



Fonds De Garantie À L'initiative Des Femme (FGIF), France

What?

The initiative *Fonds de garantie à l'initiative des femmes* (FGIF) ('Guarantee funds for the creation, take-over or development of companies initiated by women') is part of the National Guarantee Funds scheme. It encourages the creation, take-over and development of companies by women with the provision of a loan guarantee issued through *France Active Garantie*.

Why?

French women are half as likely as men to be self-employed (7.3% vs. 14.1% in 2015) and create only one-third of new businesses in France. One of the main factors explaining the gender gap in entrepreneurship in France is a lack of access to bank credit.¹ Further, the share of female-owned enterprises that did not apply for bank loans over the previous six months due to fear of rejection is nearly double the rate for men (9% vs. 5%). The scheme is intended to help women with economically viable business plans, but who have little credit history or funds, to apply for loans through banks or microfinance institutions.

¹European Commission (2013), "2013 SMEs' Access to Finance survey: Analytical Report".

Key activities

The FGIF loan guarantee scheme is available to all women, regardless of professional status, who want to create or take-over a company, regardless of its legal form or sector business activity. The scheme is managed at a local level but the selection criteria are defined at the national level. All business proposals are assessed by business advisors and business professionals (e.g. lawyers, accountants), who decide whether the project will be covered. Loan guarantees are for loans of at least EUR 5 000 per company and for a period of two to seven years. The guarantee rate is 70% for loans under EUR 38 000 and the guarantee is capped at EUR 27 000 for loans greater than or equal to EUR 38 000. Guarantees are put into place as soon as *France Active Garantie* receives the commission and contribution cheques, a copy of the loan contract and a copy of the amortisation table from the banking institution. These loan guarantees are funded through the Ministry of Labour with support

from the ESF.

Impact

The Department on Women's Rights and Gender Equality of the Ministry of Labour reports a regular increase in the number of women supported. In 2016, 2 281 applications from women were accepted (+10% relative to 2015), corresponding to a total amount to EUR 70 million (+ 25% relative to 2015).

This case study was adapted from material published in: OECD/The European Commission (2014), The Missing Entrepreneurs: Policies for Inclusive Entrepreneurship in Europe, OECD Publishing. <http://dx.doi.org/10.1787/9789264213593-en> [1]

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Links

[1] <http://dx.doi.org/10.1787/9789264213593-en>