



AL MAJMOUA
المجموعة

ANNUAL REPORT

2021



LETTER FROM THE EXECUTIVE DIRECTOR



2021 was another year of extraordinary turbulence, with the COVID-19 pandemic and an economic crisis unprecedented in scale and impact that led to widespread lockdowns, school closures, disruptions to food supply, and income losses that have disproportionately affected the poor, women, the elderly, informal workers, and other vulnerable groups.

However, it did bring about important changes in our approach – it made us more adaptable, agile and helped us to rediscover our hidden talents. Throughout this period, we continued to focus on maintaining the long term sustainability of Al Majmoua, while ensuring the wellbeing of our employees and supporting our clients and communities, by remaining true to our social responsibility, with an increased focus on our Non-Financial Services.

Addressing our clients' problems was our top priority during this economic crisis. We responded to the urgent needs of our borrowers through several initiatives. Primarily, we increased our loan amounts and loan terms for the Micro loan product to supplement the fluctuating dollar rate that was affecting the majority of our clients and refinanced loans to those who had delays in their payments.

Moreover, we partnered with USAID and LIFE in introducing a Subsidized Micro Loan to support business owners with an interest-free loan in order to develop their businesses and keep the jobs of the workers and staff. We also introduced a Family Loan to existing borrowers for emergency financing either to support their businesses or to meet their and their family's basic and social living needs.

As part of Al Majmoua's vision to support women and provide them with the opportunity to be successful and active in running their own businesses, we implemented the WED project (Women Enterprises Development), funded by the Netherland Embassy in Lebanon. Thus, 400 Lebanese women-led enterprises and Syrian refugees were able to invest in themselves and their businesses, improve their livelihoods and actively engage in their communities.

Furthermore, in coordination with CESVI, the YESI project (Youth Empowerment for Social Impact), funded and supported by EU-MADAD, was implemented to promote youth empowerment through inclusive, innovative and sustainable models of social entrepreneurship, enabling them to develop and upscale innovative business initiatives through enhanced capacities, while focusing on four categories: social work, environment, agriculture and energy.

Last but not least, the Non-Financial Services department provided business development services to more than 3,000 beneficiaries consisting mostly of women, youth and refugees. It also provided business management trainings, financial education, cash or in-kind grants and other capacity development services to more than 4,000 beneficiaries.

