THE MONTREAL GROUP

A global forum for development banks focused on micro, small and medium-sized enterprises

ACTIVITY REPORT 2021
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THE MONTREAL GROUP’S VALUE PROPOSITION
A note from the Secretary General

Over the past years, I have had the privilege of helping The Montreal Group grow into a truly global forum of development banks dedicated to the development of MSMEs. Despite our size and the headwinds we have all had to contend with during the pandemic, the Secretariat has maintained an agile and creative focus that has enabled us to continue to create value for our members. I would like to thank the Board for its direction and ongoing support in 2021, and we look forward to putting actions into play in 2022 and beyond, that will enable all of our MSMEs to realize a fairer and more sustainable future.

À bientôt!

A warm farewell from our Chairman

Dear friends and colleagues,

After six very enjoyable and stimulating years as the Chair of the Board, the time has come for me to pass the Chairmanship torch. I am very pleased with our progress as a team these past years, and I believe our collective efforts and actions have only strengthened our respective MSME communities. I will continue to serve on the board. As Bpifrance’s executive representative in The Montreal Group, I look forward to strengthening what has evolved into an unparalleled international network of development banks.
Micro, small and medium-sized enterprises (MSMEs) face ongoing challenges in accessing finance and risk capital. In response, governments have developed schemes to help remedy market deficiencies where private sector sources of finance and risk capital are unable or unwilling to operate. In many countries, public banks have become important vehicles for the government’s financial support of MSMEs.

**The Montreal Group is the first global forum exclusively dedicated to public banks that share a common mandate of supporting MSMEs. Members as of 2021 are:**

- **AMERICAS**
  - Brazil - Founding member
    - Banco Nacional de Desenvolvimento Economico e Social (BNDES)
  - Canada - Founding member
    - Business Development Bank of Canada (BDC)
  - Mexico - Founding member
    - Nacional Financiera Banca de Desarrollo (NAFIN)

- **EUROPE**
  - Belgium - Member since 2020
    - Sowalfin
  - Finland - Member since 2014
    - Finnvera
  - France - Founding member
    - Banque publique d’investissement (Bpifrance)

- **AFRICA**
  - Morocco - Member since 2019
    - TAMWILCOM
  - Nigeria - Member since 2020
    - Development Bank of Nigeria (DBN)

- **ASIA & MIDDLE EAST**
  - China - Founding member
    - China Development Bank (CDB)
  - Kingdom of Saudi Arabia - Member since 2016
    - Saudi Industrial Development Fund (SIDF)
  - India - Founding member
    - Small Industries Development Bank of India (SIDBI)

*In the second semester of 2021, SIDBI from India, one of TMG’s founding members announced its decision to rejoin the association and contribute with its expertise to its working groups. The official adhesion will be formalized in the 2022 AGM.*
IN A NUTSHELL

The Montreal Group (TMG) provides a global collaborative environment where members can share and exchange best-in-class knowledge and information on important MSME-related topics with the ultimate goal of helping them make a vital contribution to the development of their countries and to the achievement of the 2030 Agenda and the Sustainable Development Goals.

Main objectives

- Acting as a sounding board and fostering peer group exchanges, networking and cooperation amongst members.
- Operating a forum linking subject matter experts.
- Maintaining an online repository of best practices, knowledge and innovative solutions for key issues faced by MSME-focused public banks to improve their offering to entrepreneurs.
- Developing thought leadership material to strengthen the global MSME ecosystem and effectively support MSMEs in their journey to sustainability.

- 3 banks are supporting entrepreneurs in a mainly direct form
- 5 banks are supporting entrepreneurs in a mainly indirect form
- 3 Members are supporting entrepreneurs through a hybrid model
- TMG Members have supported over 219K entrepreneurs around the world
- TMG Members employ over 20,000 people around the world
- The most popular products for MSMEs offered by TMG members are: Loans, Guarantees & Capacity-Building
- TMG Members are supporting entrepreneurs across 7 sub-regions
- 3 TMG Members are accredited entities of the Green Climate Fund (GCF)
GOVERNANCE

The Montreal Group (TMG) is a Canadian not-for-profit incorporated association with a modern governance structure composed of a Board of Directors offering strategic guidance and a Secretariat, executing the day-to-day operations and activities.

