conditions are met.</li> <li>Final loss guarantee and exceptionally, Payment default guarantee</li> </ul>	<ul style="list-style-type: none"> <li>Commission of the delegate ranging from 0.5% to 1% (flat fee) of the guarantee amount to be registered on the Line. This commission is the remuneration of the delegated NGF for its commercial intermediary role played on behalf of the ASF.</li> <li>Set-up expenses to be paid to the ASF: from 0.75% to 1.5% (flat fee) of the Guarantee Line amount and payable in advance before setting up the Line;</li> <li>Guarantee fee: from 0.5% to 2.5% p.a. of the outstanding Guarantee Line amount, payable quarterly at the beginning of the period.</li> </ul>	<ul style="list-style-type: none"> <li>Real and/or personal, and other repayment measures taken by the lender, registered in its favour or other security mechanisms accepted by the delegating NGF of the Line.</li> <li>Real security must represent 80% of the credit, including 50% in immovable security. The joint and several surety of the main real estate developer(s) must be systematically required, if applicable.</li> </ul>	By the requesting NGF.

WEST AFRICA RATING AGENCY

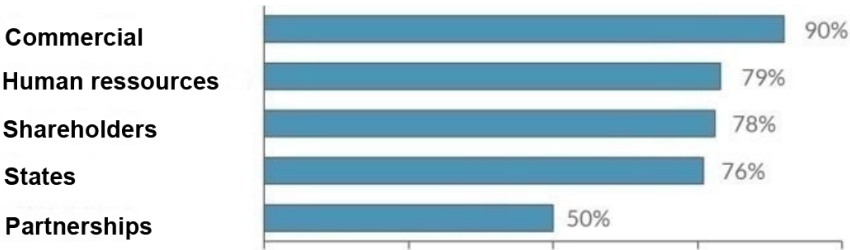
5	<i>Counter-Guarantee on individual guarantee for construction projects</i>	<ul style="list-style-type: none"> <li>Max. 80% of the financing, not exceeding 30% of the ASF's eligible own funds.</li> <li>Final loss guarantee (unless an exception)</li> </ul>	<ul style="list-style-type: none"> <li>Commitment fee: from 0.5% to 1.5% (flat fee) of the guarantee amount, due upon acceptance of the indicative offer and payable immediately;</li> <li>Counter-Guarantee fee: from 0.5% to 2.5% p.a. of the outstanding amount on the Counter-Guarantee, payable quarterly at the beginning of the period.</li> </ul>	Real and/or personal, and other repayment measures taken by the lending institution and registered in its favour.	By banks or financial institutions.
6	<i>Counter-Guarantee on bonding facility for construction projects</i>	<ul style="list-style-type: none"> <li>Max. coverage: 60% of the bonding facility amount, not exceeding 30% of the ASF's eligible own funds.</li> <li>A free limit of 50% of the bonding facility will be granted, beyond this threshold, a Fund's non-objection opinion will be required for any new drawing from the bonding facility.</li> <li>Final loss guarantee, however, any other requested form of guarantee will be left to the discretion of the ASF's General Management.</li> </ul>	<ul style="list-style-type: none"> <li>Commitment fee: from 0.5% to 1.5% (flat fee) of the amount of the Counter-Guarantee on bonding facility for construction projects, due upon acceptance of the indicative offer and payable immediately;</li> <li>Counter-Guarantee fee: from 0,5% to 3% (flat fee per indivisible year), paid for each notification within the free limit and for each activation of the ASF's guarantee for operations beyond the free limit.</li> </ul>	Real and/or personal, and other repayment measures taken by the lending institution and registered in its favour.	By banks or financial institutions.
7	<i>Counter-Guarantee Line for construction project bonds</i>	<ul style="list-style-type: none"> <li>The guarantee relates to the amount of bonds registered upon the Counter-Guarantee Line for bonds;</li> <li>Max. coverage: 60% of the amount of each bond registered upon the Counter-Guarantee Line for bonds;</li> <li>Maximum amount of the Counter-Guarantee Line for bonds: 30% of the ASF's eligible own funds;</li> <li>The Counter-Guarantee Line for bonds is valid for on (1) year maximum and subject to renewal;</li> <li>A free limit of 50% of the amount of the Line will be granted, beyond this threshold, a Fund's non-objection opinion will be required for any new bond registration upon the Counter-Guarantee Line for bonds.