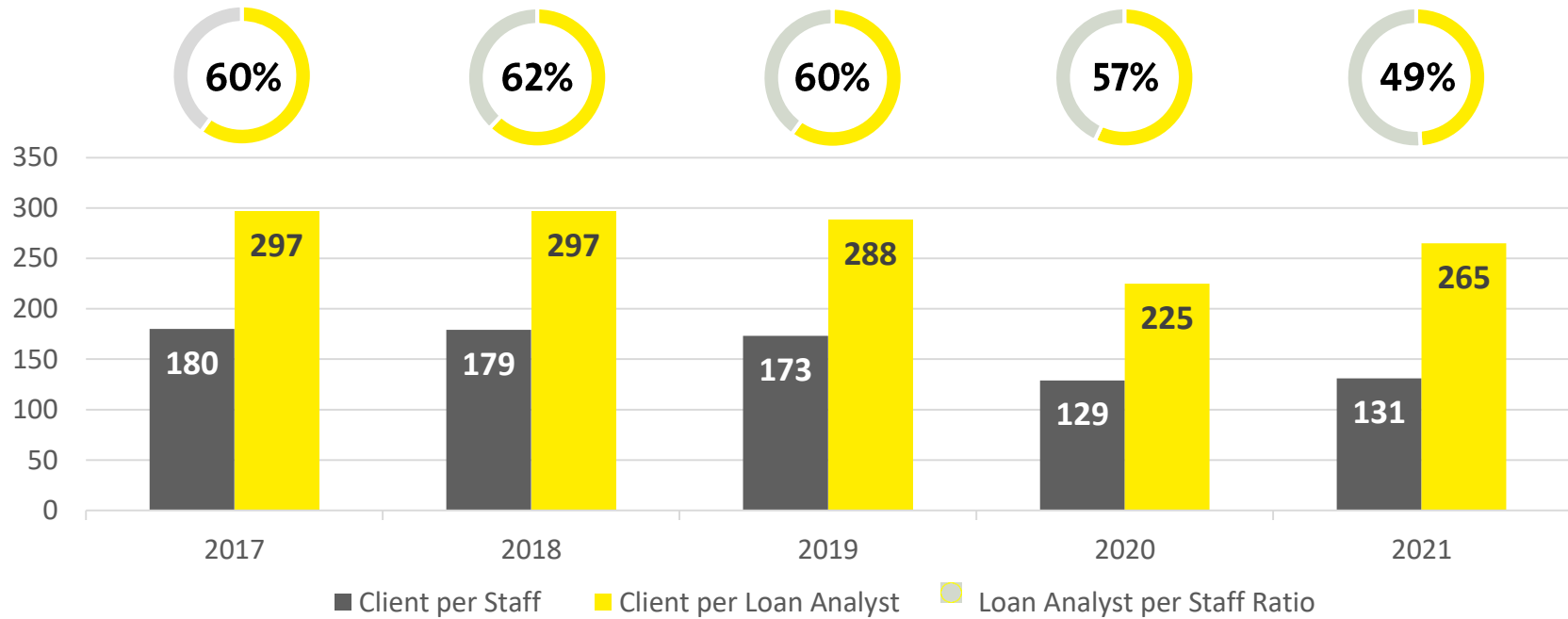
I would like to express my sincere gratitude to all staff members who have gone above and beyond to support our clients, even as we transitioned to home-based work and coped with the pandemic's impact on our own lives, families, and communities. I also wish to thank our clients for their continuous understanding, our Board of Directors for their guidance and all of our funding partners for their trust and continuous support, as Al Majmoua sought to mitigate the impacts of the crises and continue its operations in a most challenging environment.

There is no path to sustainable, long-term growth without continuous progress in reducing poverty and