



AL MAJMOUA  
المجموعة

# ANNUAL REPORT

2019



# LETTER FROM THE EXECUTIVE DIRECTOR



Despite country-wide protests and an effective halt of all public life in Lebanon since October 2019, Al Majmoua was able to continue its journey towards advancing financial inclusion in Lebanon by maintaining our client base and existing portfolio, as well as, our position as the largest MFI in the country in terms of outreach and geographical presence.

Being faithful to its social responsibility and having its clients' best interests at heart, Al Majmoua's first response to the economic crisis that affected a majority of our clients was granting its clients the possibility to settle their USD payments in LBP at the official exchange rate of 1,515.

As a second step, we designed an emergency loan product to respond to the urgent needs of borrowers during the crisis, either to support their businesses in the short term or to meet their families' basic and social living needs.

On the non-financial services side, 6 projects were completed on various topics such as trainings on financial education for university students; linking entrepreneurs at the bottom of the economic-pyramid with business trainings, in-kind grants and financial services through TATAWOR, a project funded by LIFE USAID; enhancing the business capabilities of 50 social enterprises through BADAEL's sub-grant management, a supporter of civil society development in Syria; and enabled youth to develop and upscale innovative business initiatives through enhanced capacities and increased access to finance through Youth Empowerment for Social Impact (YESI), a project funded by the European Union. In addition, Al Majmoua organized business development and trainings in technical skills, business management and branding and marketing tools to a total of 1,500 beneficiaries.

During 2019, three of Al Majmoua's clients won the CitiGroup Award for Small Entrepreneurs in the sectors of Agriculture, Manufacturing and Services & Trade in Halba, Ferzol and Ain el Helweh areas. Al Majmoua was also promoted to be featured in GCNL's booklet "Zooming on SDG Trends in Lebanon" as part of the 2019 SDG Milestones Awards.

Last but not least, Al Majmoua earned the SMART certification in December 2019, with the support of IFC, by adopting its policies and procedures for protecting borrowers; once again emphasizing our commitment towards providing a distinguished service to our clients and treating them with fairness and respect.

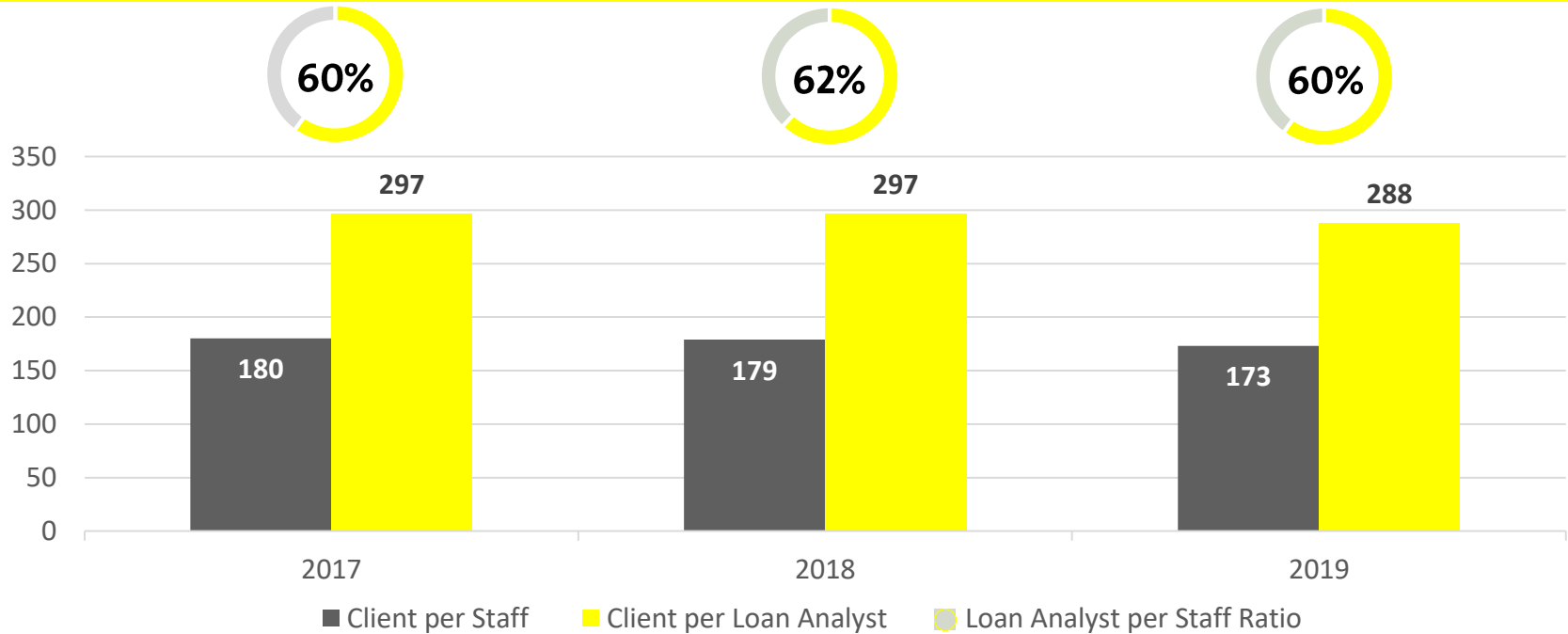
As part of its mission, the institution intends to acquire an ever more important role in supporting vulnerable, low income segments of the population with meaningful financial and non-financial services in order to support them in rebuilding their financial life and create a livelihood for themselves and their families.