</li> <li>Final loss guarantee, however, any other requested form of guarantee will be left to the discretion of the ASF's General Management.</li> </ul>	<ul style="list-style-type: none"> <li>Commitment fee: from 0.5% to 1.5% (flat fee) of the amount of the Counter-Guarantee Line for construction projects bonds, payable immediately upon notification;</li> <li>Counter-Guarantee fee: from 0,5% to 3% (flat fee per indivisible year), paid for each notification within the free limit and for each activation of the ASF's guarantee for operations beyond the free limit.</li> </ul>	Real and/or personal, and other repayment measures taken by the lending institution and registered in its favour.	By medium and large size construction companies wishing the ASF to provide them with counter-guarantees for their bid and performance bonds with lending institutions in the context of public or private construction projects.
8	<i>Coverage of import and export operations</i>	<ul style="list-style-type: none"> <li>Direct intervention of the ASF</li> <li>Issue of LC, DC, SLBC up to a maximum of 100%, not exceeding 30% of the ASF's eligible own funds. First-demand payment default guarantee.</li> <li>Risk sharing between the ASF and a lending institution.</li> <li>Max. share: 80% of the amount of the commercial contract value, not exceeding 30% of the ASF's eligible own funds. This rate remains unchanged, even in case of a co-guarantee.</li> <li>Final loss guarantee (unless an exception)</li> </ul>	<p>The terms of remuneration will be set considering the transaction inherent risks and prevailing market conditions regarding remuneration.</p> <p>The terms of remuneration will be set considering the advantages and disadvantages of each method and prevailing market conditions.</p>	Real and/or personal, and other repayment measures taken by the lending institution and registered in its favour.	By the economic operator (importer or exporter)
9	<i>Refinancing</i>	<ul style="list-style-type: none"> <li>Max. debt service over three (3) years, not exceeding 30% of the ASF's eligible own funds;</li> <li>Min. CFAF 50 million</li> </ul>	<ul style="list-style-type: none"> <li>Commitment fee: from 1% to 2.5% (flat fee) of the granted refinancing total amount, payable immediately upon notification of the agreement;</li> <li>Interest rate: set according to the baseline conditions of the financing and risk profile. It will be at least equal to the term deposits average rate of the given banking center and cannot exceed the interest rate granted on the initial financing.</li> </ul>	Real and/or personal, taken by the bank and ranking pari passu with the lender.	By banks or financial institutions.
10	<i>Interest rate subsidy</i>	Provisions of the Special Bonus Fund	File scrutiny fee: 1% of the bonus granted amount.	N/A	By the regulatory authority of the requesting State (Minister of Finance or Administrator).
11	<i>Arranging finance</i>	Depending on the needs expressed by the principal	Negotiable agent and success fees.	N/A	By any company or promoter of investment projects.
12	<i>Third party fund management</i>	According to specifications	Fees negotiated by mutual agreement	N/A	<ul style="list-style-type: none"> <li>By government,</li> <li>By fund providers,</li> <li>By international organizations.</li> </ul>

## Business model and organization

### Objectives, strategies, and operating methods

The ASF has completed the enforcement of its amended 2016-2020 Medium-Term Strategic Development Plan (MTSDP), the initial reports show that the objectives set by the Fund have been achieved notwithstanding the limited resources context. Overall, the 2016-2020 MTSDP was a great success with a 70% average rate of achievement. All strategic axes, except that of 'Partnership', registered an implementation rate above 75%.