gender inequality. With the dedication of our staff and the support of our partners I am confident that we will overcome the crises and return to the path of inclusive, sustainable growth.

SOCIALLY RESPONSIBLE LENDING



EFFICIENT OPERATIONS

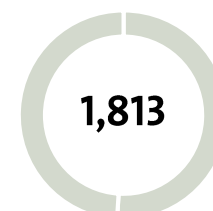
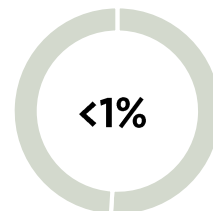
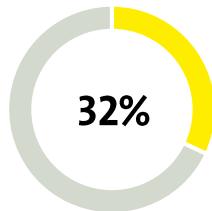


BOTTOM-LINE RESULTS SOCIAL PERFORMANCE

SMALL SIZED LOANS

PERCENTAGE OF DATA ERRORS

NUMBER OF REPAYMENT OUTLETS



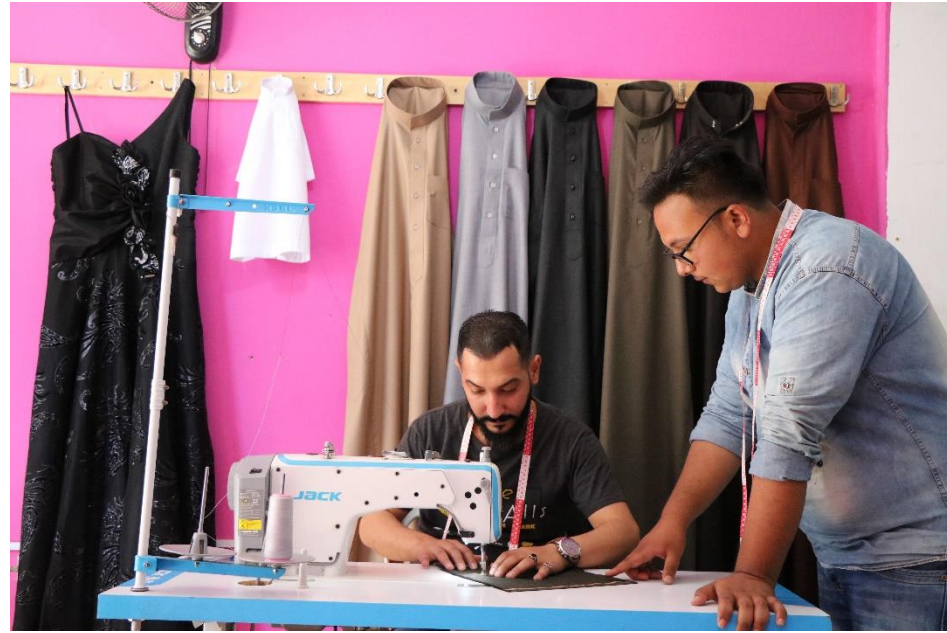
Small loans are those $\leq 20\%$ of GNI per capita Small installments are those $< 0.5\%$ GNI per capita
 Percentage of data errors= number of errors/ number of data fields

