

# ADA, an expert in inclusive finance

Annual Report 2024





ADA,  
*a driver of progress for a  
more INCLUSIVE and  
SUSTAINABLE world.*

Editorial

## 2024: tangible progress for the benefit of vulnerable populations



*2024 marked an important milestone for our organisation with strengthened momentum and accelerated programmes in the field. More than 290 000 new beneficiaries received support during this period, nearly half of whom were women. Their economic and social empowerment remains at the heart of our mission, because supporting women means having an impact on an entire community and bringing about lasting change.*

*Between 2022 and 2024 ADA supported more than 930 000 vulnerable people. This shows the tangible and lasting impact of our commitment.*





**Thirty years of commitment,  
thirty years of progress**

This year also marked ADA's 30<sup>th</sup> anniversary. Three decades of commitment guided by a deep conviction: to make inclusive finance not just a tool, but also a driver of autonomy, resilience and sustainable development. Since its creation under the visionary leadership of its founder Mia Adams, ADA has supported local financial institutions and beneficiaries in the field, empowering everyone to take control of their future and that of their community. This anniversary was therefore an opportunity to reaffirm our ambition for the future: for while the ground covered so far is evidence of solid progress, the potential of inclusive finance remains immense. More than ever, these 30 years are a springboard for us to unlock new opportunities for impact.

**Innovating to meet needs**

2024 was a year of innovation. The EVER programme, which focuses on access to green energy, entered a new phase and established itself as a driving force for empowerment in rural areas of Africa, where access to electricity remains a need that must be met in a sustainable way. Furthermore, the launch of the ICFI (Inclusive Climate Finance Initiative) programme in Asia – now being extended to Central America – embodies our commitment to providing tailored financing solutions to support vulnerable populations in adapting to climate change.

**Reducing the economic  
vulnerability of vulnerable  
populations**

We also implemented activities to preserve forests and promote sustainable practices to adapt to climate change. As well as strengthening the resilience of communities facing environmental challenges, these activities play an essential role in reducing their economic vulnerability. Strengthening resilience to climate change means protecting livelihoods, securing stable sources of income and paving the way for sustainable development. These commitments testify to our ability to meet today's challenges while preparing a better future for generations to come.

**Strengthening partnerships  
to amplify impact**

We stepped up our collaboration with LuxDev, illustrating the importance of cooperation between development actors. We pooled our expertise and created synergies that increased the scope and effectiveness of our actions.

**Investing differently**

In terms of investment, 2024 was a pivotal year for FIT, which approved additional investments in six innovative entities with high impact potential. Faced with an increasingly demanding regulatory environment, our advisory activities for LMDF were adapted and strengthened, with the constant aim of supporting change in the field in a responsible and sustainable way.

**Building a more inclusive  
future together**

This progress would not have been possible without the dedication of our teams, our partners and all those who share our vision. Thanks to their contribution, we proved that innovation also means expanding development opportunities and multiplying solutions for a fairer world. Together, let's keep up the momentum to build a future where everyone, especially women and vulnerable populations, can realise their full potential and contribute to a more resilient and inclusive world.



**Laura Foschi**  
Executive Director, ADA



**Patrick Losch**  
Chairman of the  
Board of Directors, ADA

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# What we do

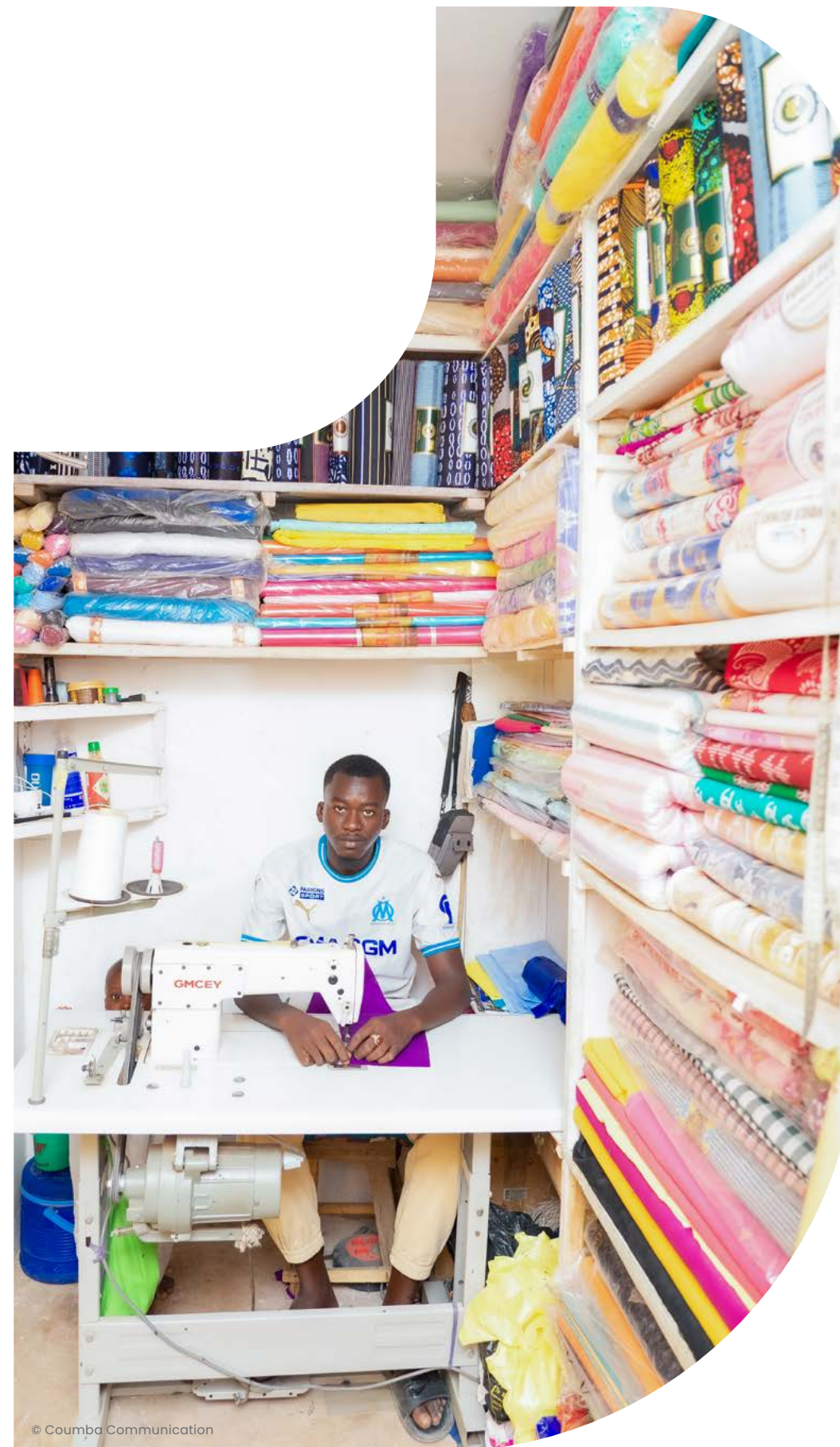
In 2024, ADA continued to foster inclusive and sustainable finance by leveraging diverse partnerships, strengthening the capacities of financial institutions and supporting the development of innovative solutions. With a particular focus on social and environmental impact and innovation, ADA's activities to reduce the economic vulnerability of target populations range from direct support to institutions to revitalising sectors.