**Board of Directors 2021**
The Board of Directors (BoD) is comprised of one representative per member bank. They are appointed every year during the Annual Meeting and act as the main liaison contact between the member institution and the Secretariat.

**Executive Committee 2021**
It is comprised of the Chairperson, the Vice-Chairperson and the Treasurer. Its main objective is to oversee the activities of the association and advice the Secretary General and the team on strategic and financial matters. It convenes quarterly.
GOVERNANCE

Secretariat
The team is composed of three individuals: the Secretary General, a Head of Operations and an Advisor. Both the Secretary General and the Head of Operations are also employees of the BDC.

The Secretariat is presently headquartered within the offices of BDC, in Montreal, Canada.

The Secretariat:
- Oversees the day-to-day operations, adhering to sound governance principles.
- Leads global advocacy and international initiatives and supports members facilitating access to technical assistance and promoting coalition-building to drive forward the TMG’s agenda.
- Is responsible for member engagement, partnerships and outreach, supporting the working groups, producing content, and organizing the Annual Meetings, other events and workshops.

Key Topic Groups
Specific key topics are selected every one or two years. The objective of these key topic groups (KTG) is to provide a clear channel for members to expand knowledge and networking in various areas of interest through the tapping of members’ internal expertise. Therefore, working groups are made up of subject matter experts from each bank member.

The Secretariat facilitates communication throughout the year, allowing members to exchange with their peers.
**Annual Meetings**

2011 - Washington DC  
2012 - Montreal  
2013 - Mexico City  
2014 - Rio de Janeiro  
2015 - Maisons-Alfort  
2016 - Mumbai  
2017 - Helsinki  
2018 - Montreal  
2019 - Beijing  
2020-21 - Virtual

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**Key Topic Groups**

**2013-2014** Financing Intangible Assets, Key Performance Indicators, Loan Guarantees  
**2014-2016** Cross Border Guarantees, Risk Management, Green Financing  
**2016-2018** Innovative Products and Services, Online Services and Digitization  
**2017-2019** Scaling Up Mid-Sized Firms  
**2019-2020** Advanced Analytics for Risk Management, Management Training for Scale-ups  
**2020-2021** Non-Financial Services for SMEs during COVID-19  
**2020-2022** Chief Economists Roundtable  
**2021-2022** Sustainability Sounding Board
2021 in Review
The Key Topic Group members presented the work they carried out in the last year.

A new Key Topic Group on Sustainable Finance was formed.

The Development Bank of Nigeria (DBN) was officially welcomed as a new member of The Montreal Group. With this adhesion, the association expands its presence in the African Continent and strengthens the diversity of its membership.

The appointment of the 2021-2022 Board of Directors was formalized with two new members:

- Jérôme Nycz, Executive Vice President, BDC Capital, was appointed as Treasurer and BDC Board representative;
- Anthony Okpanachi, Managing Director / CEO of DBN was appointed as DBN Board representative.

The Montreal Group’s Annual General Meeting (AGM) 2021 officially took place on March 31st. Due to the pandemic, the AGM was held virtually.

Highlights

- The Key Topic Group members presented the work they carried out in the last year.
- A new Key Topic Group on Sustainable Finance was formed.
- The Development Bank of Nigeria (DBN) was officially welcomed as a new member of The Montreal Group. With this adhesion, the association expands its presence in the African Continent and strengthens the diversity of its membership.
- The appointment of the 2021-2022 Board of Directors was formalized with two new members:
  - Jérôme Nycz, Executive Vice President, BDC Capital, was appointed as Treasurer and BDC Board representative;
  - Anthony Okpanachi, Managing Director / CEO of DBN was appointed as DBN Board representative.
The Chief Economists Roundtable is formed by representatives from our member organizations. Additionally, the Chief Economists of the following guest organizations are invited to participate in the roundtables: the British Business Bank (BBB) and the Japan Finance Corporation (JFC).