SUCCESS STORY

PROJECT: Fashion House

PARTNERS: Bashar Hasan Al-Sheikhan
and Yahya Sleiman Al-Tabsha

LOCATION: Bar Elias



Bashar Al-Sheikhan and Yahya Al-Tabsha are two young men who are united by their ambition to establish a private project in the field of sewing. After learning about the "Establishing My First Business" project, they decided to join the training, aspiring to achieve their dream.

The trainings lit the way for the two young men to open their project 'Fashion House', which is a tailoring and laundry workshop. They are experts in men's tailoring (Bashar) and women's tailoring (Yahya) and had lacked the know-how of opening and managing a project, in which the training had provided that knowledge.

Bashar and Yahya were able to discover their hidden talents and started making profit, which made them think about opening new projects in the same field and in other fields.

TAILORING SOLUTIONS & IMPROVING ACCESS



NEW PRODUCTS & SERVICES

Subsidized Micro Loan

In collaboration with LIFE, Al Majmoua launched a Subsidized Micro Loan in LBP to support micro entrepreneurs with an interest-free loan that would help develop their business and maintain the jobs of the workers/staff working in the business. A total of 1,379 clients benefited from this loan with a total disbursement amount of LBP 5.25 billion.

Family Loan

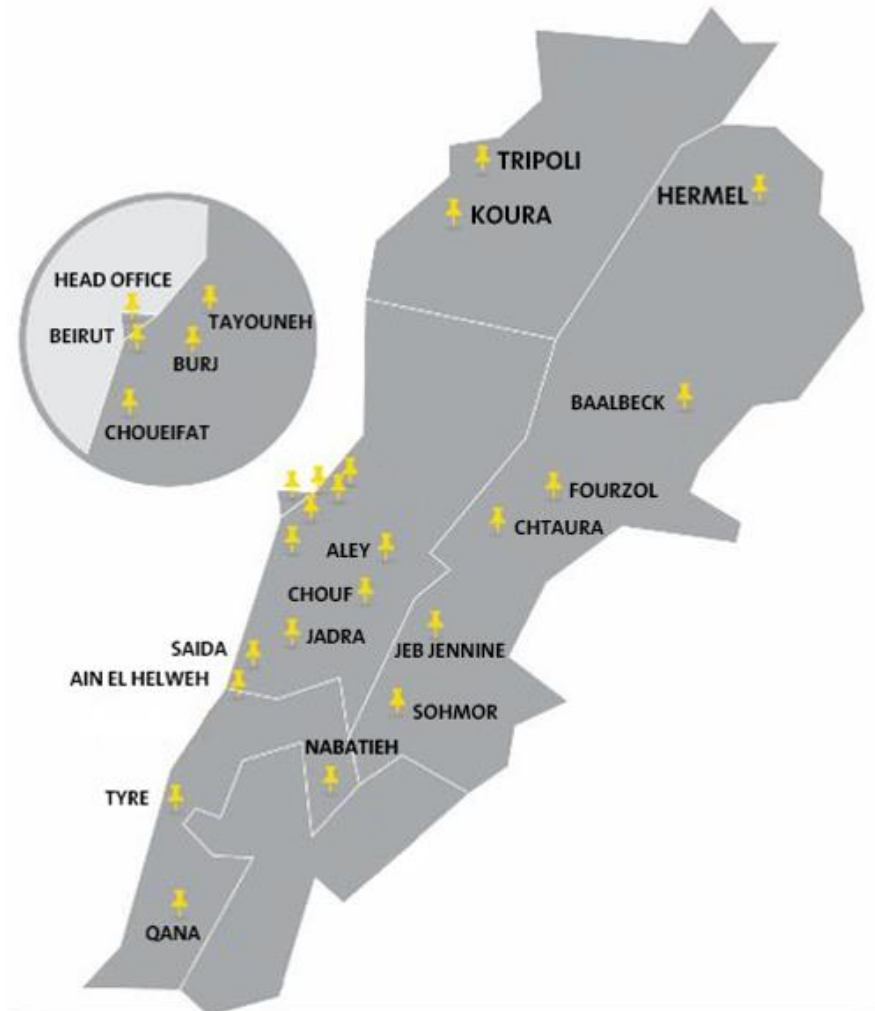
Al Majmoua introduced its new IL Family Loan in LBP to respond to the needs of our existing micro borrowers for emergency financing, support their businesses or meet the living and social needs of them and their families.

