

— EU Project

The implementation of the project led to the support of 76 small businesses specifically in the following agricultural sectors: cherry and grape plantations, vegetables and woodwork with subsidies amounting 123,000\$ provided directly to the beneficiaries to develop and strengthen their businesses and improve their competitive edge. The success of this project had two dimensions; firstly to significantly impact the business of those 76 borrowers and secondly to strengthen the position of AEP in the microfinance sector as a reliable supporting partner for small entrepreneurs.



465 loans
granted in 2019
for a total amount of
1,745,859
US\$

— Rebirth

As I write this editorial, Lebanon has just established a new government whose priority is to tackle the current social, economic and financial crisis.

As with all fields of activity, microfinance has not escaped what continues to be a serious recession. This sector, which affects 170,000 borrowers, a portfolio of \$220 million and the employment of a thousand people, concerns half a million people, or 17% of the Lebanese population.

Due to local banks' lack of liquidity and the fall in the parity of the Lebanese pound against the American dollar, the granting of loans to micro-borrowers has almost come to a halt and repayments are in rapid decline.

The irresponsibility and the inertia of Lebanese legislators have only accentuated a social crisis, which has become pandemic. Indeed, the proportion of Lebanese citizens earning less than \$4 a day has risen from 30% to 50% and could reach 60% should inflation continue to exceed 25%. The rise in prices affects basic necessities, which will soon lead to the street protests not just to advocate change, but to cry 'famine'! To prevent the collapse of the microcredit sector, emergency measures are now essential.

Two solutions should be considered:

- The intervention of the Bank of Lebanon; with a social investment fund offering subsidized loans to those small borrowers hit hardest by the crisis, with the possibility of subsidies to postpone the maturity of their loans.
- The launch of an appeal to International Organizations working in this sector, such as LIFE-USAID, AFD, IFC, SANAD, EBRD and the EU, for assistance.


As for AEP, created during the Lebanese war to fight against just such an economic and social crisis, we shall continue to build on our strengths, based on:

- No extraneous debt
- European and American partnerships, with protocols already in force
- Partnership with Emmaüs International, as in 2006

The priority of AEP's Executive Committee will always be its micro-borrowers.

It has been said that the nation's present problems are beyond what can be done to solve them. However, it is only by carrying on with our daily activities that we will be able to overcome misfortune and reach a solution. Let us start with what is necessary, carry on with what might be possible, and so realize the impossible.

The Lebanese Phoenix continues to rise from the ashes.

 **Chady Rached**
AEP President

Success stories



› Nancy Fardisi - Zahle

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Profession: Beautician

Location: Zahle

Nancy, a young Lebanese mother of three from the Bekaa, dreamed of expanding her business from a home-based beautician to operate and manage a professional beauty salon business. Nancy took a loan from AEP to upgrade and finish her beauty salon, which allowed her to reach a wider clientele. This loan resulted in additional household income and ensured better life standards to her and her family.



› Tony Malkan - North Lebanon

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Profession: Carpenter
Location: North Lebanon

Tony, a Lebanese carpenter, is a father of three who has been working in his family wood factory for 27 years in the production of furniture and kitchens.

With a dream of enlarging his business and providing a better living for his family, Tony took a loan of \$5,000 from AEP to buy wood raw material and new drilling machine. The upgrade done in his family's factory will secure him an additional income of \$1,200 per month which will help him to enlarge his business even further.



› Youssef Nehmé - North Lebanon

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Profession: Agribusiness

Location: North Lebanon

Youssef, a Lebanese farmer with a dream of enlarging his production and providing a better living for his family took a loan of \$5,000 to buy a ploughing machine.

The new equipment will ultimately secure him an additional income per month and his business even further.



› Mohamad Ali Mehrez - Tripoli

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Trade: Bakery
Location: Tripoli

Mohamad is one of our oldest and loyal borrowers since 2010, he has taken 6 loans from AEP and currently has an active loan of \$6,000. He owns a bakery in Tripoli main Souk, established since 1948 by his father whereas he produces traditional bread and bagels and distributes them not only to the public but also as a wholesaler where all sweet shops and bakeries in the city are his clients.

The purpose from the last loan he took was to renovate and restore his shop and buy a mini van to distribute bread all over the region which helped him expand his business and generate additional income.

AEP News

— A weekend of brainstorming

AEP board of directors and executive team met over two days in Printania Palace, to reflect on volunteers, the mission of the association and to put together an action plan for the future.