In 2021, this group met monthly to comment on various economic rebound subjects and the macroeconomic impact of the crisis on MSMEs.

Overview of sub-topics addressed in 2021, with the Chief Economists:
- Forecasts of economic growth
- Business insolvencies and investment levels
- Inflationary trends across the world and their effects on MSMEs
- Should Public Banks have greater influence in lending during a down cycle in an economy?
- What are the top headwinds/tailwinds impacting MSMEs?
Understanding the importance of measuring the impact of the bank’s activities on the entrepreneurs, the Chief Economists also participated in a 3-hour-workshop on Impact Evaluation in November 2021.

We extend a special thank you to our representatives for their active work in 2021:

Pierre Cléroux, VP Research and Chief Economist, BDC (leader of the group)
Fabio Giambiagi, Head Macroeconomic division, BNDES
Philippe Mutricy, Director of Evaluation, Studies and Prospective and CEO Le Lab, Bpifrance
Baptiste Thornary, Head of Evaluation and Macroeconomic Research, Bpifrance
Joseph Nanna, Chief Economist, DBN
Mauri Kotamäki, Chief Economist, Finnvera
Timo Lindholm, Former Chief Economist, Finnvera
Armando Gamboa, Head of Financial Market Analytics, Nafin
Hisham Al Hasan, Head, Economic Studies Unit, SIDF
Abdelmoughite Abdelmoumen, Chief Strategy Officer, Tamwilcom
Chandrashekhar Thanvi, Chief General Manager for SMEs, SIDBI*
Philippe Donnay, Commissioner of the Federal Planning Bureau, Sowalfin´s representative**
Matt Adey, Chief Economist, BBB (Special Guest)
Hikaru Fukanuma, Chief Research Fellow, Research Institute, JFC (Special Guest)

**In memoriam of Philippe Donnay, Commissioner of the Federal Planning Bureau – Belgium
Beyond Financial Assistance
Understanding that MSMEs need more than financing to overcome crises such as the recent pandemic or the climate one, in 2021, the Non-Financial Offerings for MSMEs in times of COVID-19 and post-crisis group continued meeting regularly.

In March, a paper was published mapping out the main non-financial measures taken by The Montreal Group members to support their clients during the COVID-19 outbreak. The good practices presented were turned into a video library that was shared with a wider audience during a Webinar held in June 2021, under the name of Beyond Financial Support.
In the summer of 2021, the group decided to pivot the focus of its work to discuss the role of **Non-Financial Services to sustain MSMEs in their sustainability journey and transition to net zero.**

We extend a special **thank you** to our representatives for their active work in 2021:

- **Anita Bezeau**, VP, Client Delivery, BDC Advisory Services (Co-leader of the group)
- **Alexandre Guillo**, Head of Development, Bpifrance Business Support Direction (Co-leader of the group)
- **Abdelmoughite Abdelmooumen**, Chief Strategy Officer, Tamwilcom
- **Hanna Alalääkkölä**, Development Manager, Finnvera
- **Turki Bin Akrash**, Division Manager, Credit Relationship, SIDF
- **Marie Depelssemaker**, Advisor, Sowalfin
- **Theresa Lawal**, Head Product Development and Strategic Alliances, DBN
- **Natalia Santoyo**, Subdirector, Projects Financed by International Organizations, Nafin
- **Romain Stanke**, Development & Accelerator Program Executive, Bpifrance
- **Gabriel Aidar**, Institutional Relationship and Client Development Manager, BNDES
In March 2021, the Board unanimously accepted the proposal of the Secretariat to concentrate TMG’s efforts on supporting members to better understand:

1. The role of public banks in accelerating MSMEs’ journey to sustainability and in achieving the Paris and the SDG goals and;
2. How MSME public banks can integrate sustainability and environmental, social and governance considerations into their strategies, policies, procedures and financial and non-financial offering.

**The Montreal Group’s commitment translates into actions**

2021 Milestones:
- Partnerships with key actors in the sphere of sustainability were created and strengthened.
- The topic was placed at the core of our activities.
- New working groups were proposed for banks to learn from each other.