NFS

NFS department developed an online training and coaching curriculum for crisis and risk management.

AL MAJMOUA'S BRANCHES

20 Branches All Over Lebanon



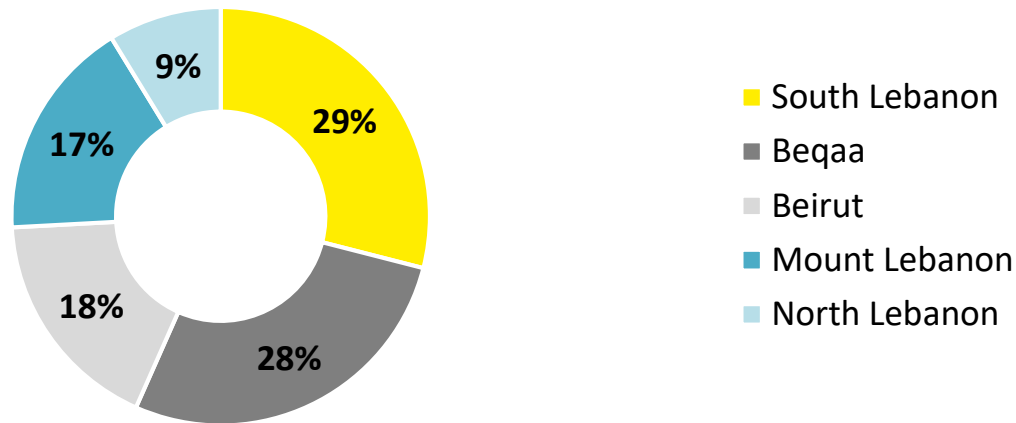
AL MAJMOUA OFFERS FINANCIAL SERVICES TO LOW-INCOME INDIVIDUALS

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

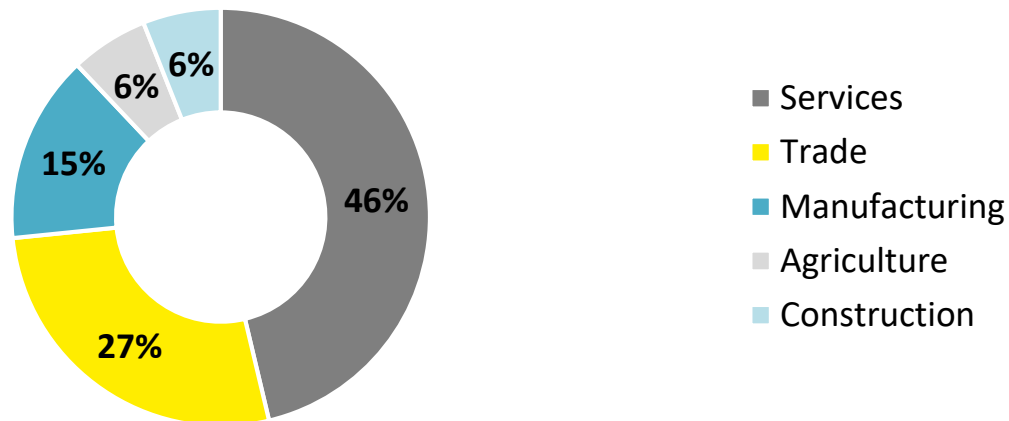


CLIENTS' GEOGRAPHIC & SECTOR DISTRIBUTION