I wish to thank all of our clients, partners and staff for their great contributions and trust.

# SOCIALLY RESPONSIBLE LENDING

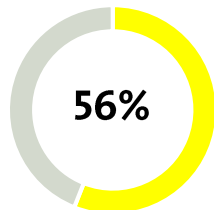


# EFFICIENT OPERATIONS

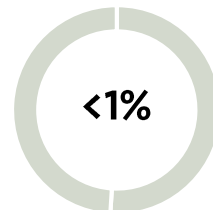


# BOTTOM-LINE RESULTS SOCIAL PERFORMANCE

## SMALL SIZED LOANS



## PERCENTAGE OF DATA ERRORS



## NUMBER OF REPAYMENT OUTLETS

903

Small loans are those  $\leq 20\%$  of GNI per capita    Small installments are those  $< 0.5\%$  GNI per capita    Percentage of data errors = number of errors / number of data fields



# SUCCESS STORY

**PROJECT:** Cow Farm

**PARTNERS:** Fatima Ahmad Hammoud,  
Rama Ghassan Ghazi, Hanadi Omar  
Hammoud

**LOCATION:** Bar Elias



These three partners faced severe circumstances that made it difficult for them to achieve their dreams at the beginning. Hanadi Omar Hammoud was unable to complete her studies due to difficult financial conditions, so she headed to the labor market to help her family. Fatima Ahmed Hammoud was unable to complete her studies due to early marriage and had no attempt to start a business as her family was her priority. As for Rama Ghassan Ghazi, she is a young woman who was forced by the Syrian war to migrate to Lebanon to study and search for a source of income.

These young women participated in a training with Al Majmoua, with hopes of succeeding, and were able to achieve their dreams by opening a farm together to produce milk and dairy products. They were able to turn their dreams into a reality when they first launched their business in April 2019; which improved their lives and increased their self confidence and value at home and in their community.