— Field visits

AEP's management team conducted intensive field visits to identify the needs of its borrowers, follow up closely on the project implementations, and make sure that the end beneficiaries status meet the mission of the association



— USAID-Fintech kick off project

Through this project, AEP has installed a new Management Information System (MIS), the Fintech solutions, to support and improve the workflow and gain an improved competitive stance. The new software took the whole association to the next level and enabled us to embrace the digital era through a system that always provides us and the board full visibility on the association's performance and status at one click. It enhanced the way of working inside the organization, the way people perceive their work and it improved the employees' skills, processes in addition to the entire organizational culture. The total grant amount received to execute the project is 88,783USD.



Emmaüs International

Emmaüs International meeting for the Asian Region

The meeting of the Regional Office of Emmaüs Asia was held in Beirut, at AEP offices from 12th till 14th October 2019. Two days were dedicated to meet and discuss the following:

- Evaluation of 2019 Asia projects
- 2020 Plan
- Emmaüs International World Assembly
- 2020 Solidarity programs



And the last day was spent on the field with AEP team to meet its borrowers and further encounter the needs of the beneficiaries and to make sure that the values, goals and mission of the association are met.

International work and training site in Pereira, Colombia

Anthony Zamroud, loan officer of the Beirut region, has actively participated in the America international Emmaüs work camp which took place in Pereira, Colombia from 14th till 23rd September 2019, titled - "Lucie Coutaz – social change for a more inclusive and sustainable world".

Around seventy companions, volunteers and group leaders participated in the work camp and discovered a range of locally-led alternatives.



« Participation in the working group in Colombia has been a very enriching experience. From the Emmaüs group, I have met colleagues of various cultures, all of whom are experts in their discipline. The seminars and discussions I attended were very instructive, allowing me to broaden my knowledge as we compared our experiences ».

Anthony Zamroud

Objectives for 2020

- › Go beyond credits and study new strategies and action plan to enlarge AEP activity.
- › Diversify the loan portfolio to better meet the needs of the sector.
- › Study and find new solutions to support AEP borrowers during this economic crisis.
- › Develop a new loan product in LBP to respond to the demand taking into consideration the new bank restrictions.
- › Continue to develop partnerships with a variety of suitable national and international institutions

AEP News

YMCA and City Group prize for the best borrower of 2019

The award for 2019 best borrower in the YMCA and City Group prize was granted to four of AEP beneficiaries in different regions and sectors:

- Nawal Taleb, Owner of bungalows and restaurant in West Beqaa, 2.000 \$.
- Carla Yazigi, Owner of "Rent a Bike" in Broumana, 2.000 \$.
- Ali Hammoud, Agribusiness in Akkar, 1.000 \$.
- Haytham Fodda, Carpenter, Tripoli, 1.000 \$.



› Winners of YMCA prizes

Chocolate, forever!

Every year AEP renews its commitment to supporting the artisanal work of nine mothers preparing chocolate during the festive season.

This year, 800 kilos of special chocolate were produced and all the profit went to their families.



› Christmas arrangement

AEP serving new regions

AEP has recruited Iyad El Chamy as loan officer of the Chouf region, a new region where AEP was not previously active. In South Lebanon, Samer Bizri has resigned and Dany Hijazi was recruited as Loan Officer of the south with incorporation of the following areas: Tyre and Nabatiyeh.