**Sustainability Sounding Board**

In the last quarter of 2021, a new **Sounding Board** to lead the sustainability agenda was created. A first exercise to produce a **Self-Assessment Diagnostic Tool** for profiling and positioning each member bank along a maturity continuum towards a green/sustainable culture was designed and developed with the support of the external firm GYConsulting.

A special thank you to all participants: Annie Marsolais, Craig Ryan and Carla Heim (BDC), Philippe Kunter and Clément Damasse (Bpifrance), Monica Monteiro (BNDES), Haifa Al-Humaid (SIDF), Jeremy Jeremy Dan-Okayi (DBN), Mirva Salenius (Finnvera), Luc Spronck (Sowalfin), Souad Bghigh and Abdelmoumen Abdelmoughite (Tamwilcom), Ravi Tyagi and Dr. R.K. Singh (SIDBI).
In 2021, two calls on **Non-Financial Services & Sustainability** were organized with subject matter experts on the role of Non-Financial Services to help MSMEs embark on the sustainability transition. A brochure of the main conclusions of these conversations was published in November 2021.

Thank you to Anna Walkowiak, Simon Hutton and Anita Bezeau (BDC), Lolade Awogbade and Theresa Lawal (DBN), Dr. Kholod Ashgar, Turki Akrash and Ziad Alafaliq (SIDF), Romain Stańkę (Bpifrance), Mirva Salenius, Marjaana Vainio-Mattila, Hanna Alaläkkölä and Jukka-Pekka Holopainen (Finnvera), Rodrigo Tosta and Gabriel Aidar (BNDES), Luc Spronck (Sowalfin), Abdelmoumen Abdelmoughite (Tamwilcom), Laura Barrios y Natalia Santojo (Nafin).

**Special Events**

- **March 2021** – The Montreal Group hosted a private gathering with the CEOs of our member organizations and our Board of Directors. The dialogue focused on the Role of Public Banks in the Agenda 2030 and in mobilizing Sustainable Finance for MSMEs. Special guests included Eric Usher, Head of UNEP FI and Bertrand Piccard, Explorer and Founder of the Solar Impulse Foundation.
March 2021 - The Montreal Group’s CEO Gathering

We extend a special thank you to our top-tier leaders and distinguished guests:

Michael Denham, President and CEO, BDC
Michel Bergeron, Chief Strategy Officer, BDC
Jérôme Nycz, Executive Vice President, BDC Capital.
Gustavo Montezano, President, BNDES
Gabriel Ervilha, Head, Investors Relations, BNDES
Leonardo Botelho, Head of International Cooperation Department, BNDES
Nicolas Dufourcq, Director-General, Bpifrance
Pascal Lagarde, Executive Director, Bpifrance
Isabelle LEBO, Manager, International Partnerships, Bpifrance
Tony Okpanachi, Managing director / CEO, DBN
Bonaventure Okhaimo, Chief Operating Officer, DBN
Flavio Torres, Manager, International Finance Affairs, NAFIN
Juuso Heinila, Executive Vice President, SME Financing, Finnvera
Ibrahim Almojel, CEO, SIFD
Abdulaziz Al Zaid, CEO Advisor, SIFD
Jean-Pierre Di Bartolomeo, President, Sowalfin
Marie Depelssemaker, Advisor, Sowalfin
Hicham Zanati Serghini, Director General, Tamwilcom
Taoufiq Lahrach, Secretary-General, Tamwilcom
Abdelkhalek GLILLAH, Directeur, Resources and Systems, Tamwilcom
Judith Hartley, CEO, British Business Investments, British Patient Capital
Jan Klasen, Director, KFW
Bernhard Sagmeister, Managing Director, AWS
Mouza Al Nasri, CEO, Khalifa Fund
Bertrand Piccard, Initiator and Chairman, Solar Impulse Foundation.
Eric Usher, Head, UNEP Fi.
Layalee Ramahi, North America Network Coordinator, UNEP Fi
MU, Xiaobo, Analyst, BDC Capital
November 2021 - The Montreal Group celebrated Women Entrepreneurs’ Day with a panel in partnership with the **Agence Française de Développement** and **UN Women**, co-chairs of the Finance in Common Coalition’s initiative on **Gender Equality and Women Empowerment**.
OTHER ACTIVITIES

One-off benchmark calls
One-off benchmark calls are a special initiative where a closed-door session on a selected topic of interest is facilitated for members to exchange information and share concerns and questions with peers and external experts. Afterwards, members are encouraged to continue with the conversation on a bilateral basis.