CLIENTS' GEOGRAPHIC DISTRIBUTION

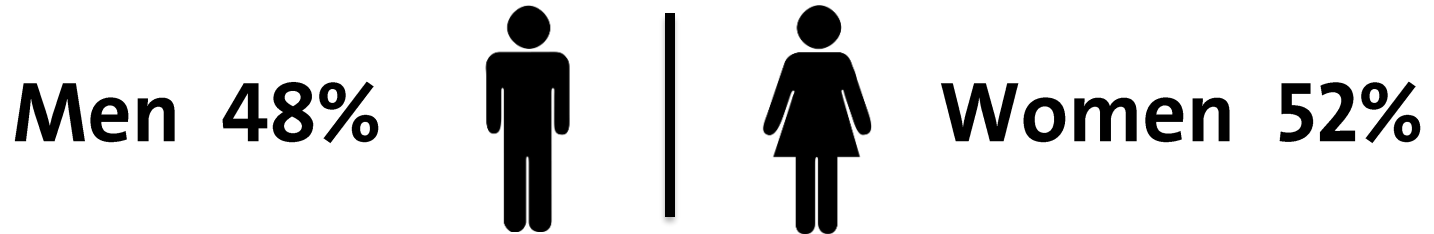


CLIENTS' SECTOR DISTRIBUTION

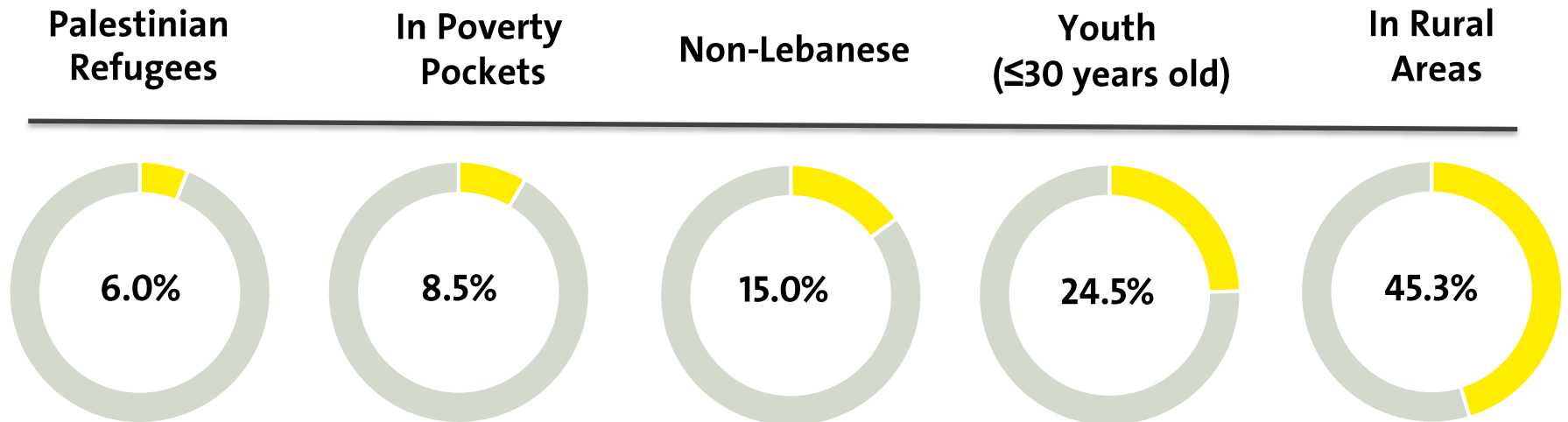


GUIDED BY A STRONG SOCIAL MISSION

CLIENT GENDER DISTRIBUTION



VULNERABLE CLIENTS' SEGMENTS



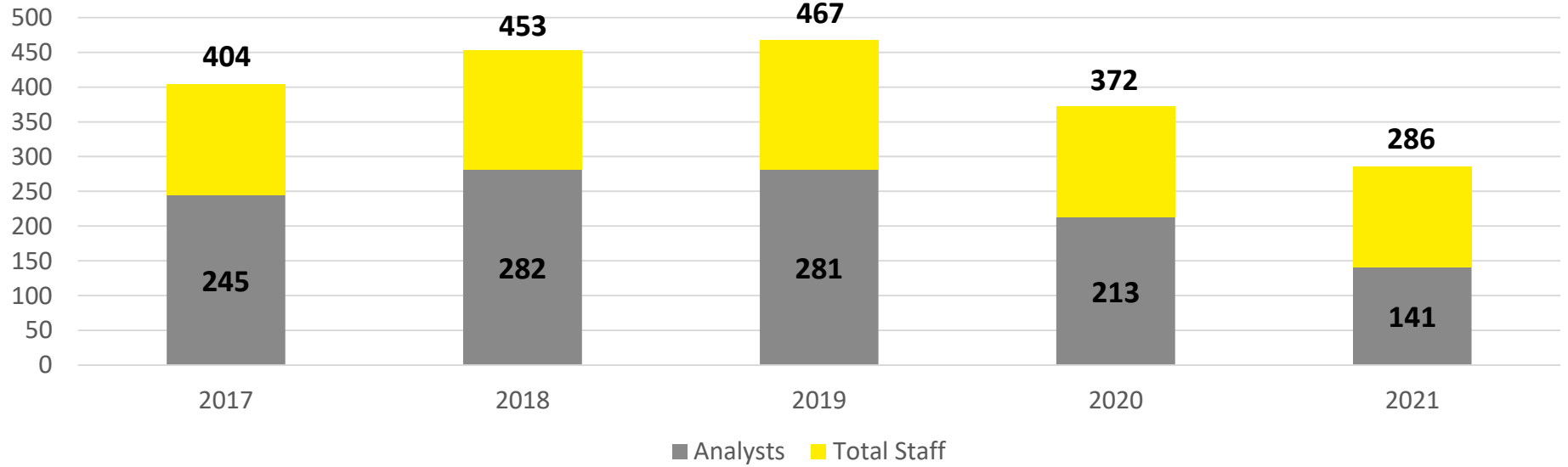
Non-Lebanese include: 7.3% Syrians, 6% Palestinians, 1.1% Filipinos, 0.5% Other