## Identifying and facilitating partnerships

To achieve its objectives, ADA relies on close collaboration with a wide range of partner organisations as part of its technical support programmes and projects. In 2024, this number of partnerships increased with 330 beneficiary organisations receiving support (compared with 229 in 2023). While microfinance institutions (MFIs) now account for only 31% of the total, the proportion of SMEs and producer organisations is increasing significantly. Africa remains the main area of intervention (68% of partners), but ADA is also active in other regions (notably Central America and South-East Asia) to roll out its programmes.

## Capacity building and development of tailored solutions

ADA supports partner organisations in two ways: internal capacity building (risk management, financial management, operations, environmental performance, project management) and the development of solutions tailored to the needs of target populations. In 2024, 69% of the supported organisations were assisted in strengthening their internal capacities, and 66% in providing solutions to end beneficiaries. These solutions cover a wide range of areas: financial services (agricultural credit, insurance), support services (financial education, entrepreneurship support), market access (brand or label creation, marketing strategy) and access to energy.



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## Facilitating links with investors

The investment advisory services provided by ADA' teams improved access to financing for the 45 micro-finance institutions that made up LMDF's portfolio at the end of 2024, reaching €42.4 million at year-end, with €15 million disbursed between January and December. Six new high social impact partners were supported by FIT, bringing the portfolio to €2.6 million, with investments targeting access to clean energy, agricultural value chains and youth entrepreneurship in particular. ADA is also mobilising nine impact investment fund managers through SSNUP, thereby strengthening links between inclusive finance actors and impact investors in the agricultural sector.

## Revitalising and strengthening sectors and institutions

ADA goes beyond direct support by revitalising the inclusive finance sector in several countries (Rwanda, Benin, Cabo Verde, Tunisia, Mali, Laos) in collaboration with LuxDev and other partners. ADA supports institutions in developing tailored services and promoting transparency, accountability and client protection.

## Integration of three transversal topics into the implemented programmes

ADA considers three transversal topics in all its activities to make them more relevant and impactful:

- **Climate change:** promotion of low-carbon equipment, climate-smart and agro-ecological practices, as well as of adaptation solutions such as index-based agricultural insurance.
- **Gender:** support for the development of specific solutions for women, particularly in agricultural value chains.
- **Digitalisation:** support for the digitalisation of financial services and capacity building.

# Key figures 2024

## New beneficiaries



## Support for partners

**Financing**

**54** organisations

including 45 MFIs via LMDF with a portfolio of €42.4 million and 9 organisations via FIT with a portfolio of €2.6 million at the end of December 2024

**Technical support**

**330** organisations

benefited from technical support to develop their internal capacities or tailored solutions for target populations

**Sectoral support**

**6** countries

in which ADA is boosting and strengthening the inclusive finance sector in collaboration with institutional actors

## Resources

**€14.2**  
million of expenditure  
in 2024

**60 employees**  
including 13 consultants based  
in the countries where we operate

# ADA's contribution to the Sustainable Development Goals (SDGs)

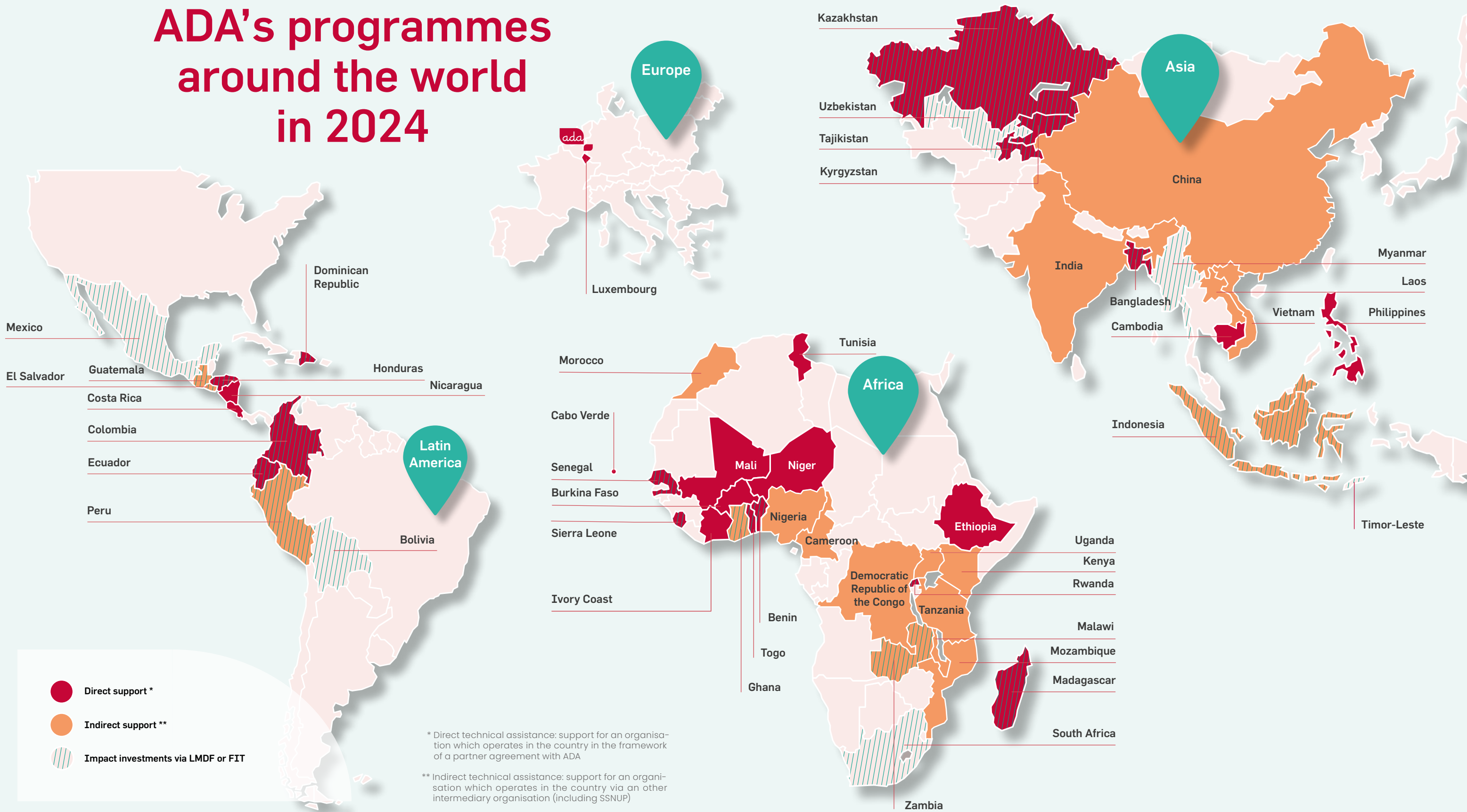
ADA leverages inclusive finance, its main area of expertise, to contribute to achieving the Sustainable Development Goals (SDGs) and to address the needs of vulnerable populations.