In 2021, the following meetings took place:

- **International Expansion of SMEs** with representatives of BDC, Bpifrance, Finnvera and Sowalfin. A brochure with relevant initiatives offered and key figures of SME Exports was produced in October 2021. Thank you to Otto Lindstedt (Finnvera), Isabelle Lebo (Bpifrance), Jean-Pierre di Bartolomeo, Marie Depelssemaker and Nam Nguye (Sowalfin), William Polushin and Martin Wiedenhoff (BDC).

STRATEGIC ALLIANCES

Partnerships
Strategic partnerships with other public banks, similar associations, academic leaders, and international organizations are necessary to build back better the economy and to ensure global challenges are faced with solutions that support the MSME ecosystem. Committed to better serving our members’ clients, MSMEs in every corner of the world, The Montreal Group has actively reached out to key actors that are working towards supporting the sustained growth of SMEs and helping entrepreneurs or other organizations to embark on the sustainability journey.

This year, TMG directed its efforts to explore and reinforce partnerships with the following organizations:

- INSME
- SME Finance Forum
- UN Women
- AFD
- UNEP Finance Initiative

In 2021, TMG became a supporting institution of leading organizations promoting the net-zero and gender equality agendas.
- TMG became a supporting institution of the United Nations Environment Programme Finance Initiative (UNEP FI). UNEP FI is a partnership between UNEP and the global financial sector to mobilize private sector finance for sustainable development. It works with more than 100 supporting institutions, including TMG – to help create a financial sector that serves people and the planet while delivering positive impacts.
- TMG endorsed the UN Women’s Empowerment Principles (WEPs), a set of Principles offering guidance to businesses on how to promote gender equality and women’s empowerment in the workplace, marketplace and community.
- TMG endorsed the Paris Development Banks’ statement on Gender Equality and Women’s Empowerment. Signatories of this statement are Public Development Banks (PDBs) across the world that acknowledges that progress toward gender equality has yet been far too slow, bearing in mind that gender inequalities are a barrier to sustainable and inclusive development.
Our communications strategy keeps expanding to gain more visibility as a group in the sustainable finance arena and to highlight the incredible work our members are carrying out in their local ecosystems. Below are the main content, publications and tools developed in 2021 (links in red):

**Staying connected to our community**
- Our [Website](#) was revamped in May 2021, featuring a new section for [Events](#) and a much more modern look.
- Three [Community Newsletters](#), nine [Member’s Corner](#) Featured News and one [CEO Community Newsletter](#) were produced.
- Our [YouTube](#) channel keeps growing, available with the videos produced in 2020 and 2021, including the [2021 Recap & Highlights](#) video.

**Audiovisual content**

Videos containing a directory of best practices in non-financial support for SMEs in times of crisis were launched in June during the [Beyond Financial Support webinar](#), featuring:
- [Sowalfin 1890 Contact Centre](#) and Website, presented by [Marie Depelssemaker](#)
- [SIDF’s Leading Creative Transformation in Critical Times Program](#), presented by [Ahmed Abaqawi](#)
- [BDC’s Virtual Roundtables](#), presented by [Martin Sirois-Maheu](#)
CONTENT PRODUCTION & COMMUNICATIONS

- **NAFIN’s Business Coffees** presented by Natalia Santoyo) and,
- **DBN’s Technical Assistance Program** presented by Olanrewaju Oginni.

A coffee with … the Chief Economists is a series of video clips where The Secretariat interviews the Chief economists to learn more about their careers and their latest economic insights.

