



**EUROPEAN
MICROFINANCE WEEK 2015**
FINANCIAL INCLUSION FOR SUSTAINABLE DEVELOPMENT



Syrian Refugees Crisis Response

The Lebanese Association for Development - Al Majmoua





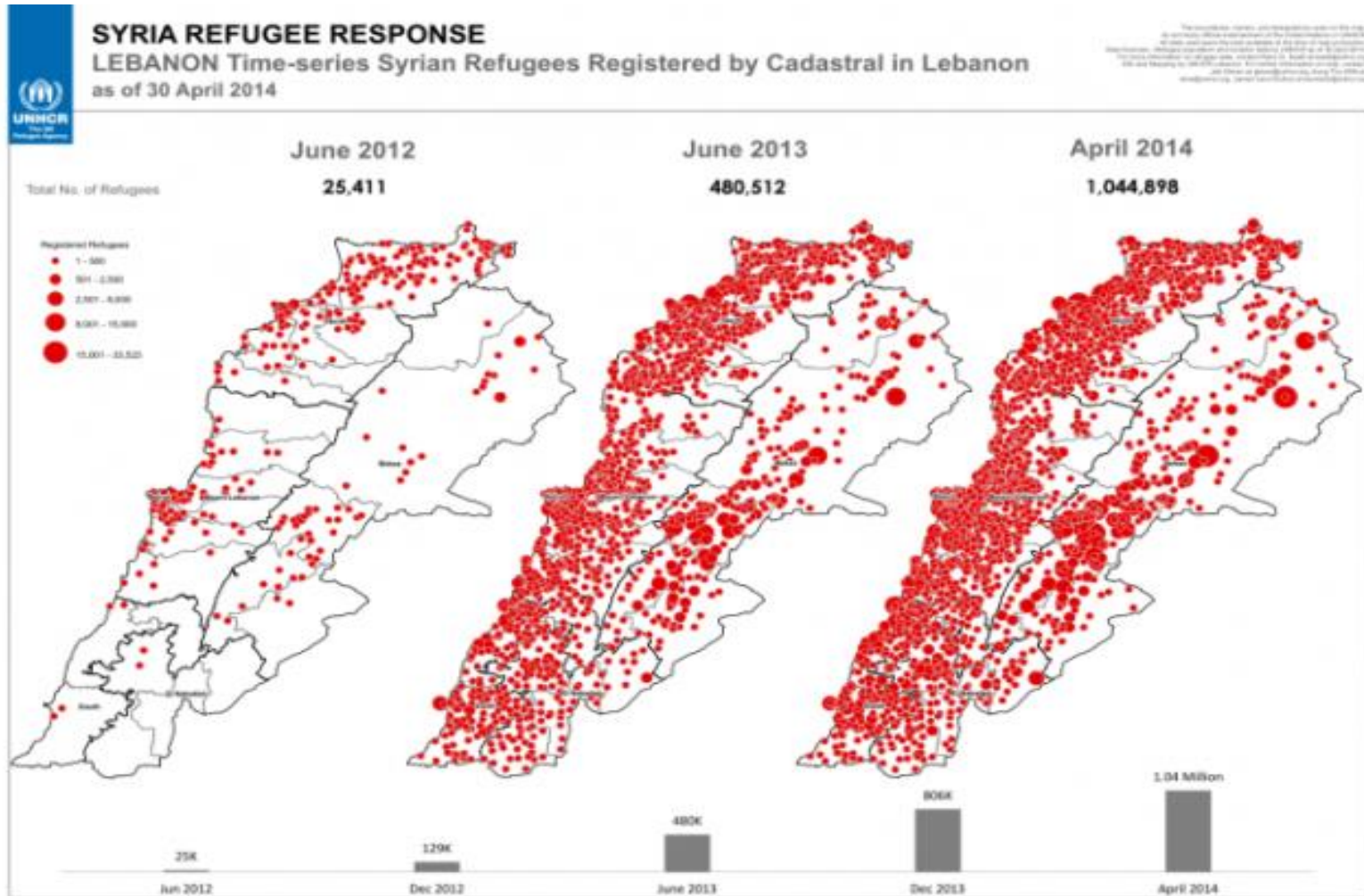
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- Al Majmoua is the leading Microfinance Institution in Lebanon
- **Status:** NGO founded in 1994
- **Mission:** Promote sustainable development by improving the economic and social conditions of low-income individuals, especially micro-entrepreneurs, women and youth, through the provision of **financial and non-financial services**, all over the Lebanon, with no discrimination.
- **Structure:**
 - 22 offices across Lebanon
 - 300 employees (including 180 Loan Officers)
 - 55,000 active clients
 - USD 50M Outstanding Portfolio

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AI Majmoua FS Syrian crisis Response 2014 - 2105

- **Piloting Mixed Group Lending for Syrian and Lebanese Women: 250 clients**
- **Loan amount: USD 200 to 900**
- **Loan term: 6 to 10 months**
- **Guarantee: Group solidarity increasing social cohesion**
- **Analysis and Findings of the pilot:**
 - 7% of the clients are widowed or divorced
 - 48% of the loan was for a disbursed amount of USD 500
 - 56% of the loans were used for business – 24% for personal use
 - There is no major difference in overdue between the Lebanese and Syrian
 - Default was higher for Syrian workers versus Syrian micro-entrepreneurs
 - Default was higher for new businesses versus businesses > 1 y of existence
- **Develop a Refugee Loan product to scale up the provision of FS**
- **Allocation of special funding with new delivery mechanism & establishment of a guarantee fund for the MFI delivering microcredit to the Syrian population**



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Al Majmoua NFS Syrian crisis Response 2014 - 2105

- 6 livelihoods projects – Budget of USD 1 M (UNHCR – Save the Children – IRC)
- 12,000 beneficiaries of Non Financial services
- Services Provided:
 - Financial education and household budgeting trainings (3,500 beneficiaries)
 - Entrepreneurship, Economic empowerment and SYOB trainings (1,500 beneficiaries)
 - Technical skills and vocational trainings (2,000 beneficiaries)
 - Employability services (950 beneficiaries)
 - Establishing an embroidery workshop in partnership with ADL (100 beneficiaries)
 - Access to market (100 beneficiaries)
 - Life skills, soft skills and personal development trainings (3,000 beneficiaries)
 - Social cohesion activities between Lebanese and Syrian refugees (3,500 beneficiaries)



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Syrian Refugee crisis - what is next?

- The traditional aid architecture has reached its limits.
- The search for more interaction between humanitarian and development capacities and resources is an imperative. We need a consistent and collective vision to articulate short and long term milestones
- The need to build a resilience agenda for both the refugees and host countries
- The need to support a strong leadership of host governments
- The need to engage the private sector next to the public sector and NGOs
- New areas of involvement
 - Encourage International Investment in the host countries to boost the economy
 - Develop the Infrastructure in the host countries to help absorb the load of influx
 - Develop local MSMES to help job creation for both Syrians and Lebanese
 - Develop and scale-up sustainable economic value chains bot competing the Lebanese
- Support resilience inside Syria
- And above all, the need to find a political solution to the conflict.



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Thank You