Browse ADA's contribution to achieving eleven SDGs and their specific sub-targets in 2024 by scanning the QR code



# ADA's programmes around the world in 2024



# Tailored financial products for smallholder farmers and small-scale forest owners

ADA strives to improve the livelihoods of smallholder farmers and small-scale forest owners through increased productivity as well as facilitated access to markets and financial services tailored to their specific needs.

To this end, ADA connects value chain actors and assists partner organisations in developing tailored, sustainable products and services.

Crop yields are expected to decline in the coming years due to deteriorating climatic conditions as well as land and environmental degradation. Farmers, forest owners and other actors in agricultural, agri-food and forestry value chains in developing countries therefore need access to appropriate financial services to implement more sustainable farming methods to strengthen their resilience and contribute to overall food security.

However, many financial institutions lack the resources and tools for managing agricultural and forestry loans, making it difficult for farmers and forest owners to obtain financing to improve their production practices and access new markets.

## Threefold support

ADA's support for small-scale producers is threefold. Firstly, ADA puts in place technical assistance projects with local partners that support farmers in increasing their productivity and sustainability. Secondly, ADA strives to develop agricultural and forestry financing services with micro-finance institutions (MFIs) and impact investors, mainly to facilitate farmers' and forest owners' access to financing. Thirdly, ADA strengthens the links between different value chain actors to facilitate market access for farmers, forest owners and processors.

Most projects aim to introduce sustainable production practices to strengthen the resilience of farmers to the adverse effects of climate change, reduce greenhouse gas emissions and to counteract land degradation, the overexploitation of natural resources as well as biodiversity loss.

This support is complemented by specific initiatives, such as the digitisation of agricultural loans (Togo, Burkina Faso, Laos) and the consideration of women's specific needs in agricultural value chains. For example, a pilot project carried out with Lady Agri in Togo and a project with CIFOR-ICRAF in Rwanda actively involve women in agroforestry initiatives, thereby contributing to a more inclusive and sustainable approach.

## Strengthening value chains

Despite the crucial importance of the agricultural and forestry sectors for the livelihood of smallholders, food security and environmental protection, their development is stifled from being underserved by financial institutions and due to a lack of structured value chains.

To address these structural deficiencies, ADA is striving to connect different actors in agricultural and forestry value chains, from producers and transformers to service providers and wholesale buyers. This value chain approach combines innovative technical capacity building (including for climate-change resilient practices) with access to markets and tailored financing. It is being implemented via the following programmes.

## Tailored support for forestry value chains

Small forest owners and smallholder farmers applying agroforestry methods require a tailored approach as they often face longer production cycles and thus have longer-term financing requirements than conventional farmers.

Under its recently implemented forestry programme, ADA therefore strives to strengthen forestry and agroforestry value chain actors such as forest owners and wood-processing enterprises through tailored capacity building, financing and market access.

In 2024, after a successful pilot project with the Guatemalan producer association Tikonel, ADA implemented a multiannual project to strengthen the forestry value chain in the western highlands of Guatemala. The project supported 155 forest owners in managing their forests sustainably with a view to gaining a fair income afterwards by supplying wood trans-

forming companies with quality products. In addition, 14 wood transforming SMEs were provided with entrepreneurial training.

At the same time, a new partnership agreement was signed with the Asocuch association to enable access to markets and financing for forest owners.

In Rwanda, ADA is supporting the MFI Inkunga Finance in developing tailored short and medium-term loans for farmers who wish to diversify their income through agroforestry by planting trees for timber, biomass and fruit. In addition, loans were made available for wholesalers, retailers and carpenters to finance bulk purchases and stocks of timber products such as poles and sawn timber. The project is being implemented in partnership with the CIFOR-ICRAF research centre (Center for International Forestry Research - World Agroforestry) and will be extended to two other districts in the Western Province of Rwanda in collaboration with the Luxembourgish Development Agency LuxDev.





**SSNUP: a smallholder farmer support programme coordinated by ADA**

SSNUP (Smallholder Safety Net Upscaling Programme) aims at increasing the productivity and resilience of smallholder farmers in Africa, Latin America and Asia. SSNUP co-finances technical assistance projects that support smallholder farmers and value chain actors such as SMEs, agricultural cooperatives, MFIs and other agricultural financial intermediaries. These projects range from developing index insurance to promoting market access solutions and climate-change resilient and agro-ecological farming.

Launched in 2020, the programme targets agricultural value chains in which impact investors (AgDevCo, Alterfin, Bamboo Capital Partners, Grameen Crédit Agricole Foundation, Incofin, Oikocredit, responsAbility, SIDI and Symbiotics) and their technical assistance facilities are already active.

**F2.0 : Profits go towards sustaining cooperatives**

*“From the very first year, the F2.0 programme enabled us to generate profits. For example, we resold our members’ produce after two months at a profit. Some of the money was used to strengthen the functioning of our cooperative’s member groups.”*

**Salla Ba**, president of the Gainte Kaye cooperative in the Kaolack region, participates in the F2.0 programme in Senegal



© ADA

As the targeted investees are part of the portfolio of impact investors or among their prospects, project financing is streamlined and investments made by the partners can be de-risked. While SSNUP is supported by the governments of Luxembourg, Switzerland and Liechtenstein, ADA coordinates the programme and ensures knowledge sharing and the dissemination of best practices. In 2024, 32 projects were approved in support of 40 beneficiary organisations.

**Farmer 2.0: improving access to financing and markets for smallholder farmers**

To address the underfunding of smallholder farmers, ADA launched the Farmer 2.0 programme in 2020. This initiative facilitates links between agricultural value chain actors and improves access to finance through a digital platform.

The programme is mainly being implemented in Senegal. The programme is unique in that it covers the entire annual crop production cycle, linking production and commercialisation loans for the benefit of smallholder farmers, cooperatives and MFIs. F2.0 supports maize, groundnut, millet and cowpea – among the main staple crops in Senegal.