- In July we promoted the episode with Fabio Giambiagi, a passionate economist, professor and author working at BNDES.
  - **Meet Fabio Giambiagi**
  - **Fabio and his take on the social security reform in Brazil.**
  - **Covid and the Brazilian MSMEs**

- A second episode was launched in December with Joseph Nnanna and his strategic leadership in Research, M&E and sustainability.
  - **Meet Joseph Nnanna**
  - **MEAL (monitoring, evaluation and learning) in DBN**
  - **Covid and the Nigerian MSMEs**
The Montreal Group continued with its series of private interviews for the **Podcast: The Financial Leaders of Today**, hosted by Sandra Péloquin, Secretary General. The following six episodes were released in 2021:

- **Pascal Lagarde** and his active involvement in Serving the (French) Future
- **Ibrahim Almojel** and his integration of the Silicon Valley amplification culture into the Saudi transformation Agenda
- **Jean-Pierre Di Bartolomeo**: A close guidance of Walloon entrepreneurs
- **Juuso Heinilä**: Working every day to make entrepreneurial dreams come true
- **Tony Okpanachi**: Leading a bank with sustainability at its core
- **Gustavo Montezano**: Financing Brazil to monetize its natural capital and reduce social gaps
Publications

- **New study**: [Non-financial support for SMEs in Times of Crisis](#), mapping out the main responses carried out by TMG members, providing a directory of best practices from the perspective of development bank experts.

- Following the one-off benchmark conversation about the **International Expansion of SMEs**, TMG [produced a brochure](#) with good practices carried out by our members.

- The second article on **Beyond Financial Support** was launched to explore how BDC’s Advisory Services acts as the trusted ally of Canadian entrepreneurs in the crisis and post-crisis period. The article featured [Anita Bezeau, VP Client Delivery](#).
TMG is about facing together the challenges of tomorrow

“La valeur ajouté du Groupe de Montréal (GdM) est l’échange des bonnes pratiques. Sowalfin a besoin de partager et de s’inspirer sur des partenaires ailleurs. Le GdM permet d’accéder aux outils innovateurs provenant d’autres coins du monde afin d’innover notre modèle et d’offrir des meilleurs services aux entrepreneurs. C’est un forum d’Inspiration qui nous permet de confronter tous ensemble les enjeux du demain, que ce soit la transition énergétique ou sociale, et de faire développer une croissance économique en respectant les êtres humains et la planète.”

Jean-Pierre Di Bartolomeo, Chairman, Sowalfin

TMG is about speaking the same language

“The CEO Gathering was an incredible opportunity to network and learn from each other. I loved discovering that despite being in different countries, we were all facing similar challenges. It was as if for the first time, we were all speaking the same language. It was great having people sharing their experiences (related to carbon emissions, gender et.) and brainstorming how do we deal with these global key issues. The special guests (Bertrand Piccard and Eric Usher) showed there are endless possibilities and opportunities for our banks to play in the sphere.”

Anthony Okpanachi, Managing Director/CEO, DBN

TMG is about collaborating to better support MSMEs

“As a group of banks operating under different economic and cultural scenarios, it is very important to have a reliable exchange of practices. With new finance practices being implemented in our countries, it is our duty to share our knowledge and experience on issues with our peers. The close collaboration is really useful and adds a lot of value because TMG brings into one single table 11 unique perspectives on different topics to help strengthen the design of products to support MSMEs (our main target).”

Iván Cornejo, Director, NAFIN
The Montreal Group is a global forum for development banks focused on micro, small and medium-sized enterprises (MSME).
It is a not-for-profit organization that was founded in 2012 to promote international cooperation, mutual learning and exchange of technical expertise among its members.

As of December 2021, the 10 members are:
BDC (Canada), BNDES (Brazil), Bpifrance (France), CDB (China), DBN (Nigeria), Finnvera (Finland), Nafin (Mexico), SIDF (Kingdom of Saudi Arabia), SOWALFIN (Belgium) and Tamwilcom (Morocco).

Sandra D. Péloquin
Secretary General | Secrétaire générale

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