# TAILORING SOLUTIONS & IMPROVING ACCESS



## NEW PRODUCTS & SERVICES

### USD Emergency Loan

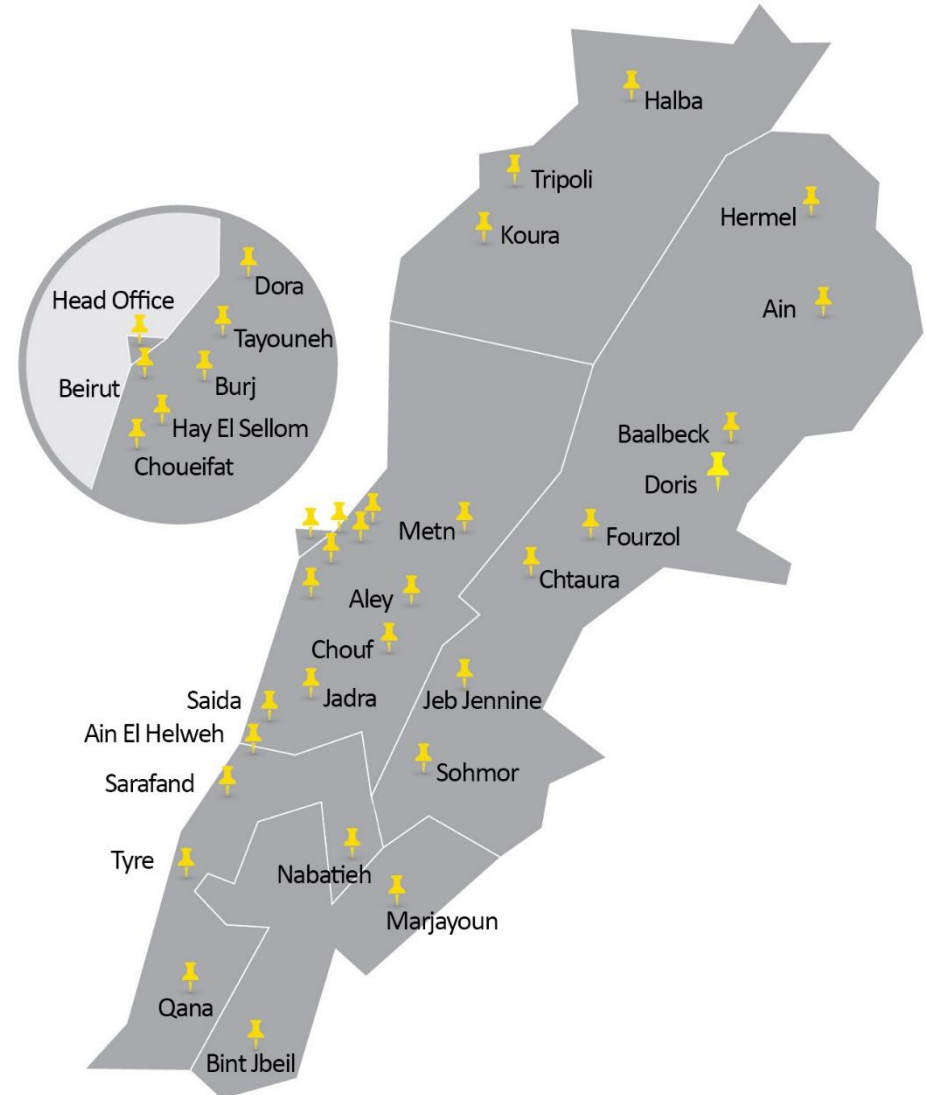
Designed an emergency loan product to respond to the urgent needs of borrowers during the crisis, either to support their businesses in the short term or to meet their families' basic and social living needs.

### NFS

Organized business development and trainings in technical skills, business management and branding and marketing tools to a total of 1,500 beneficiaries

## AL MAJMOUA'S BRANCHES

### 29 Branches All Over Lebanon





# AL MAJMOUA OFFERS FINANCIAL SERVICES TO LOW-INCOME INDIVIDUALS

- Women & Men
- Entrepreneurs (Micro, Micro Plus, VSE)
- Workers with/out NSSF
- Home-based & Startup Businesses (GL)
- Unemployed (income earner)
- Employees in the Lebanese army, Internal Security Forces & General Security
- Vulnerable Populations (Refugees, Palestinians, Poverty Pockets, Disabled...etc.)