In 2024, F2.0 provided €2.1 million in loans to over 7,000 farmers. In 2024, activities in Ethiopia were reduced due to deteriorating security. In Senegal, discussions are underway with partner MFIs to create an independent and sustainable entity serving producer organisations and farmers to ensure the services put in place by the programme remain available in the long term.

**Climate-resilient agriculture (ARCC): new activities in Togo and Benin**

Togo and Benin are among the most vulnerable countries to climate change, resulting in declining agricultural yields, soil degradation and the depletion of natural resources. At the same time, smallholder farmers have limited access to finance. ADA therefore launched new projects in Togo and Benin in 2024 to increase the resilience of vulnerable farmers dependent on rainfed agriculture.

ARCC supports producers in their transition to sustainable agricultural systems by combining financial support and technical assistance in partnership with MFIs, training centres, agricultural service providers and farmers’ organisations.

The programme has two components: the development of financial products to help smallholders adapt to climatic conditions, as well as technical assistance in the form of training sessions, demonstration fields and the implementation of innovative and sustainable agricultural practices.

The project in Togo will research and develop sustainable maize cultivation methods in the Plateaux region and then define a methodology to implement these best practices more broadly. This will be done in collaboration with the MFI FUCEC which will accompany the technical assistance with newly developed financial solutions. In Benin, ADA is running a project until 2026 to implement financing solutions that strengthen the resilience of smallholders in the soy bean value chain in collaboration with four MFIs.





### ICFI: unlocking climate finance for vulnerable populations

ADA's Inclusive Climate Finance Initiative (ICFI) strives to channel international climate finance to the people who need it most. To this end, the programme will aim to both increase the supply of financing on the one hand and to facilitate the adaptation of vulnerable populations to the effects of climate change on the other hand. ICFI is being implemented through regional projects in Asia and Fiji as well as in Central America and the Dominican Republic with international and local partners. The scope of the programme was defined in 2024 and key partners were onboarded in preparation of the implementing phase which will start in 2025.



*ADA supports smallholder farmers and small-scale forest owners by connecting them with other actors in the agricultural and forestry value chains and facilitating their access to markets as well as to tailored and sustainable financing.*

### Key figures 2024

244	<b>supported partner organisations</b> (187 via the SSNUP programme)
156 030	<b>beneficiaries,</b> including:
19 019	<b>beneficiaries</b> of agricultural loans
79 833	<b>producers</b> provided with financial training
97 803	<b>producers</b> trained in good agricultural practices
2 311	<b>beneficiaries</b> trained in good forestry practices
16 820	<b>producers</b> received free trade, organic or other certifications

### Contribution to the SDGs



**TARGET 2.3:**  
Improved agricultural productivity and income of small producers, including through access to financial services



**TARGET 2.4:**  
Adopting productive, sustainable and resilient farming practices



**TARGET 8.10:**  
Capacity building of financial institutions

**TARGET 15.1:**  
Sustainable use of terrestrial and freshwater ecosystems

**TARGET 15.2:**  
Sustainable forest management



# Promoting the socio-professional integration of young people

Faced with the challenges of youth employment and the climate transition, ADA is focusing on small and medium-sized enterprises (SMEs) as a driver of inclusive and sustainable development.

The organisation focuses its support on SMEs run by young people, those that employ them, and companies active in green sectors, providing them with comprehensive support: personalised coaching, tailored management tools and access to flexible financing.



In 2024, the organisation stepped up its commitment to SMEs contributing to the socio-professional integration of young people, whether they are businesses run by young people or providing employment opportunities for them, with a particular focus on green sectors.

## YES-FI: an innovative initiative for youth entrepreneurship

Launched in 2020, the YES-FI (Young Entrepreneurs Sustainable Financing Initiative) programme has enabled the testing of an innovative financing mechanism for young entrepreneurs.

This programme, which is funded by Generali Investments Luxembourg, offers two complementary forms of support: on the one hand, loans ranging from €5 000 to €50 000 with repayments in proportion to the

income generated by the entrepreneurial activity; on the other hand, structured non-financial support focused on management, investment readiness and facilitating access to markets.

Following an in-depth evaluation, the approach was adjusted in 2024 to better meet the specific needs of young entrepreneurs. For example, ADA provided its partner incubators with additional support in monitoring financing and its impact on business performance. The adjustments enabled 27 entrepreneurs to access financing in 2024, compared with 22 in 2023. The total amount of funding granted to entrepreneurs in 2024 was approximately €828 000. Thanks to FIT (Financing Innovation Tool) funding in December 2023, Devela, YES-FI's partner in Guatemala, was able to expand its portfolio of impact entrepreneurs, including young entrepreneurs, in 2024.

## Supporting the business growth of young chocolate makers in Guatemala

The three young Matute brothers have their own brand of premium chocolate and offer chocolate processing and branding services to other producers.

In 2021, they obtained a \$50 000 loan through a local financing mechanism under the YES-FI programme to finance the purchase of new machinery. Since then, their business has enjoyed steady growth, with a sustained increase in both sales and staff numbers.

*"We were delighted with the process because it was very quick and we didn't have to provide any collateral. The amount was manageable and didn't involve taking on too much risk."*

**Pablo Matute**, young chocolate maker in Guatemala, benefited from the YES-FI mechanism via the partner organisation Devela.



**A broader approach to supporting SMEs**

Always guided by a focus on impact, ADA adjusted its strategy in 2024 by extending its support to more mature businesses. This change has a dual objective: promoting the creation of sustainable jobs and strengthening the entrepreneurial ecosystem, particularly for the benefit of young people. Focusing on the ability of SMEs to generate decent jobs and establish lasting business relationships with young micro-entrepreneurs helps to accelerate local economic transformation.

**Launch of the 'Young People and Green Jobs' project in Senegal**

In response to the dual challenges of youth unemployment and ecological transition in Africa, ADA launched the 'Young People and Green Jobs' project in Senegal at the end of 2024. This innovative initiative aims to support local green SMEs or those committed to greening their activities, while creating job opportunities for young people under the age of 35.

Building on the lessons learned from its previous projects, ADA is adopting an integrated approach: on the one hand, supporting SMEs in improving their environmental performance; on the other, strengthening micro-entrepreneurs upstream and downstream of these SMEs so that they become reliable partners, capable of leveraging the economic opportunities offered by the green transition.

**New initiative in Rwanda with the KIFC project**

ADA launched an initiative in Rwanda as part of LuxDev's 'Support to the Development of Kigali International Finance Centre (KIFC)' project to facilitate access to finance for 200 Rwandan SMEs. The focus is on assessing training needs for investment readiness, identifying financial institutions capable of offering products tailored to the needs of entrepreneurs - particularly young people and women - and conducting a market study of impact SMEs in Rwanda.

