

## Financial Systems Development

### Challenges

Economic growth strongly depends on the performance of an efficient financial sector. Effective financial institutions providing reliable services provide a sound and sustainable foundation for a country's economic development. Creating a favorable legal and regulatory environment is a general precondition in this context.

### CRITICAL ELEMENTS FOR FINANCIAL SYSTEMS DEVELOPMENT



### GFA Approach

GFA Consulting Group implements projects and builds capacities in developing countries and emerging markets. Our experts aim at developing financially self-sustainable institutions and at improving their performance continuously. We promote sound banking routines and operations management according to best industry practices and international standards. GFA teams focus on the creation of internal capacities to ensure lasting and rollout effects.

### GFA Services

GFA fosters the development of effective financial institutions providing micro, small and medium enterprises with services on a sustainable basis. We provide tailor-made assistance in the fields outlined below.

### Microfinance

GFA promotes the development of sustainable microfinance institutions which specialize in offering low-income clients a broad range of affordable financial services.

### SME Finance

Our experts follow a comprehensive approach to SME finance. It comprises the set-up of specialized SME units, product development, credit scoring techniques and management information systems.

### Banking Advisory Services

The GFA approach starts with bank re-engineering and the reforming of financial institutions. This includes strategy and business planning, risk management and human resource development.

### Rural Finance

We recognize the complexities of rural finance related to higher transaction costs and a special risk profile. Our experts provide innovative solutions to increase access to financial services in rural areas.

### Sustainable Energy Finance

We assist financial institutions in establishing renewable energy and energy efficiency finance as a profitable business segment. Also, GFA supports the development of innovative loan products and lending technologies.



## GFA at Work

### Credit Line for Non-Farm Sector, India KfW, 2008–2010

The project contributed to alleviating rural poverty and triggering economic upturn outside the large economic centers of India. GFA assists the National Bank for Agriculture and



Development (NABARD) in further refining products, policies and procedures. As part of the implementation of a credit line to the Indian rural non-farm sector, credit officers in banks and cooperatives in three pilot states were trained and coached by MSME finance experts. The goal was to boost access to affordable loans, i. e. by non-agriculture sector enterprises.

**Contract Value:** €816,000

### Banking Sector Support, Syria European Union, 2006–2009

The services of the GFA-led consortium underpin the ongoing reform process within the Syrian banking industry. Our experts facilitated the transformation of the public financial sector to a diversified, modern banking landscape. The scope of services covered improved treasury and foreign exchange market, statistical analysis and Islamic banking. Also, the core banking system at the Central Bank of Syria and state-owned banks were supported in the restructuring process.

**Contract Value:** €3,450,000

### Sustainable Energy Finance, Kazakhstan EBRD, 2008–2011

In response to the transition needs in the energy sector in CIS/CEE countries, the Sustainable Energy Financing Facility (KAZSEFF) project aims at support Kazakhstani private enterprises to improve energy efficiency and to develop renewable energy sources. A USD 75 million financing facility has been made available for on-lending to industrial enterprises through local partner banks. GFA in cooperation with MVV decon is supporting the partner banks in marketing the facility and to assist enterprises in the identification of energy loss areas, technical solutions for lowering energy consumption and in the preparation of bankable projects.

**Contract Value:** €2,793,000

### Microfinance Sector, Mozambique GIZ, 2007–2012

The overall goal of the project is to increase the access to finance for the country's population. GFA is supporting AMOMIF, the association of microfinance institutions which offers capacity development and technical services to the Mozambican microfinance sector. Special emphasis lies on assisting the association in diversifying its range of services and in its organizational and institutional development. Furthermore, the project promotes South-South exchange especially with other Portuguese speaking countries.

**Contract Value:** €3,312,000



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