#### Average rate of achievement by strategic priority in the 2016-2020 MTSDP



The 2016-2020 MTSDP was succeeded by the 2021-2025 MTSDP built around three strategic priorities which, in the long term, should permit to strengthen the ASF's position as a pan-African benchmark institution, better channel its offer towards the expressed needs to better support States and the private sector, and increase its financial capacity to meet these needs. Through this plan valid up to 2025, the ASF aims to:

- enhance its political governance to make it more flexible and able to meet its ambitions of supporting value and productive jobs creation;
- optimize the portfolio of current products and develop new ones adapted to the respective needs of economic players;
- better monitor the socio-economic impact of its interventions;
- strengthen its equity thanks to the recovery of arrears from Member States and the development of new financing schemes.

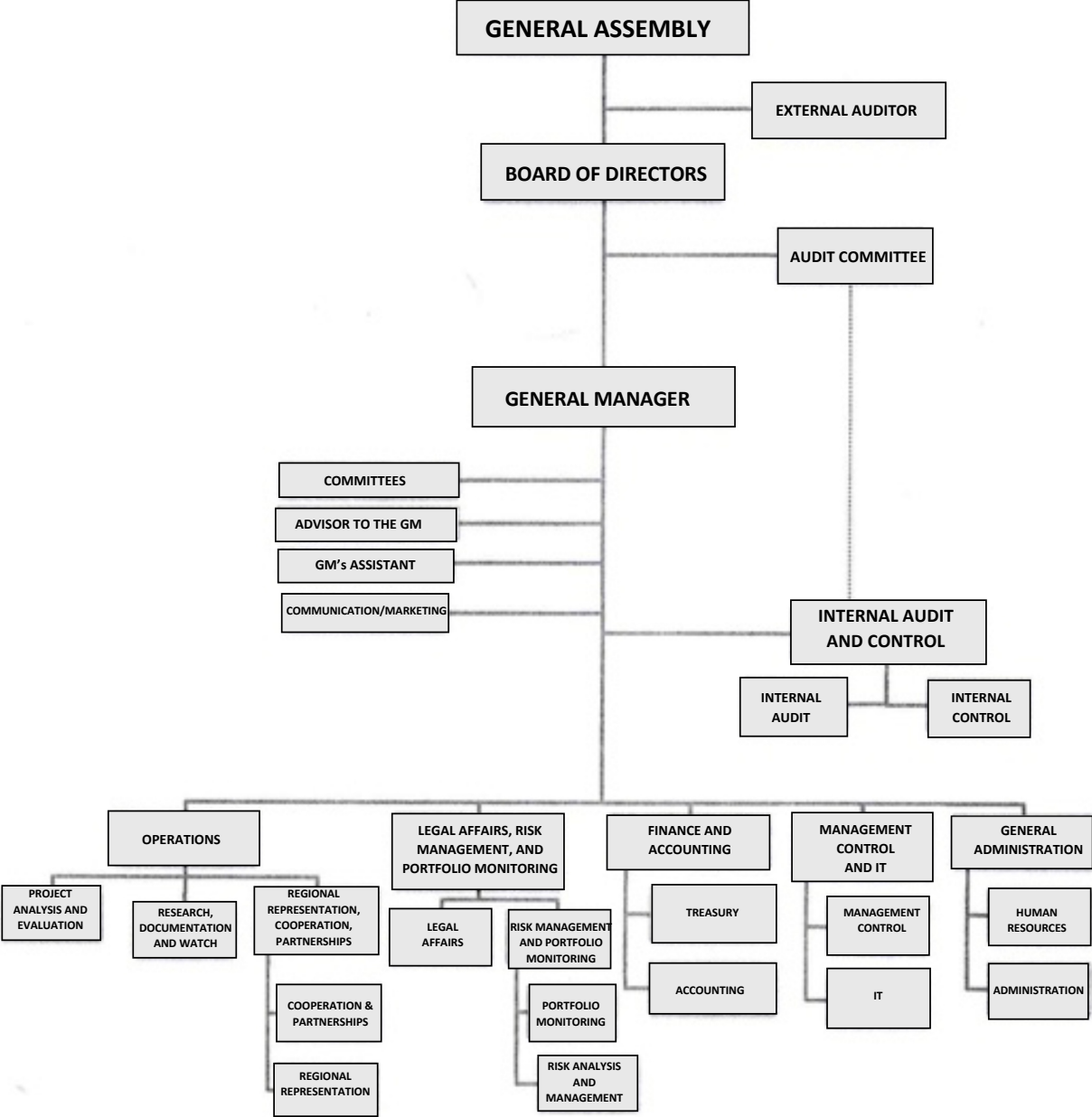


Built on the achievements of the previous MTSDP, the new strategic plan called 'Plan New Frontier 2025' is in line with the new 2025 vision of the Fund: 'to become a strong and innovative pan-African institution supporting structural transformation of the Member States' economies', aiming to make the ASF a benchmark pan-African guarantee and financing institution by 2025.