**Pilot projects in support of youth entrepreneurship**

A prospecting programme seeks to strengthen activities that promote youth entrepreneurship by identifying partners and finding targeted solutions. In 2024, four new pilot projects were launched. For example, in Burkina Faso, ADA initiated a project with the SME La Bicyclette, which aims to increase the profitability of poultry farmers and their market access through sales outlets and catering facilities run by young people. ADA is currently testing solutions that go beyond vocational training to include management tools such as digital accounting solutions, as in the pilot project carried out with the Ozé fintech in Rwanda.



Burkina Ecole Tech, a company supported by the incubator la Fabrique, produces environmentally friendly charcoal.

© La Fabrique

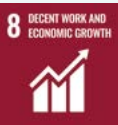
**Key figures 2024**

**827 874** euros in funding granted to 27 entrepreneurs under the YES-FI programme

**1 035** jobs created and/or maintained thanks to the YES-FI programme

**475** small and micro-enterprises benefited from capacity-building services made available by ADA under the prospecting programme

**Contribution to the SDGs**



**TARGET 4.4:**  
Strengthening the skills needed for employment and entrepreneurship

**TARGET 8.3:**  
Develop the economy, support the creation of decent jobs and promote entrepreneurship

**TARGET 8.10:**  
Capacity building of financial institutions and access to financial services

**TARGET 9.3:**  
Access for small businesses to financial services and integration into value chains

**Key message: ADA supports SMEs that promote the social and professional integration of young people and are committed to environmental protection by providing them with comprehensive support for inclusive and sustainable development.**



# Improving access to energy and water in rural areas

ADA supports entrepreneurs in rural areas by facilitating their access to green energy supplied by solar mini-grids, thereby enabling them to develop income-generating activities.

At the same time, ADA helps improve living conditions for households by promoting lasting access to energy and water.

The launch of the Green Energy for Rural Development (EVER) programme in 2024 was an important milestone in ADA's approach to rendering basic services accessible. The overall aim is to improve the quality of life of vulnerable populations by guaranteeing them reliable energy services while promoting their economic inclusion.

ADA supplies green energy solutions for domestic use, but above all for productive use as a driver of local economic development.

## The EVER programme: a driver of rural development

The EVER programme embodies this new strategy. Rather than simply electrifying villages via solar mini-grids, it aims to structure entire ecosystems around energy by supporting rural

entrepreneurship, facilitating access to finance and tailored equipment, and creating sustainable business models. This integrated approach maximises the social impact of rural electrification while promoting the profitability of investments in solar mini-grids.

Another notable development is the introduction of innovative financial tools such as the results-based financing mechanism. This scheme encourages microfinance institutions to finance productive energy projects, despite the perceived risks. Currently being rolled out in Senegal and Benin, it aims to offer financial solutions to entrepreneurs in rural areas to acquire tailored equipment and strengthen financial inclusion.

## Senegal - The project with COSEER delivers its first results

In Senegal, ADA has consolidated a strategic partnership with the operator COSEER, which operates 60 mini-grids in the Matam and Tambacounda regions. Thanks to this partnership, 977 households and entrepreneurs were provided with electricity in 2024. A network of advisory agents has been set up to promote productive equipment and to explain how to use them. At the same time, entrepreneurial support services are being offered in collaboration with Mercy Corps to support high-potential young people.

## A mill simplifies the daily life of villagers

Thanks to the support of COSEER agents, the Toulé Kédé village youth group, which is active in agriculture, was able to acquire a mill. This equipment now enables them to process cereals independently and to generate additional income. Beyond the group itself, this initiative benefits the entire community by facilitating access to locally produced flour.

*"The acquisition of the mill has improved living conditions for our community. Before, the women of the village had to walk 14 km to grind their grain at the nearest mill."*

President of the Toulé Kédé youth group



Finally, FIT funding has enabled COSEER to order 3,200 meters to increase the number of people connected in rural areas.

## Benin - Rollout with ARESS

A three-year partnership with the operator ARESS began in January 2024. A key player in the renewable energy sector in Benin, ARESS operates 12 solar mini-grids in rural areas. ADA is working with this operator to roll out a strategy that promotes productive energy use in newly electrified villages, combining access to conventional equipment, support for rural entrepreneurs and easier access to finance.

## Mali and Senegal - New partnerships

At the same time, two projects have been launched with Green Biz Africa (Mali) and Plateforme Énergétique (Senegal), focusing on access to energy for very small businesses. The aim is to strengthen their institutional structure and encourage the use of green equipment, with a view to achieving economic and environmental impact.



Rural electrification in Senegal. © ADA



Strategic impact

ADA's approach goes beyond simply implementing the EVER programme. The organisation also carries out transversal activities that contribute to strategic thinking and strengthening partnerships in the renewable energy sector. For example, its membership of the Alliance for Rural Electrification network promotes better coordination with other international players and supports innovation, notably through its sponsorship of the Energy Access Investment Forum. In addition, ADA has launched the development of a "Mini-grid Factsheet" to help operators showcase their technical and financial performance to investors.

WASH prospecting:  
a preparatory phase

In 2024, ADA began exploring WASH (water, sanitation and hygiene) topics in relation to renewable energy in vulnerable rural areas, particularly in Guatemala and Senegal. The aim is to identify tailored solutions to improve access to drinking water, hygiene and sanitation, particularly in the education and health sectors.

Pilot projects have been completed with the MFI Chamroeun and Water for People, and the lessons learned will be used to guide further action.



ADA participates in the Energy Access Investment Forum conference organised by the Alliance for Rural Electrification in 2024. © ADA.



The ADA and COSEER teams in Bakel, Senegal. © ADA.

ADA is committed to making access to basic services a lever for rural development by supporting income-generating activities and strengthening the financial inclusion of rural communities.

Key figures 2024

9 850	beneficiaries of at least one type of service related to access to basic services (including financial services and support)
9 574	beneficiaries with access to energy or water
1 148	beneficiaries of financial services
276	beneficiaries of capacity-building services

Contribution to the SDGs



- TARGET 1.4: Access to basic services, including microfinance
- TARGET 1.5: Strengthening resilience among vulnerable people
- TARGET 6.1: Access to drinking water
- TARGET 7.1: Access to clean energy
- TARGET 7.2: Access to renewable energy
- TARGET 8.10: Capacity building of financial institutions and access to financial services



# Supporting efforts to strengthen the inclusive finance sector

ADA strengthens the inclusive finance sector and supports the national financial inclusion strategies of the Luxembourg Development Cooperation's partner countries.

ADA provides support to local institutions such as ministries, public funds and central banks to promote transparency, accountability and client protection.