معاً ننمو

قرض صغير للعمل

MICRO BUSINESS LOAN

[www.almajmoua.org](http://www.almajmoua.org)



معاً ننمو

قرض تحسين المنزل

HOME IMPROVEMENT LOAN

[www.almajmoua.org](http://www.almajmoua.org)



معاً ننمو

القرض الجماعي

GROUP LOAN

[www.almajmoua.org](http://www.almajmoua.org)





# AL MAJMOUA OFFERS FINANCIAL SERVICES TO LOW-INCOME INDIVIDUALS



معاً ننمو

قرض الدراجة

MOTORCYCLE LOAN

[www.almajmoua.org](http://www.almajmoua.org)

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معاً ننمو

القرض الشخصي

PERSONAL LOAN

[www.almajmoua.org](http://www.almajmoua.org)

f t i



معاً ننمو

قرض المعدات  
ماكينات الخياطة

ASSET LOAN  
SEWING MACHINES

[www.almajmoua.org](http://www.almajmoua.org)

f Al Majmoua  
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معاً ننمو

قرض متوسط للعمل

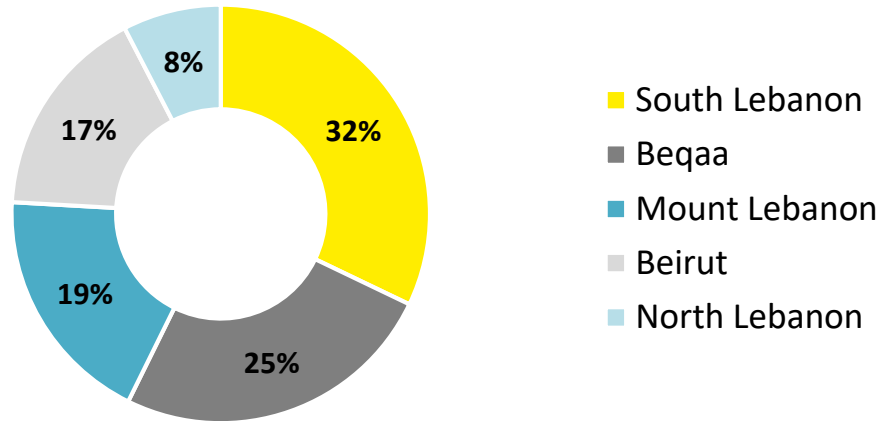
BUSINESS  
EXPANSION LOAN

[www.almajmoua.org](http://www.almajmoua.org)

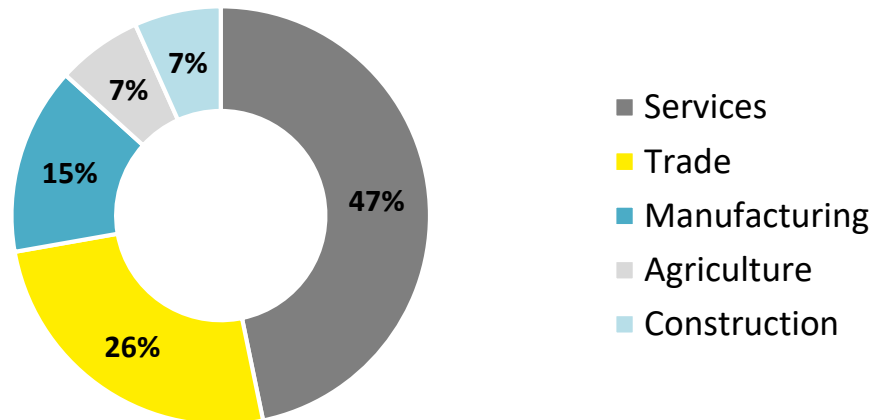
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# CLIENTS' GEOGRAPHIC & SECTOR DISTRIBUTION