Structure and organization

The ASF's organizational chart is as follows:



The ASF's Operational, Administrative and Financial Procedures Manual provides, under the authority of the General Manager, for the existence of various (Management) Committees.

#### Special Committees

COMMITTEE	DESCRIPTION
<b>Restricted Executive Committee</b>	Its meetings are weekly. This Committee rules on the management of the institution.
<b>Projects Committee</b>	It meets at the initiative of the Operations Department. The Committee reviews the applications for intervention of the ASF.
<b>Commitments Management Committee</b>	This Committee reviews the portfolio status and the commitments monitoring reports presented by the Legal Affairs, Risk Management, and Portfolio Monitoring Department. It takes place at the end of each semester. Furthermore, to assure effective control over operations, in May 2019, the ASF's General Management set up a quarterly held Restricted Project Monitoring Committee and a Monthly meeting to monitor commitments within the Legal Affairs, Risk Management, and Portfolio Monitoring Department ( <i>DAJRSE</i> ). These complementary portfolio monitoring structures examine commitments of concern and check compliance with prudential standards to formulate the necessary recommendations relating thereto.
<b>Treasury Committee</b>	This Committee meets once a week, on the request of the Finance and Accounting Department's Manager, to review the institution's liquidity position.
<b>Procurement Committee</b>	Its meetings take place in case of purchases exceeding CFAF 10 million and below CFAF 50 million.
<b>Tender Committee</b>	The Procurement Committee members and two Directors form this Committee meant to examine bids received in response to the calls for tenders and rule on the latter when their amounts exceed CFAF 50 million.
<b>IT Committee</b>	It is convened by the General Manager, at the initiative of the Management Control and Information System Department, to discuss questions regarding the information system and technology.

## FINANCIAL DATA AND RATIOS

BALANCE SHEET (in millions of CFAF)	2015	2016	2017	2018	2019	2020
Cash	1	1	0	1	0	1
Due from banks	810	739	367	1,154	604	578
Term deposits	10,309	13,979	17,268	18,923	19,599	22,670
Marketable securities	162	44	0	1,000	4,000	4,060
Other securities	77	29	15	24	10	11
Net claims on customers	533	1,794	2,386	2,920	4,276	5,406
Suspense and miscellaneous accounts	955	934	756	1,233	1,231	1,544
Financial fixed assets	1,804	1,804	1,804	1,852	1,852	2,052
Tangible and intangible fixed assets	3,195	3,218	3,184	3,166	3,187	3,203
Shareholders: capital called but not paid in	3,666	39,812	37,757	34,414	31,354	57,911
Fixed assets acquired by foreclosure	649	649	829	1,249	1,249	1,249
<b>Total Assets (in millions of CFAF)</b>	<b>22,161</b>	<b>63,001</b>	<b>64,367</b>	<b>65,935</b>	<b>67,363</b>	<b>98,686</b>
Debt - unpaid guarantee call	1,544	1,194	--	--	--	--
Due to banks	--	--	--	--	--	--
Loans						
Suspense and miscellaneous accounts / Regularization accounts	3,681	3,565	3,829	4,042	4,211	4,368
Other liabilities	278	139	75	162	195	152
Total liabilities, excluding subordinated debt and own funds	5,503	4,899	3,904	4,204	4,407	4,520
Subordinated debt						
Minority interest						
Provision for risks and charges (PRC) & PRBG	1,636	857	708	939	749	1,146
Equity	13,397	55,853	58,595	59,864	61,511	92,556
Own funds = Equity + Minority interest + Unregulated provisions + Subsidies	16,658	58,102	60,463	61,731	62,956	94,166
<b>Total Liabilities</b>	<b>22,161</b>	<b>63,001</b>	<b>64,367</b>	<b>65,935</b>	<b>67,363</b>	<b>98,686</b>