In 2024, ADA continued to support sectoral financial inclusion initiatives through five major projects in Africa and Asia, in partnership with national public institutions. These actions helped to better structure ecosystems, strengthen institutional capacities and promote sustainable financial inclusion tailored to local needs.

## Tunisia

In Tunisia, the financial inclusion support project (2019–2024) delivered concrete results. It strengthened the capacities of national authorities in the field of inclusive finance, thereby helping to increase access to financial services for the Tunisian population.

In particular, the project raised awareness of financial education among certain categories of the population

and the general public, improved the protection of MFI clients and created a new micro-insurance product tailored to the needs of micro-enterprises. It also laid the foundations for the creation of a refinancing fund for MFIs, aimed at broadening financial inclusion in the country.

## Benin

In Benin, the 'Inclusive and innovative finance' programme, run in collaboration with LuxDev, was launched in 2024 to strengthen the inclusive finance sector as a whole. Four MFIs were selected to offer products tailored to the needs of farmers affected by climate change. Public institutions were also supported to improve their supervision, monitoring and financing of local financial institutions.

## Cabo Verde

As part of the PADFI III programme (2021–2025) in Cabo Verde, a number of MFIs have begun to modernise their tools and connect to a national system to better monitor loans and prevent over-indebtedness. A major survey was carried out to better understand who has access to financial services in the country. New financial products, particularly for young people and farmers, are being developed.

## Mali

Despite practical challenges linked to the security situation, ADA was able to help local authorities in two regions of Mali to create a joint guarantee scheme to finance agricultural projects. Training courses were organised for local partners, and technical and

*ADA promotes the creation of favourable conditions for financial inclusion by working with all stakeholders at all levels of the ecosystem.*

economic data sheets were produced on 11 agricultural sectors to provide better support for young farmers.

## Laos

126 village funds were supported in Laos where ADA has been working with LuxDev since 2019 to strengthen the financial inclusion of rural populations. These funds received advice and training to help them manage their funds more effectively. A pilot project was also launched to integrate them in local financial institutions to offer more services to people living in rural areas.

## Key figures 2024

**26** partner organisations supported

**3 500** women benefited from financial education in Tunisia

**432** beneficiaries of financial services in Laos

## Contribution to the SDGs



**TARGET 17.9:**  
Capacity building and support of national plans in developing countries



Guide published by ADA and the Observatoire de l'inclusion financière as part of financial education activities in Tunisia



# ADA as an investment advisor for LMDF and FIT



ADA has a dedicated investment advisory team that identifies, analyses and monitors impact investments for the Luxembourg Microfinance and Development Fund (LMDF) and the Financing Innovation Tool (FIT). While LMDF is a fully fledged impact investment fund, FIT is a societal impact company (SIS) that offers longer term, higher risk funding to a broader range of investees under a donate to invest concept. Returns are fully reinvested in new social impact projects without any profit for the donors.

## ADA as the LMDF investment advisor

ADA prospects, analyses and selects microfinance institutions (MFIs) with profiles sought by LMDF. In certain cases, ADA also provides training and technical assistance to optimise their financial and social performance.

LMDF invests primarily in Tier 2 and 3 MFIs which have a proven business model, have reached or are close to reaching financial sustainability and have a strong social vision and mission to create a positive impact for their clients. LMDF's portfolio included 45 MFIs in late 2024.

ADA also supports the definition of the fund's investment strategy. In 2024, ADA started a strategic review of the fund to improve and measure its intended impact and to open to a broader set of impact investees. This process will continue in 2025.

## ADA as the FIT investment advisor

To meet the flexible and risky financing needs of certain partners, ADA set up the Financing Innovation Tool (FIT) together with the Directorate for Development Cooperation and Humanitarian Affairs of the Ministry of Foreign and European Affairs, Defence, Development Cooperation and Foreign Trade.

ADA prospects innovative and impact-oriented SMEs, financial service providers and business support organisations with a strong social mission in developing countries for its investment pipeline. In 2024, the Financing Innovation Tool (FIT) supported six entities with investments that mainly target access to clean energy, agricultural value chains and entrepreneurship amongst young people.



*As an impact investment adviser to LMDF (Luxembourg Microfinance and Development Fund) and the Financing Innovation Tool (FIT), ADA prospects, selects and analyses innovative entities with a strong social impact.*

## WIC: holistic support for women entrepreneurs in West Africa

The Women's Investment Club (WIC) in Senegal provides innovative financing for women and promotes women's leadership and entrepreneurship. FIT was the first commercial investor in WIC. The loan will enable WIC to support additional women-led businesses in West Africa.

*'Thanks to the WIC activities and exchanges, I have seen a significant improvement in my communication and management skills. Access to a rich network and relevant resources has also enabled me to launch my own projects.'*

Korka SALL,  
translator and interpreter, WIC member

## Key figures 2024

### LMDF

**15** million euros disbursed to 17 MFIs via LMDF in 2024

**45** MFIs with 42.4 million euros outstanding in the LMDF portfolio at the end of 2024

**22** MFIs in LMDF's portfolio received technical support from ADA

### FIT

**1,65** million euros disbursed in 2024 by FIT to 5 investees supporting women and youth entrepreneurship, as well as access to education and energy

