

4G Capital together with the Centre for Financial Inclusion Smart Campaign Defines Standards for Client Protection

1st November, Washington DC: As part of the Centre for Financial Inclusion's (CFI's) *'Financial Inclusion Week'* held in Washington DC, 4G Capital announces the initiation of a special working relationship with the CFI's Smart Campaign to define global standards for client protection across the digital financial services industry.

The Smart Campaign works globally, uniting financial leaders to create an environment in which financial services are delivered safely and responsibly to low-income customers by maintaining a rigorous certification program, elevating the customer's voice and convening partners to effect change at the national level.

Headquartered in Mauritius, 4G Capital has supported self-employed traders and micro-enterprises in East Africa for over 5 years by providing essential financial literacy and business training along with working capital credit to help informal MSME businesses grow sustainably.

New digital financial services, products and delivery methods help bridge the enormous gap in financial inclusion and offer life changing opportunities for customers worldwide, but they also introduce additional risks.

4G Capital is working with the Smart Campaign to create standards that can support the evolution of a dynamic industry while ensuring client protection is paramount. As a member of Smart's [Fintech Protects Community of Practice](#), a forum for providers to discuss responsible digital finance, 4G Capital has been instrumental in supporting the Smart Campaign to develop a digital credit certification to be released in 2019.

The Smart Campaign concluded an in-depth site assessment of 4G Capital's Kenyan operations, and found that 4G Capital's practices and unique approach of blending advanced artificial intelligence analytics with human-centric customer services delivered high positive social impact and customer loyalty.

Smart Campaign's new standards for digital credit will provide next generation guidelines to accredited Digital Financial Services with the aim of strengthening customer relationships and increasing retention, reducing financial risk and increasing returns for providers.

Wayne Hennessy-Barrett, CEO and Founder of 4G Capital said, "We are incredibly proud and honoured to have been selected by the Smart Campaign to benchmark fintech industry best practice. Digital data protection and customer protection affects us all. This is the new challenge to deliver access with fairness and security."

Isabelle Barrès, Global Director of the Smart Campaign said, "The industry perspective is crucial to developing standards that will be embraced by digital financial service providers. 4G Capital has shown a deep commitment to client protection by sharing best practices and helping the Campaign set the bar for responsible digital finance."

4G Capital's mission is to address the Finance Gap across Africa. According to the SME Finance Forum, this now stands at over \$19billion for Micro and SMEs in Kenya alone, yet this important

segment accounts for over 30% of GDP. High collateral and data requirements create insurmountable barriers for such businesses to access credit. Over 72% rely on family capital to run their businesses and 30% of small businesses fail due to lack of funding.

A recent survey by TechnoServe (who also partner with 4G Capital) found that 4G Capital's customers experienced an average of 82% increase in revenue over a one year period.

4G Capital is forecast to lend over \$40m to small and medium size business by H219. Uniquely, 4G Capital consistently achieves >94% collections without having to refinance or collateralize its customers.

Ends

About 4G Capital

4G Capital has supported micro-enterprises in Africa since 2013, providing financial literacy training with working capital loans to help small businesses grow sustainably.

4G Capital clients receive a bespoke programme of business training to help them use micro-loans to achieve much higher take-home earnings. 4G Capital's proprietary machine learning technology delivers high fidelity insights from traditionally data dark sectors. We design scalable credit products and services optimized for clients' business risks, timescales and affordability. Training is delivered via mobile apps and face-to-face outreach. Using only mobile money, loans are accessed in under two minutes with either smart or feature phones.

4G Capital consistently achieves very high collections rates without collateral or refinancing its clients by only lending to viable businesses on terms that are right-sized for them. 4G Capital is on target to positively impact over 1 million people by 2020. With operations in Kenya and Uganda, and having received multiple industry awards, 4G Capital is now scaling across the continent and expanding its suite of products and services as Africa's Fastest Fintech.

Key 4G Capital achievements to date:

- >94% collection rates without refinancing clients
- Net Promoter Score 72
- Clients increase revenues by average 82%
- 81% Women Customers
- 82% Repeat Customers
- 77% Rural Clients
- 94% Increased financial literacy
- \$32M worth of loans to date
- >50 locations in Kenya, Uganda and beyond

About the Smart Campaign

The Smart Campaign works globally to create an environment in which financial services are delivered safely and responsibly to low-income clients. As the world's first financial consumer protection standard, the Campaign maintains a rigorous certification program, elevates the client voice, and convenes partners to effect change at the national level. Over 100 financial institutions, collectively serving more than 42 million people, have been certified for adhering to the Campaign's industry-accepted consumer protection standards. More at www.smartcampaign.org.

About the Centre for Financial Inclusion at Accion

The Center for Financial Inclusion at Accion (CFI) is an action-oriented think tank that engages and challenges the industry to better serve, protect and empower clients. We develop insights, advocate on behalf of clients and collaborate with stakeholders to achieve a comprehensive vision for financial inclusion. We are dedicated to enabling 3 billion people who are left out of – or poorly served by – the financial sector to improve their lives. www.centerforfinancialinclusion.org

www.cfi-blog.org / @CFI_Accion

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