62.1% OF OUR CLIENTS ARE MICRO ENTREPRENEURS

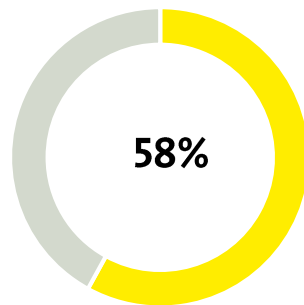
HUMAN CAPITAL DEVELOPMENT



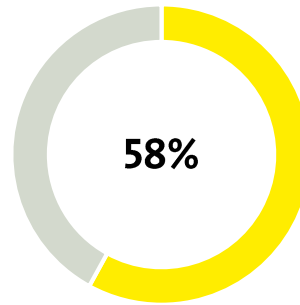
TOTAL NUMBER OF EMPLOYEES



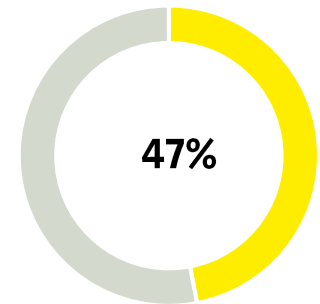
EQUAL EMPLOYMENT OPPORTUNITY



Employees



Loan Analysts

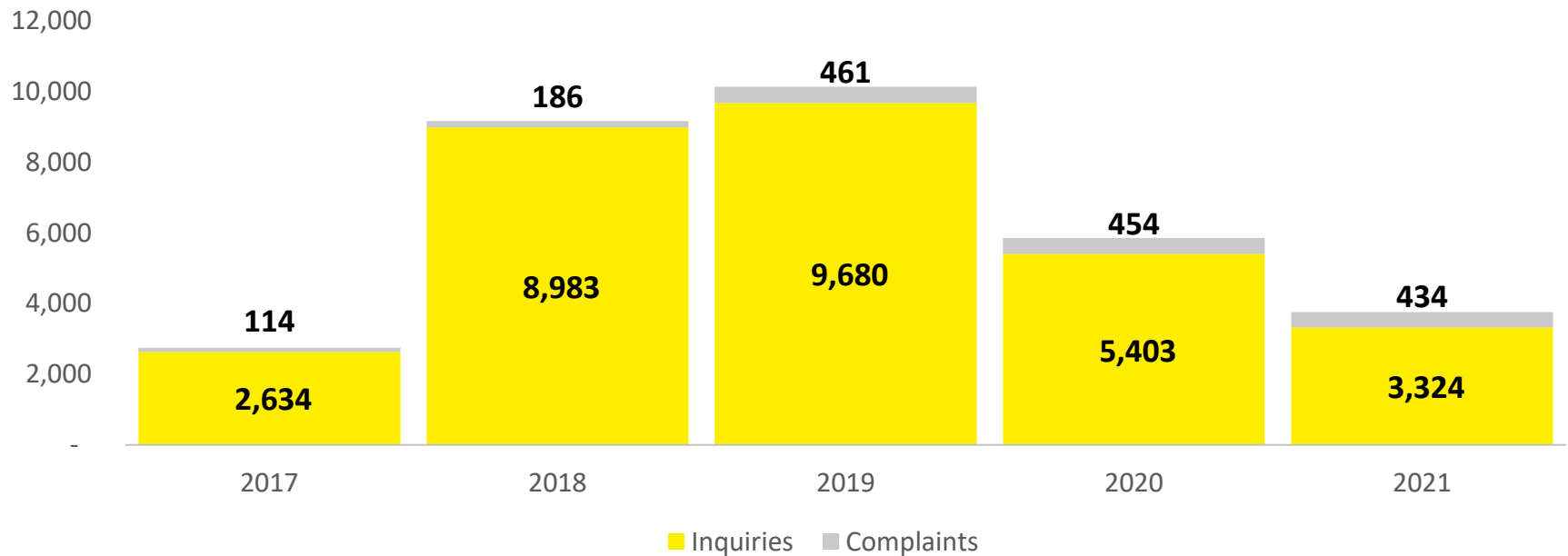


Senior & Middle
Managers

AL MAJMOUA'S CUSTOMER CARE



CUSTOMER CARE HOTLINE



LISTENING TO OUR CLIENTS-HIGHLIGHTS OF 2021

Exit Survey

Conducted surveys with 611 Exit clients to better understand the main reason behind not renewing their loans, taking into consideration clients' comments to improve our products and services.

SOCIO ECONOMIC EMPOWERMENT



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

NFS Beneficiaries

Highlights of 2021

4,478

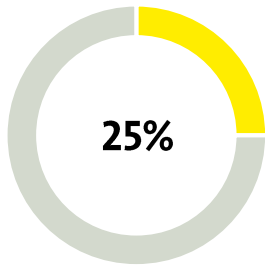
- 23% benefited from Business Management Trainings
- 7% benefited from Mentoring and Coaching
- 4% benefited from provision of Toolkits and Equipment
- 29% benefited from Financial Education
- 20% benefited from provision of Cash Assistance – MSMEs grants
- 10% benefited from Cash-For-Work programs
- 3% benefited from Product improvement, marketing and networking
- 2% benefited from Technical Expertise
- 1% benefited from Legal Consultancy
- 2% benefited from Personal Development and Soft Skills