**6** institutions in the FIT portfolio with 2.6 million euros outstanding at the end of 2024



Visit the FIT website for further information

## Contribution to the SDGs



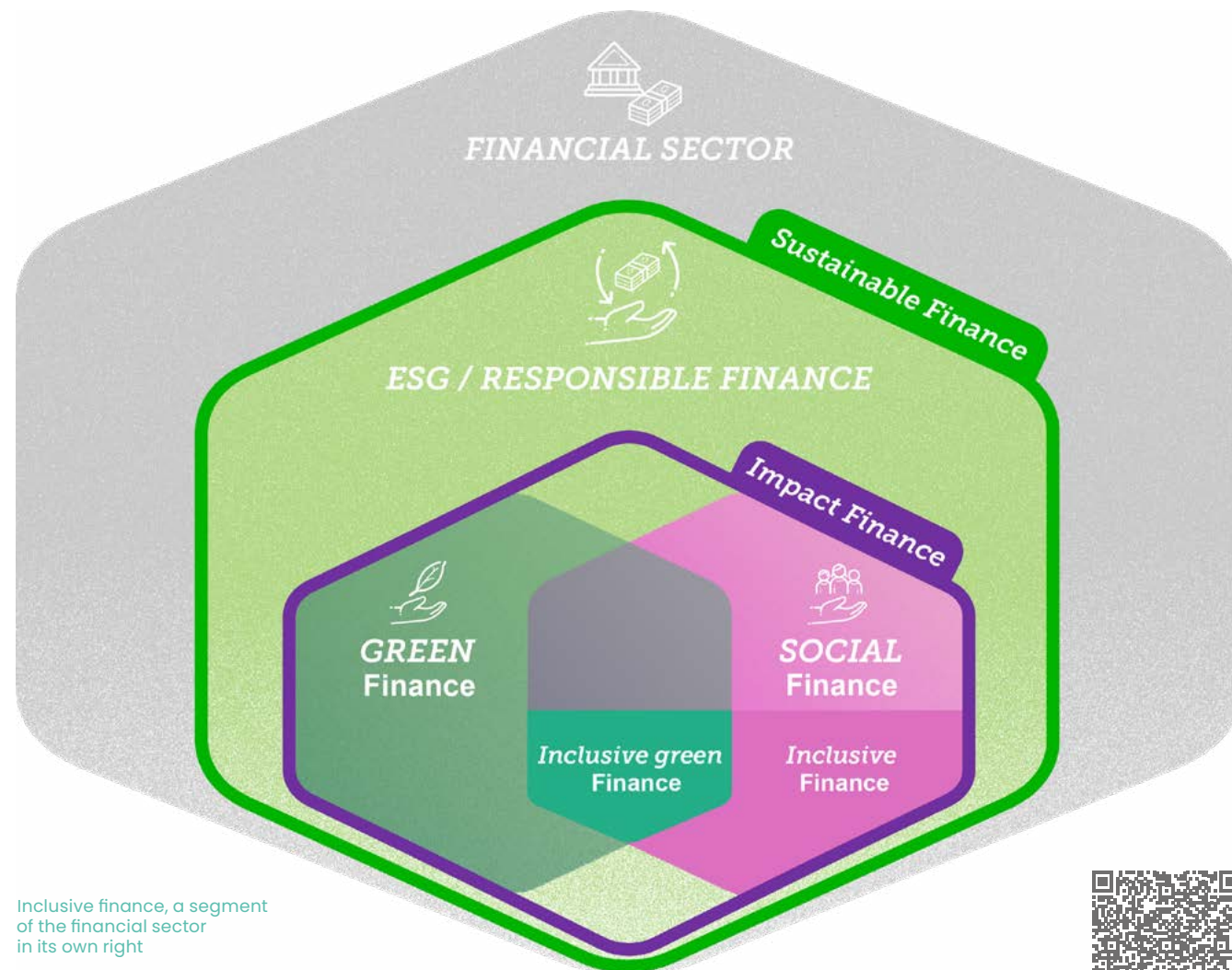
**TARGET 17.3:**  
Mobilising financial resources for developing countries

**TARGET 17.5:**  
Promoting investments in least developed countries



# Continuous improvement through knowledge management

ADA accumulates and produces knowledge and shares its project experience and lessons learnt, both internally and through publications and presentations at dedicated events. The Knowledge Management team carries out evaluations and identifies best practices to continuously improve the impact and effectiveness of ADA's activities.



Inclusive finance, a segment of the financial sector in its own right

Scan the QR code to access the document presenting inclusive finance as an essential channel for creating a positive impact with sustainable finance

The Knowledge Management team follows up selected projects that represent ADA's key areas of focus. To identify the lessons learnt, the team collects data directly in the field from the various stakeholders, including from partner organisations and final beneficiaries. This direct interaction with all those involved in a project is essential for putting the project results into context, gaining a holistic overview of all perspectives, and thus ensuring the continuous improvement of ADA's interventions.

## Example: index-linked agricultural insurance

For example, in 2024, the Knowledge Management team analysed the results of index-based agricultural insurance projects to understand the advantages and disadvantages of different types of indexes.

Index insurance automatically compensates farmers in the event of adverse weather conditions based on objective data such as rainfall or temperature, without the need to assess losses on each individual farm.

The Knowledge Management team found that the channels chosen for distributing the insurance play a key role and must be diversified, and that it is important to not only raise awareness of the benefits of insurance among potential customers but also among distributors.

## Inclusive finance, a segment in its own right within the financial sector

To mark ADA's 30th anniversary, the Knowledge Management team published a document that positions inclusive finance within the broader financial sector and emphasises its role in channelling sustainable finance flows.

The document shows how inclusive finance has evolved into a segment of the financial sector in its own right, facilitating access to essential services for populations who are often overlooked. It thereby serves as an essential channel for achieving both social and environmental impact with sustainable finance.

*ADA strives to continuously improve the impact of its actions through knowledge management. This enables ADA to distil lessons learned from its experience in the field and to share this knowledge with development and inclusive finance stakeholders.*

## Knowledge sharing

Newly generated knowledge is not only shared through publications but also at dedicated events and training courses, including:

- Academic and professional training at the University of Luxembourg's (uni.lu) Faculty of Law, where ADA sponsors a Chair in Financial Law (Inclusive Finance). The holder of the Chair, Dr Dirk Zetsche, also carries out research and hosts an inclusive and sustainable finance research conference every year.
- Annual training sessions on agricultural and rural finance (FAR) by ADA in collaboration with the United Nations Food and Agriculture Organisation (FAO) to enable participating financial institutions to develop tailored products for the agricultural sector.

## Key figures 2024

**205** organisations trained via 2 training programmes

**5** knowledge-sharing events (conferences, webinars, roundtables) co-organised

**12** knowledge sharing documents and lessons learned published



# ADA celebrates its 30<sup>th</sup> anniversary with Luxembourgish partners

2024 was a special year for ADA, as it marked the organisation's 30<sup>th</sup> anniversary, an occasion to celebrate three decades of commitment to inclusive finance. Since ADA's founding, Luxembourg has developed a vibrant inclusive finance hub with a broad range of local and international actors that leverage the expertise of the financial centre and of the university.

As ADA's anniversary coincided with the 10th anniversary of two key Luxembourgish partners, the University Chair in Financial Law (inclusive finance) and the Inclusive Finance Network (InFiNe), the three organisations held a joint celebration in October 2024.

## High-level roundtable on building the future of inclusive finance

As an inclusive finance hub, Luxembourg is positioning itself at the forefront of a movement to channel investments towards vulnerable people in the interest of sustainable development. To provide further impetus to this movement, the three jubilees convened a roundtable on 'Building the future of inclusive finance by 2030' in Luxembourg on 16 October.

The speakers agreed that the inclusive finance sector should be strengthened as it greatly contributes to the Sustainable

Development Goals (SDGs) and they therefore called on the Luxembourgish financial centre to stimulate investments in inclusive finance.

On the one hand, this could be achieved by implementing mechanisms to reduce investment risk. While risk management mechanisms have evolved, the perception of risk has not. A mindset change is therefore required to overcome risk as an investment hurdle.

On the other hand, investments in inclusive finance can be stimulated by increasing the visibility of their impact. To this end, it is essential to measure the impact of inclusive finance, in particular its contribution to the SDGs.