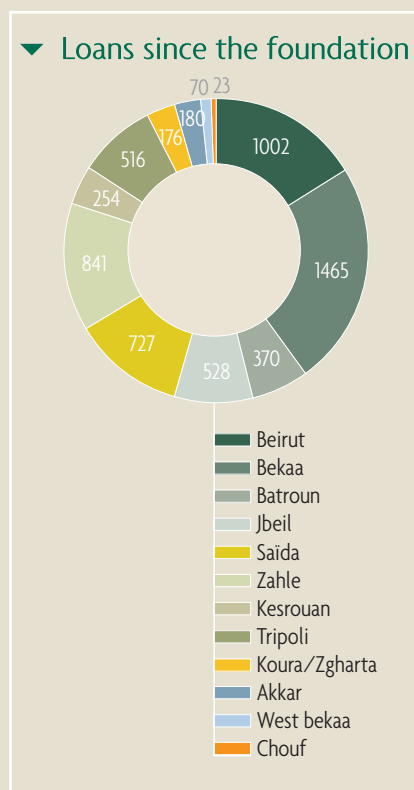
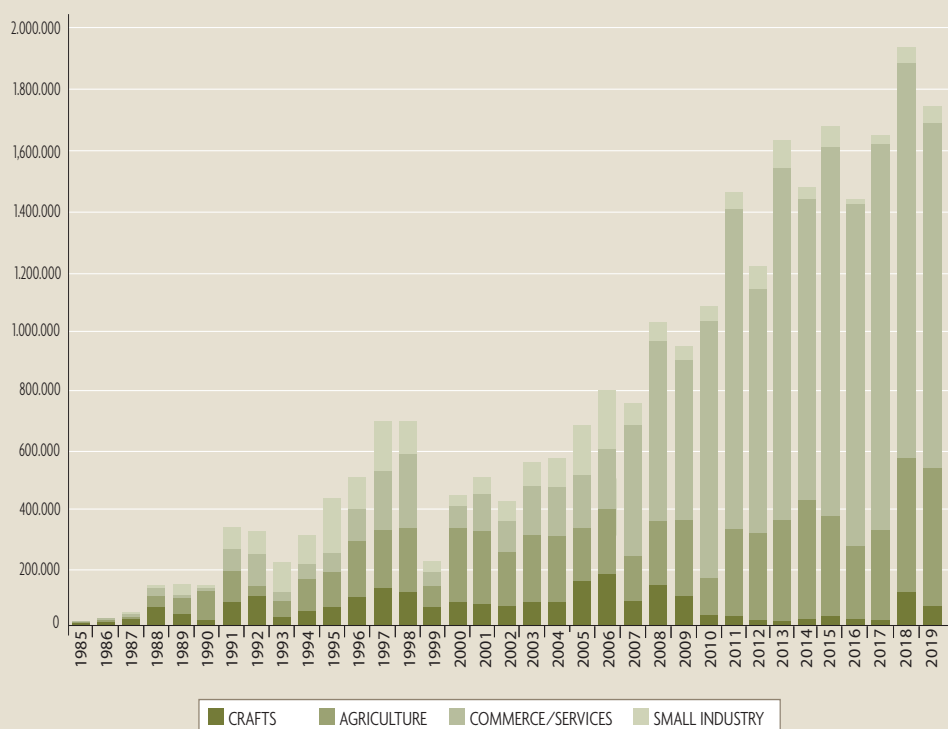
Achievements

— Ever since its foundation in October 1984 until the 31th of december 2018, the “Parabank” has granted **6 152 loans** for a sum of **24 918 574 US\$** among which

Coverage rate:
97%

→ **6 048 familial loans** for a sum of **24 082 083 US\$**
 → **97 collective loans** for a sum of **703 529 US\$**
 → **7 cooperative loans** for a sum of **132 962 US\$**

▼ Distribution of the granted loans per year and per sector



► Year 2019

Granted loans: → Number **465**
 → Amount **1 745 859 US\$**

Average outstanding loans: → Number **1 246**
 → Amount **3 467 100 US\$**

Operating/outstanding
9%

ADMINISTRATIVE COMMITTEE :

President : Chady Rached	Vice-President : Camille Chedid	Secretary : Dolly Haddad	Treasury : Samira Khoury
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Members :	Antoine Eid Wafaa Abou Charaf	Dolly Hérou Walid Osseirane	Iskandar Khoury
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Planning and coordination : Lara Hassoun

AEP's Address

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 E- mail: aep@inco.com.lb
 Website : www.aep.org.lb





How to help the AEP?

The AEP needs your financial and/or technical solidarity and support. If you are convinced with the efficiency of its socio-economic action, many participation options are proposed to you: donations, loans, professional advice for the creditors or informing your neighborhood about the goals and actions of the AEP

YES, I WISH TO HELP THE AEP

Name and family name (Mrs., Ms, and M.)

Complete address

Postal code

Tel

Fax

E-Mail

BY DONATING

I wish to pay the annual subscription :

150 000LL

or 100 Euros

or 100 US\$

I wish to make a donation to support the AEP in its action :

Amount of the donation

L.L. or

Euros. or

US\$

The donations are paid to the AEP via : check, postal check, cash,

Bank transfer: IBAN : LB7300220000 00002421122 19500 Account N° : 0242112219500

Swift Code : MEDLLBBX Bank Name : BANKMED - ACHRAFIEH BRANCH

BY ADVISING

I wish, depending on my competences, to advise the creditors in their professional activity.

Field

available time

BY INFORMING

I wish to inform about the goals and actions of the AEP.

Number of required bulletins

- Check the mentions that interest you and send this page to the AEP address.

The team of the AEP is at your complete disposal for any information on this number: 01/382610 from 8h till 16h from Monday to Friday

AEP's Address

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