## GEOGRAPHIC DISTRIBUTION

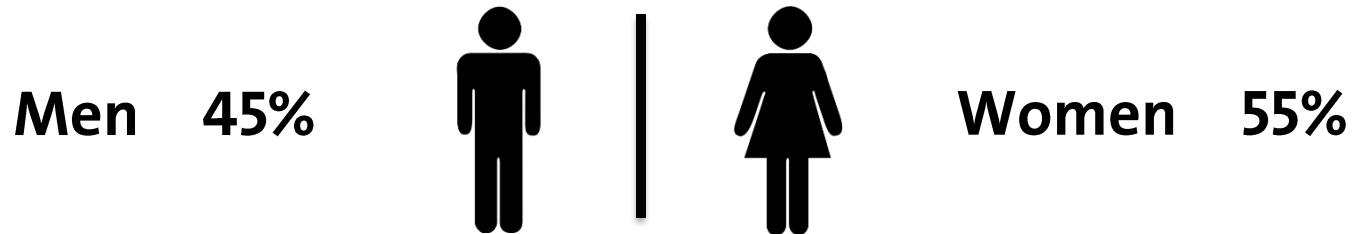


## SECTOR DISTRIBUTION

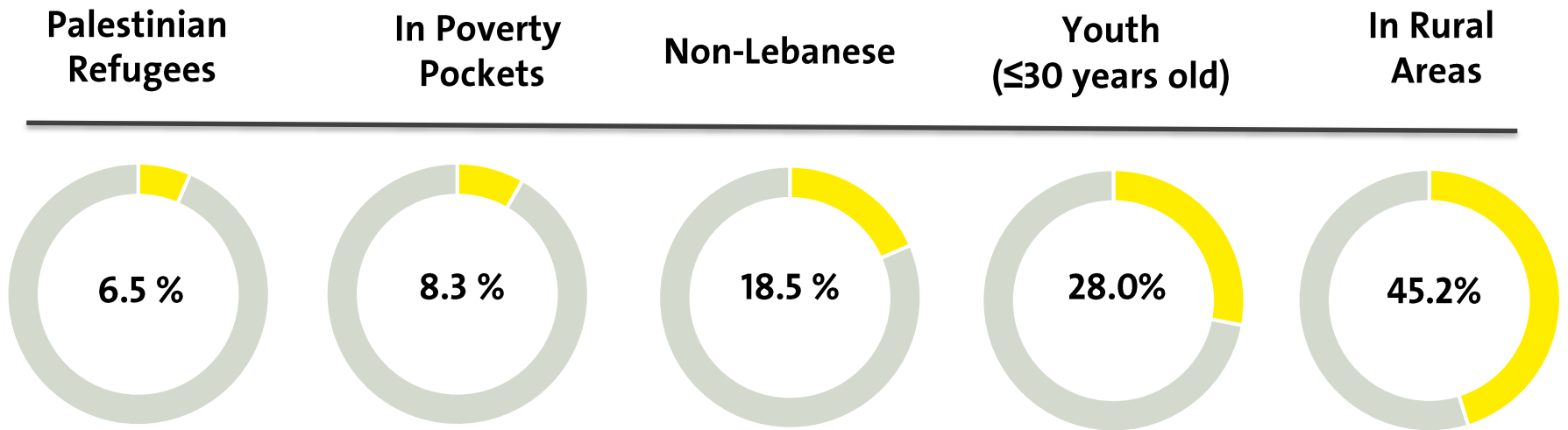


# GUIDED BY A STRONG SOCIAL MISSION

## CLIENT GENDER DISTRIBUTION



## VULNERABLE CLIENTS' SEGMENTS



Non-Lebanese include: 9.4% Syrians, 6.5% Palestinians, 2.1% Filipinos, 0.5% Other