INCOME STATEMENT (in millions of CFAF)	2015	2016	2017	2018	2019	2020
Interest income	325	638	893	1,118	1,177	1,142
Interest expense	--	--	--	(7)	--	--
<b>Interest margin</b>	<b>325</b>	<b>638</b>	<b>893</b>	<b>1,111</b>	<b>1,177</b>	<b>1,142</b>
Net foreign exchange income	3	(13)	(10)	4	(3)	(33)
Net marketable securities income	20	9	2	6	9	253
Net commission income	1,536	1,594	1,939	2,137	2,261	2,760
Other net operating income						
<b>Total operating income, excluding interest margin</b>	<b>1,559</b>	<b>1,590</b>	<b>1,931</b>	<b>2,147</b>	<b>2,355</b>	<b>2,980</b>
<b>Total operating income</b>	<b>1,884</b>	<b>2,228</b>	<b>2,823</b>	<b>3,258</b>	<b>3,532</b>	<b>4,122</b>
Personnel expenses	(623)	(719)	(858)	(1,062)	(1,233)	(1,431)
Other operating expenses	(856)	(667)	(830)	(934)	(849)	(790)
Depreciation and amortization	504	(806)	(156)	(531)	(170)	(466)
<b>Total operating expenses</b>	<b>(975)</b>	<b>(2,192)</b>	<b>(1,843)</b>	<b>(2,527)</b>	<b>(2,252)</b>	<b>(2,686)</b>
<b>Pre-Provision Income (PPI)</b>	<b>909</b>	<b>36</b>	<b>980</b>	<b>730</b>	<b>1,281</b>	<b>1,436</b>
Provisions for nonperforming assets (NPAs), net of recoveries	(643)	2,607	2,011	(194)	(1,130)	(1,269)
Net non-operating income	180	412	260	228	899	283
Earnings before income tax	446	3,055	3,251	764	1,050	449
Income tax	--	--	--	--	--	--
<b>Net income</b>	<b>446</b>	<b>3,055</b>	<b>3,251</b>	<b>764</b>	<b>1,050</b>	<b>449</b>
Minority interest						
<b>Attributable net profit</b>						

## WEST AFRICA RATING AGENCY

BALANCE SHEET GROWTH RATE (%)	2015	2016	2017	2018	2019	2020
Cash	0.00	-44.40	-22.74	68.14	-38.93	81.53
Due from banks	-12.24	-8.82	-50.30	214.36	-47.68	-4.24
Term deposits	51.96	35.60	23.53	9.58	3.57	15.67
Marketable securities	-81.01	-73.01	--	--	300.00	1.50
Other securities	185.19	-62.07	-47.76	54.55	-56.25	5.38
Net claims on customers	-55.02	236.54	33.02	22.37	46.45	26.43
Suspense and miscellaneous accounts	9.90	-2.20	-19.09	63.17	-0.16	25.45
Financial fixed assets	0.00	-0.01	0.00	2.66	0.00	10.80
Tangible and intangible fixed assets	-2.14	0.71	-1.04	-0.58	0.67	0.50
Shareholders: capital called but not paid in	-23.91	985.98	-5.16	-8.85	-8.89	84.70
Fixed assets acquired by foreclosure	0.00	-0.04	27.75	50.73	0.00	0.00
Debt - unpaid guarantee call	12.29	-22.65	--	--	--	--
Due to banks	--	--	--	--	--	--
Loans	--	--	--	--	--	--
Suspense and miscellaneous accounts / Regularization accounts	16.12	-3.15	7.39	5.57	4.19	3.71
Other liabilities	25.23	-49.92	-45.93	114.60	20.93	-22.09
Total liabilities, excluding subordinated debt and own funds	15.44	-10.98	-20.31	7.67	4.83	2.57
Subordinated debt	--	--	--	--	--	--
Minority interest	--	--	--	--	--	--
Provision for risks and charges (PRC) & PRBG	-11.04	-47.64	-17.40	32.66	-20.25	53.04
Equity	5.36	316.91	4.91	2.17	2.75	50.47
Own funds = Equity + Minority interest + Unregulated provisions + Subsidies	1.51	248.80	4.06	2.10	1.98	49.57