## Call to action to remove investment hurdles

*Let's collectively design de-risking solutions to overcome the perception of high risk of inclusive finance investments. Existing platforms in Luxembourg, such as InFiNe, could ideally host such an initiative.*

## Call to action to strengthen impact measurement

*Let's better assess the contribution of inclusive finance to the Sustainable Development Goals by 2030. This should be possible with existing initiatives to map Luxembourg's contribution to inclusive finance on the one hand, and on academic research led by the University of Luxembourg on the impact of financial inclusion on the other hand.*



Participants of the roundtable organised on the occasion of ADA's 30<sup>th</sup> anniversary called upon the Luxembourgish financial centre to play a more active role in overcoming investment barriers and insisted on the necessity of better evaluating the contribution of inclusive finance to the Sustainable Development Goals.



The roundtable was opened by Xavier Bettel, the Luxembourgish Minister for Development Cooperation and Humanitarian Affairs. He praised the fundamental impact of financial inclusion: 'Access to finance is not merely a privilege; it can have a fundamental impact [...] by helping individuals and communities to not only withstand economic shocks but also other adversities.'

**Inclusive finance will continue to be taught at the university**

To further strengthen the Luxembourgish inclusive finance hub, the government and ADA extended their sponsorship of a Chair in Financial Law (Inclusive Finance) at the University of Luxembourg, the so-called ADA Chair, at a ceremony following the roundtable discussion. Professor Dirk Zetzsche, holder of the chair, took the opportunity to present a feature article on the future of financial inclusion and ways of measuring its impact.



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**Xavier Bettel,**  
Minister for Development  
Cooperation and  
Humanitarian  
Affairs



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**Dirk Zetzsche,**  
holder of the ADA Chair at the  
University of Luxembourg

**An official celebration in the presence of HRH the Grand Duchess**

The day ended with an official ceremony in the presence of Her Royal Highness the Grand Duchess Maria Teresa of Luxembourg. The successful event was an opportunity to reaffirm her strong commitment to inclusive finance and her longstanding support of ADA's activities.

The day concluded with an official ceremony in the presence of Her Royal Highness Grand Duchess Maria Teresa of Luxembourg, patron of ADA. Her participation once again demonstrated her unwavering commitment to inclusive finance and her loyal and longstanding support of ADA's activities. For 30 years, ADA has been working tirelessly to improve the quality of life of vulnerable populations around the world. Guided by a clear and purposeful vision, the organisation has succeeded in making inclusive finance both a tool and a lever for empowerment for the most economically vulnerable communities.

Staying true to its mission, ADA remains a leading force in driving innovative, high-impact initiatives that place economic autonomy at the core of sustainable development. Looking ahead, the organisation will continue to champion inclusive finance as a critical lever for transformation and progress among the most vulnerable populations.



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Top left: **Stéphanie Obertin**, Minister for Research and Higher Education  
Top right: Extension of the sponsorship of the ADA Chair and signature of a framework agreement with InFiNe  
Bottom, centre of picture: **Mia Adams**, founder of ADA and **Her Royal Highness Grand Duchess Maria Teresa of Luxembourg**



# Our commitment to measuring, reducing and offsetting our carbon emissions



Reforestation activities in the north of Luxembourg

Aware of its environmental responsibilities, ADA is committed to a responsible approach based on three complementary principles. Firstly, the organisation regularly measures its carbon footprint in order to precisely identify the sources of emissions linked to its activities. On this basis, ADA takes concrete action to limit these emissions to the greatest extent possible, by favouring more sustainable practices and choices. Finally, when reduction is not feasible, ADA offsets its emissions, both as part of its professional activities and when organising major events, such as the African Inclusive Finance Week (SAM).

## Restoring biodiversity in Luxembourg

In Luxembourg, ADA is continuing its partnership, initiated in 2021, with natur&ëmwelt's Fondation Hëllef fir d'Natur. Under this partnership, 2,000 trees will be planted each year in designated areas of the Bischbur nature reserve in the north of the country. The reforestation consists of planting a variety of tree species that are better adapted to the local climate to restore biodiversity and reconstitute a deciduous forest ecosystem on land that was previously used for spruce monocultures. In 2024, ADA employees planted a wide variety of tree species on a 23-acre plot in Enscherange.

## A commitment alongside local communities

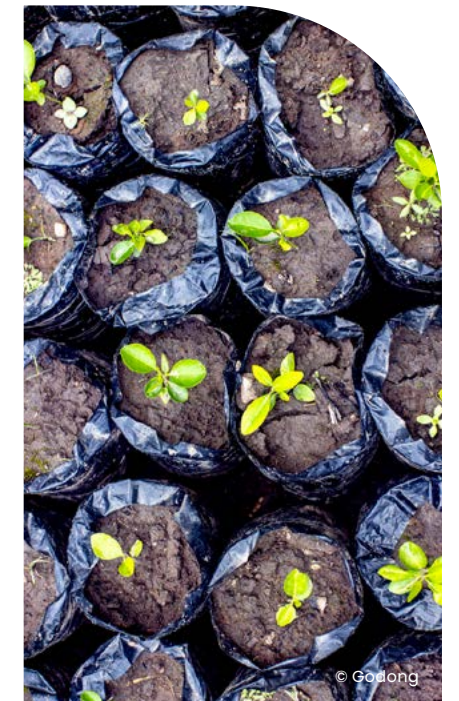
In Africa, ADA is putting its commitment to reforestation into action through a project carried out in partnership with the NGO Graine de vie. This project, launched at SAM 2023 in Togo, involves reforesting the banks of the Mono River and aims to restore degraded ecosystems on both the Togolese and Beninese sides. It is being implemented with the active participation of local people in the villages, which strengthens local ownership and makes the activities more sustainable. In 2024, three nurseries were set up, each producing more than 10,000 seedlings. A campaign to raise awareness of agroforestry was conducted



among local farmers, and 13,000 seedlings were distributed during the first rainy season.

## Responsible reforestation, an investment for the planet

Reforestation is key in fighting the effects of climate change, as forests play a central role in storing carbon and regulating the climate. Deforestation accounts for almost 20% of man-made CO<sub>2</sub> emissions worldwide, making it the third largest source of emissions after coal and oil. Conversely, planting trees enables atmospheric CO<sub>2</sub> to be captured sustainably, provided it is based on good agroforestry practices. By investing in responsible reforestation projects, ADA thus strives to offset the emissions linked to its activities, while contributing to the effective restoration of the ecological functions of the forest and the preservation of biodiversity.



**ADA is committed to measuring, limiting and offsetting the carbon footprint generated by its activities.**



# Our institutional partners in 2024



**Board of Directors 2024**

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