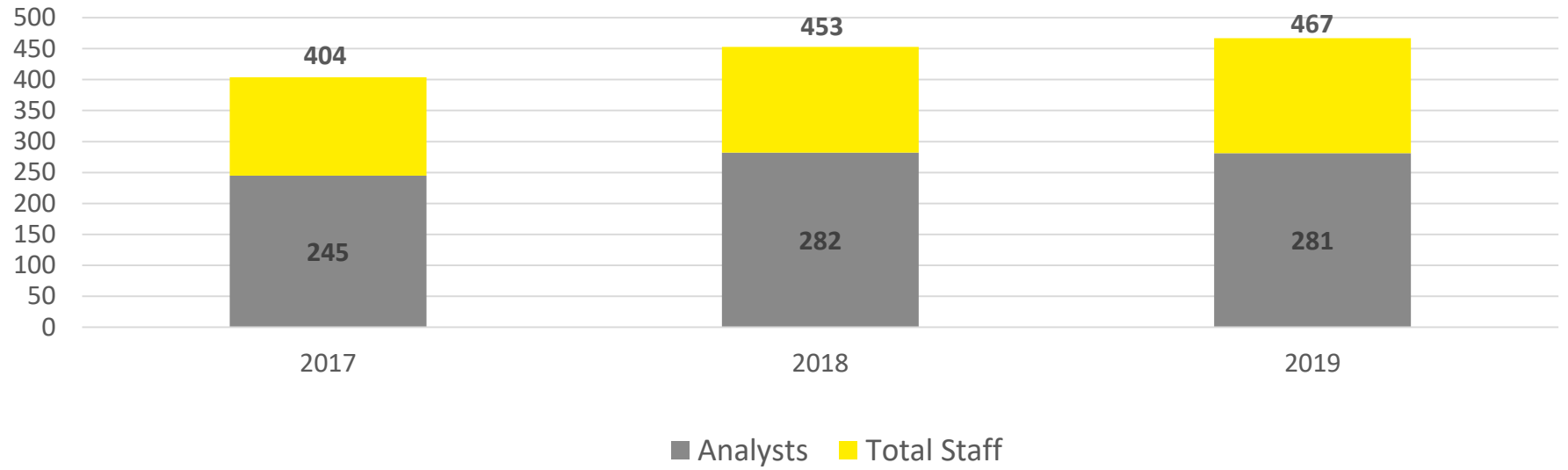
61.9% OF OUR CLIENTS ARE ENTREPRENEURS



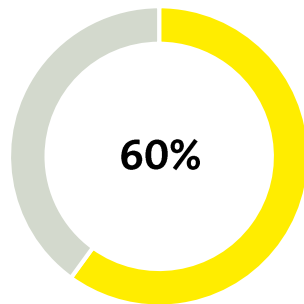
# HUMAN CAPITAL DEVELOPMENT



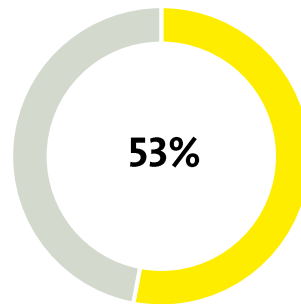
# TOTAL NUMBER OF EMPLOYEES



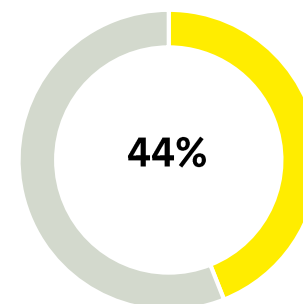
# EQUAL EMPLOYMENT OPPORTUNITY



Employees



Loan Analysts



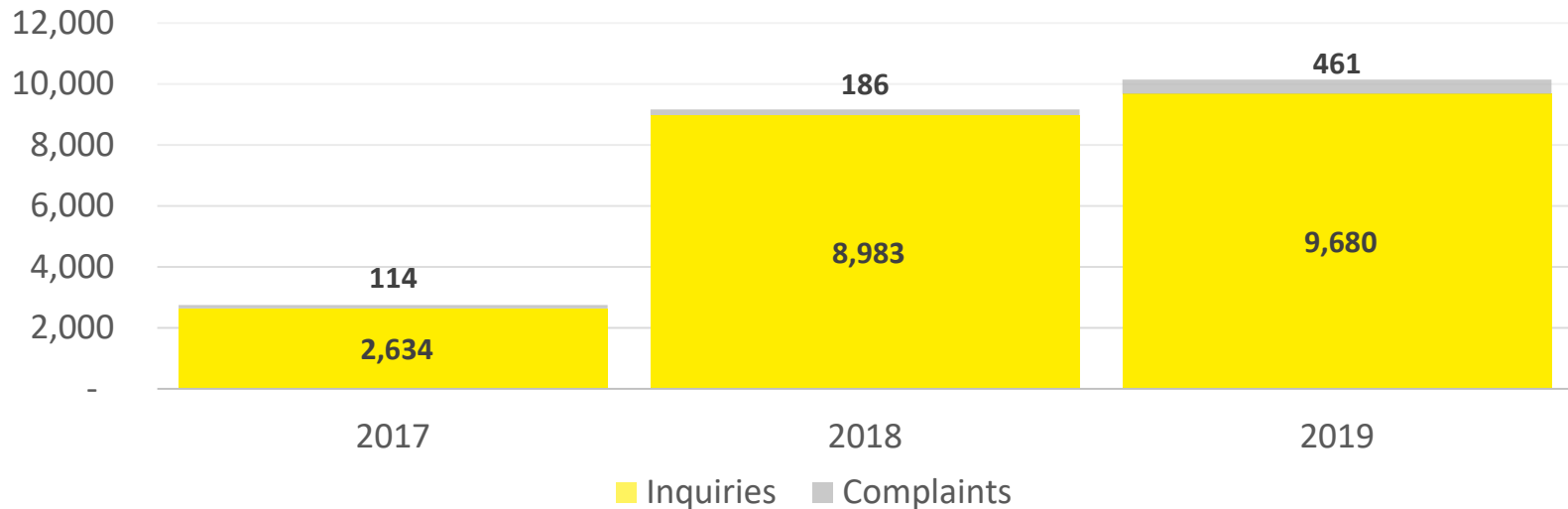
Senior & Middle  
Managers

# AL MAJMOUA'S CUSTOMER CARE UNIT





# CUSTOMER CARE HOTLINE



## LISTENING TO OUR CLIENTS - HIGHLIGHTS OF 2019

### **March 2019: Client Satisfaction Survey**

Conducted surveys with Active clients to better understand their needs and rate their satisfaction towards Al Majmoua's services.

### **March 2019: Exit Survey**

Conducted surveys with Exit clients to identify the main reason behind not renewing their loans, taking into consideration clients' comments regarding Al Majmoua's products and services.

### **May 2019: Motorcycle Loan Beneficiaries Survey**

Conducted surveys with Motorcycle loan beneficiaries to rate their satisfaction of the loan process and dealers Al Majmoua had collaborated with.

### **June 2019: Filipino Focus groups**

Conducted focus groups with Filipinas to better understand their needs and how to better serve them in the future.

### **December 2019: Filipino Crisis Survey**

Conducted surveys with 100 Filipinas to understand their needs and how to better serve them especially after the USD crisis.