2021 NFS BENEFICIARIES

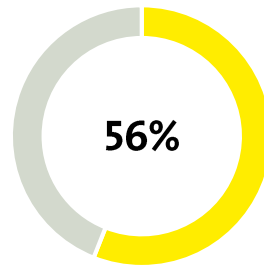
BY CATEGORY

A total of 3,256 NFS beneficiaries benefitted from Business Development Services

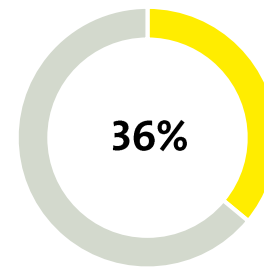
Refugees



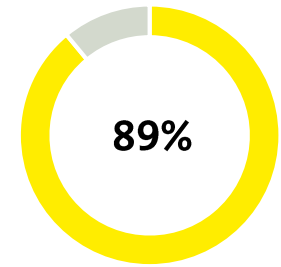
Women



Youth(≤30)



Non-Borrowers



2021 NFS BENEFICIARIES

BY SOCIAL TOPIC

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

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

61%

% of beneficiaries from NFS who were granted **cash or in-kind**

30%

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

3%

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.



CLIENT PROTECTION CERTIFICATION

AL Majmoua is thrilled to embrace the ***Client Protection Pathway*** officially launched by SPTF, SPTaskForce and CeriseSPM to promote responsible finance and help FSPs implement client protection practices.



CLIENT PROTECTION CERTIFICATION

*Certification Level: **Gold**



TIMELINE OF ACTIVITIES 2021



2021 ACTIVITIES AT A GLANCE

- Collaborated with LIFE in launching a Subsidized Micro Loan in LBP to support micro entrepreneurs with 0% interest that would help develop their business and maintain the jobs of the workers/staff working in the business.
- Introduced new IL Family Loan in LBP to respond to the needs of our existing micro borrowers for emergency financing, support their businesses or meet the living and social needs of them and their families.
- Coordinated the YESI project (Youth Empowerment for Social Impact) with CESVI, to promote youth empowerment through inclusive, innovative and sustainable models of social entrepreneurship, and to enable them to develop and upscale innovative business initiatives through enhanced capacities.
- Implemented the WED project (Women Enterprises Development), funded by the Netherland Embassy in Lebanon, to lead Lebanese women-led enterprises and Syrian refugees to invest in themselves and their businesses, improve their livelihoods and actively engage in their communities.
- Teamed up with LebNet and expatriates to establish the Aleb platform to support Lebanese citizens through sustained remittances on a family-to-family basis.
- Added both Child Protection and PSEA (Physical and Sexual Exploitation and Abuse) policies to our Code of Conduct and Ethics.
- Launched Al Majmoua's updated Client Mobile Application.
- Signed new partnerships with
 - Save the Children
 - Save The Children – Danida
 - Save the Children NMFA
 - EIB Grant
 - World Food Program
 - Linked Beirut Response
 - Fondation De France
 - Impact Lebanon

2021 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 individual business coaching & business planning
- Provided mentorships
- Provided technical assistance on marketing and legal consultancy
- Provided cash assistance to MSMEs affected by Beirut's Blast
- Provided cash for work opportunities
- Developed networking events

المجموعة
الجمعية اللبنانية للتنمية

المكتب الرئيسي، شارع عبد القادر، البناية الخضراء،
بيروت، لبنان ص. ب 11-3483

ت|ف +961 1 369 269
+961 3 009004 الخط الساخن

Al Majmoua

The Lebanese Association for Development

Main Office, Abdel Kader Street, Green Bldg., Zarif,
Lebanon, P.O. Box: 11-3483

Phone/Fax +961 1 369 269
Hotline +961 3 009 004

www.almajmoua.org