INCOME STATEMENT GROWTH RATE (%)	2015	2016	2017	2018	2019	2020
Interest income	21.72	96.30	39.92	25.22	5.31	-2.98
Interest expense	--	--	--	--	--	--
Interest margin	28.46	96.30	39.92	24.42	6.00	-2.98
Net foreign exchange income	-25.00	-542.79	-22.95	-140.02	-166.61	1,123.59
Net marketable securities income	-37.50	-56.05	-80.38	222.98	1,634.74	161.80
Net commission income	13.53	3.79	21.63	10.23	5.79	22.07
Other net operating income	--	--	--	--	--	--
Total operating income, excluding interest margin	12.24	1.97	21.43	11.22	9.69	26.53
Total operating income	14.74	18.25	26.73	15.39	8.43	16.69
Personnel expenses	4.36	15.35	19.35	23.82	16.11	16.04
Other operating expenses	37.18	-22.04	24.32	12.63	-9.15	-6.98
Depreciation and amortization	-150.60	-259.83	-80.64	240.49	-68.04	174.52
Total operating expenses	-56.02	124.77	-15.89	37.11	-10.91	19.30
Pre-Provision Income (PPI)	-258.09	-96.02	2,608.18	-25.46	75.35	12.11
Provisions for nonperforming assets (NPAs), net of recoveries	-77.63	-505.44	-22.87	-109.67	481.25	12.31
Net non-operating income	13.21	128.99	-36.94	-12.13	293.81	-68.58
Earnings before income tax	-113.55	585.06	6.39	-76.49	37.38	-57.23
Income tax	--	--	--	--	--	--
Net income	-113.55	585.06	6.39	-76.49	37.38	-57.23
Minority interest	--	--	--	--	--	--
Attributable net profit	--	--	--	--	--	--

## WEST AFRICA RATING AGENCY

<b>BALANCE SHEET COMPOSITION</b> (% of total assets)	2015	2016	2017	2018	2019	2020
Cash	0.00	0.00	0.00	0.00	0.00	0.00
Due from banks	3.66	1.17	0.57	1.75	0.90	0.59
Term deposits	46.52	22.19	26.83	28.70	29.09	22.97
Marketable securities	0.73	0.07	--	1.52	5.94	4.11
Other securities	0.35	0.05	0.02	0.04	0.02	0.01
Net claims on customers	2.41	2.85	3.71	4.43	6.35	5.48
Suspense and miscellaneous accounts	4.31	1.48	1.17	1.87	1.83	1.56
Financial fixed assets	8.14	2.86	2.80	2.81	2.75	2.08
Tangible and intangible fixed assets	14.42	5.11	4.95	4.80	4.73	3.25
Shareholders: capital called but not paid in	16.54	63.19	58.66	52.19	46.55	58.68
Fixed assets acquired by foreclosure	2.93	1.03	1.29	1.89	1.85	1.27
Debt - unpaid guarantee call	6.97	1.90	--	--	--	--
Due to banks	--	--	--	--	--	--
Loans	--	--	--	--	--	--
Suspense and miscellaneous accounts / Regularization accounts	16.61	5.66	5.95	6.13	6.25	4.43
Other liabilities	1.25	0.22	0.12	0.24	0.29	0.15
Total liabilities, excluding subordinated debt and own funds	24.83	7.78	6.07	6.38	6.54	4.58
Subordinated debt	--	--	--	--	--	--
Minority interest	--	--	--	--	--	--
Provision for risks and charges (PRC) & PRBG	7.38	1.36	1.10	1.42	1.11	1.16
Equity	60.45	88.65	91.03	90.79	91.31	93.79
Own funds = Equity + Minority interest + Unregulated provisions + Subsidies	75.17	92.22	93.93	93.62	93.46	95.42