# SOCIO ECONOMIC EMPOWERMENT



# AL MAJMOUA OFFERS NON-FINANCIAL SERVICES FOCUSING ON MICRO ENTREPRENEURS, WOMEN & YOUTH

## NFS Beneficiaries

## Highlights of 2019

**1,606**

- 27% benefited from Business Management Trainings
- 13% benefited from Mentoring and/or Coaching
- 10% benefited from provision of Toolkits and Equipment
- 34% benefited from Financial Education
- 14% benefited from Product Quality, Marketing, and/or Market Study
- 1% benefited from Technical Expertise
- 1% benefited from Legal Consultancy

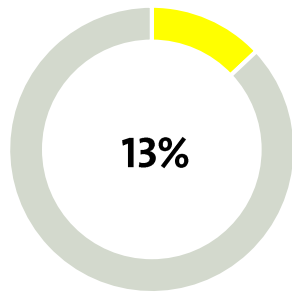


# 2019 NFS BENEFICIARIES

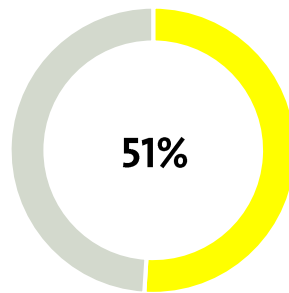
*BY CATEGORY*

A total of 1,520 NFS beneficiaries benefitted from Business Development Services

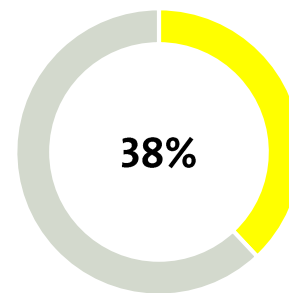
Refugees



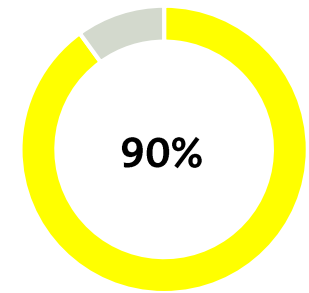
Women



Youth(≤30)



Non-Borrowers



# 2019 NFS BENEFICIARIES

*BY SOCIAL TOPIC*

% of beneficiaries from NFS who received **capacity development**

(includes Business Management, Personal Development, Coaching and Mentoring and Financial Education)

74%

% of beneficiaries from NFS who received **technical & legal assistance**

2%

# SOCIAL PERFORMANCE MANAGEMENT (SPM)



# SMART CERTIFICATION

The Smart Campaign, an international microfinance advocacy initiative launched in October 2009, seeks to unite microfinance providers worldwide to ensure that microfinance clients are treated fairly and responsibly and do not become over-indebted.

