



April 2011

Westpac & Many Rivers – a microfinance strategic alliance

Many Rivers Microfinance Limited (Many Rivers) in a strategic alliance with Westpac has launched a new microfinance program designed to assist Indigenous and non-Indigenous entrepreneurs to develop sustainable businesses.

Many Rivers is a not-for-profit organisation that works towards assisting microeconomic development and capacity building in Indigenous and remote communities. Many Rivers is associated with Opportunity International, a global leader in microfinance, and Mission Australia, one of the largest charities in Australia. Mission Australia and Westpac have an association that goes back some 150 years.

Westpac's strategic alliance with Many Rivers draws on their ability to provide intensive, on the ground support to marginalised individuals and communities.

Westpac is supporting Many Rivers

Access to unsecured Westpac finance

Westpac is providing Many Rivers' clients with access to our banking infrastructure and loan funds through a 'real' Westpac business loan – helping build a credit history with a major bank. Many Rivers' clients are typically unable to meet the credit requirements of mainstream banking and experience financial exclusion.

Westpac microfinance loans are offered on an unsecured basis for amounts of \$500 up to \$20,000. The loans are to fund the start-up or expansion of a micro enterprise, mainly in regional locations, supporting micro economic development and financial inclusion. Our micro loans are interest bearing, at subsidised rates, however Westpac is operating the microfinance program on a not-for-profit basis.

Access to free financial education via the Davidson Institute

Our micro borrowers are also given free access to financial education programs, through Westpac's Davidson Institute, helping to improve their financial literacy skills as they grow their business.

Ability to originate & approve Westpac loans

In an innovative and market leading approach, Westpac has given Many Rivers the capacity to originate and approve the provision of Westpac microfinance loans to individual business borrowers. As such, Many Rivers remains solely responsible for loan decisions based on their assessment of client character and borrowing capacity. Many Rivers underwrites all loans that are made.

\$1 million donation and in-kind support

Westpac is donating \$1 million over 5 years to support Many Rivers' operating expenses, associated with their national rollout of field offices. We're also providing logistical support to Many Rivers' Field

Officers, and the opportunity to co-locate in Westpac premises. Westpac's internal audit system and standards are applied to Many Rivers, with periodical auditing done on client files to ensure that compliance and security standards are met.

Links to the Commonwealth's Indigenous Capital Assistance Scheme (ICAS)

Westpac's microfinance program also complements the Commonwealth's Indigenous Capital Assistance Scheme (ICAS), which provides interest subsidies on Westpac business loans of \$20,000 to \$500,000 to Indigenous business owners, and access to up to \$23,000 of professional advice. Westpac is the sole provider of the ICAS program. ICAS loans are subject to Westpac's standard lending criteria.

More information

For more information on Westpac Microfinance or the Indigenous Capital Assistance Scheme, please contact: Sinclair Taylor, Head of Westpac Microfinance.