<b>INCOME STATEMENT COMPOSITION</b> (% of total income)	2015	2016	2017	2018	2019	2020
Interest income	17.25	28.64	31.62	34.31	33.32	27.71
Interest expense	--	--	--	-0.22	--	--
Interest margin	17.25	28.64	31.62	34.09	33.32	27.71
Net foreign exchange income	0.16	-0.60	-0.36	0.13	-0.08	-0.81
Net marketable securities income	1.06	0.39	0.06	0.17	2.74	6.14
Net commission income	81.53	71.56	68.68	65.61	64.02	66.97
Other net operating income	--	--	--	--	--	--
Total operating income, excluding interest margin	82.75	71.36	68.38	65.91	66.68	72.29
Total operating income	100.00	100.00	100.00	100.00	100.00	100.00
Personnel expenses	-33.07	-32.26	-30.38	-32.60	-34.91	-34.71
Other operating expenses	-45.44	-29.96	-29.39	-28.68	-24.03	-19.16
Depreciation and amortization	26.75	-36.16	-5.52	-16.30	-4.80	-11.30
Total operating expenses	-51.75	-98.38	-65.29	-77.58	-63.74	-65.17
Pre-Provision Income (PPI)	48.25	1.62	34.71	22.42	36.26	34.83
Provisions for nonperforming assets (NPAs), net of recoveries	-34.13	117.02	71.23	-5.97	-31.99	-30.79
Net non-operating income	9.55	18.50	9.21	7.01	25.46	6.85
Earnings before income tax	23.67	137.15	115.14	23.46	29.73	10.90
Income tax	--	--	--	--	--	--
Net income	23.67	137.15	115.14	23.46	29.73	10.90
Minority interest	--	--	--	--	--	--
Attributable net profit	--	--	--	--	--	--

## WEST AFRICA RATING AGENCY

RATIOS	2015	2016	2017	2018	2019	2020
<b>Profitability</b>						
Return on assets	2.0%	4.8%	5.1%	1.2%	1.6%	0.5%
Return on average assets	2.1%	7.2%	5.1%	1.2%	1.6%	0.5%
Return on equity*	4.6%	19.0%	15.6%	3.0%	3.5%	1.3%
Return on 'Tier 1' capital (%)	4.6%	19.0%	15.6%	3.0%	3.5%	1.3%
Operating revenues, excluding margin / Total operating income (%)	83%	71%	68%	66%	67%	72%
Income tax / Earnings before tax (%)	-	-	-	-	-	-
Cost-to-income ratio (%) <sup>5</sup>	52%	98%	65%	78%	64%	65%
Personnel expenses / Total operating income (%)	33%	32%	30%	33%	35%	35%
Personnel expenses / Total operating expenses (%)	64%	33%	47%	42%	55%	53%
<b>Liquidity</b>						
Net claims on customers / Assets (%)	2%	3%	4%	4%	6%	5%
Current assets <sup>7</sup> / Total assets (%)	51%	23%	27%	32%	36%	28%
Current assets <sup>7</sup> / Short-term liabilities (x)	711%	812%	1,324%	28,033%	14,990%	13,986%
<b>Capitalization</b>						
Equity* / Assets (%)	44%	25%	32%	39%	45%	35%
Own funds* / Assets (%)	59%	29%	35%	41%	47%	37%
Own funds* / Total off-balance sheet commitments (%)	23%	30%	33%	38%	35%	30%
Equity* / Own funds* (%)	75%	88%	92%	93%	95%	96%
<b>Asset quality</b>						
Nonperforming assets (NPAs) / Gross claims on customers (%)	15.2%	10.2%	6.1%	6.4%	5.7%	3.4%

**Notes:**

- \*Equity: called-up unpaid capital is not included  
 \*Own funds: called-up unpaid capital is not included, which is favourable for profitability ratios, but negatively impacts solvency ratios  
 5. Cost-to-income ratio = Operating Expenses / Operating Income  
 6. Total Deposits = Customer Deposits + Due to banks  
 7. Current assets = Cash + Due from banks + Securities



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