The Campaign's mission is to promote six pro-consumer principles:

1. Avoidance of Over-indebtedness
2. Transparent Pricing
3. Appropriate Collections Practices
4. Ethical Staff Behavior
5. Mechanisms For Redress of Grievances
6. Privacy of Client Data

*In December 2019, Al Majmoua earned the SMART CERTIFICATION, showing once again its commitment towards providing a distinguished service to borrowers and treating them with fairness and respect.*





# CITIGROUP 2019 AWARD FOR SMALL ENTREPRENEURS



During 2019, three of Al Majmoua's clients won the CitiGroup Award for Small Entrepreneurs in the sectors of Agriculture, Manufacturing and Services & Trade in Halba, Ferzol and Ain el Helweh.

Al Majmoua was also promoted to be featured in GCNL's booklet "Zooming on SDG Trends in Lebanon" as part of the 2019 SDG Milestones Awards.

# SIGNED AGREEMENT WITH IFC



*“Microfinance can help create opportunities and cut poverty—which is why we’re helping Lebanon’s microfinance leader Al Majmoua grow sustainably and ramp up its lending to those who need it most.”* The International Finance Corporation (IFC)



# TIMELINE OF ACTIVITIES 2019



معايير اختيار الرياديين ولوائحها

معايير اختيار الرياديين

- أن تكون من بين راسخ مؤسسي المجموعة "المعتمد"
- أن يكون لديك مشروع قائم أو فكرة مشروع واضح
- وقابلية للتطبيق
- أن تكون لديك الرغبة بالتعلم والتطوير من خلال تجربة الإبداع
- أن تقدم بخصوص "أريضة الأطلاق" والمشاركة
- ملكات المتابعة الشخصية مع منسق البرنامج
- بالإضافة لحضور جلسة المراجعة في شهر شباط 2019
- تقديم التجربة الرجوع من طريق المكالمات الهاتفية ومن خلال الروابط المرصدة لك في المواقع الرسمية للبرنامج، خلال الأسابيع من البرنامج إن شاء الله.

mowgli

الإبداع  
AL MAJMOUA  
المجموعة

يقترض من الطبخ

قرض صفر لطفوحك

خدمة

# 2019 ACTIVITIES AT A GLANCE

- Designed an emergency loan product to respond to the urgent needs of borrowers during the crisis, either to support their businesses in the short term or to meet their families' basic and social living needs.
- Granted clients the possibility to settle their USD loan payments in LBP at the official exchange rate of 1,515.
- Won the CitiGroup Award for Small Entrepreneurs in the sectors of Agriculture, Manufacturing and Services & Trade in Halba, Ferzol and Ain el Helweh areas.
- Earned the SMART certification.
- Developed an online training and coaching curriculum for crisis and risk management.
- Organized business development and trainings in technical skills, business management and branding and marketing tools.
- Provided business trainings and financial education for university students, in-kind grants for social enterprises through TATAWOR and BADAEL and enabled youth with access to finance through the YESI project.
- Signed new partnerships:
  - Whole Planet Foundation
  - Palestine Investment Fund
  - ResponsAbility Global Microfinance Fund
  - Symbiotics S.A.
  - Microbuild I B.V.
  - Triple Jump



# 2019 NFS ACTIVITIES AT A GLANCE

- Provided business management trainings in topics of entrepreneurship, marketing, basic accounting and bookkeeping, pricing, costing and selling skills
- Provided financial education for household budgeting, financial negotiation, financial services, savings and debt management
- Provided PPE kits
- Provided mentorships
- Provided technical assistance on marketing and legal consultancy

**المجموعة**  
الجمعية اللبنانية للتنمية

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