



## Covid-19 Emergency Fund

Faced with the COVID coronavirus pandemic and its consequences on Emmaüs International groups, the elected members of E.I. met and decided to revise the allocation of the Solidarity Funds and create a COVID Emergency Fund.

AEP has called for support after conducting a comprehensive survey of its beneficiaries and identifying those borrowers whose businesses were no longer performing and were therefore unable to pay their bills; earnings took a hit after the lockdown decision to contain the spread of the virus. The survey assessed the impact of both economic and corona crises on economic activity and income, by business sector, the main challenges faced, and alternative solutions to enable survival while the current situation lasts.

As with everyone else, the impact on AEP's clients' business activity is severe and the drop in income has led our borrowers to face defaulting on their loans. Portfolio quality of certain regions and/or borrowers in business sectors such as clothes stores, tourism services, and carpentry has started to worsen, in turn resulting in a significant reduction in repayment rates.

The 20,000 euros grant offered by Emmaüs International has covered part of the loans currently at highest risk and was used to substitute for the amount of two monthly bills and unpaid bills for 70 vulnerable borrowers, selected based on the most pressing needs in our portfolio, in turn submitted by the Loan Officers after a thorough analysis of their situation, and approved by AEP's Board of Directors. This action not only covered loans due but allowed us to re-invest in the provision of new loans in different sectors.

AEP has decided to prioritize the small entrepreneurs affected by the Beirut blast of August 4<sup>th</sup>, 2020, whose businesses were partially damaged and who need renovation to fully reinstate their activities. Due to the criminally massive explosion, the demand for loans support has increased short term and with the collapse of the banking sector people will now turn to NGOs for financial support. The microfinance sector will therefore play a vital role in the recovery of damaged buildings and businesses, and AEP will try its very best to continue its work while staying true to its values and belief in human endeavor, with no discrimination of any kind.

**126 loans**  
granted in 2020  
for a total amount of  
**172,400**  
**US\$**



## Testimonials

### › Lara Hassoun C.O.O - AEP

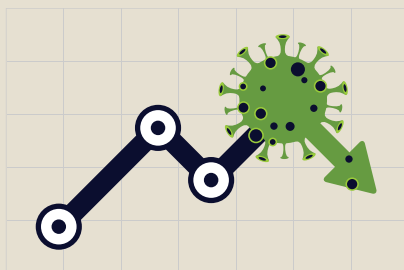
“

Lebanon is in state of severe economic recession, the crisis becoming worse with the COVID-19 pandemic, particularly amongst the poorest citizens in rural areas, to whom the AEP community is committed. Throughout my time at AEP, we have never been forced to cease our activity, in terms of providing financial support through microloans. However, the microfinance sector in Lebanon has been severely affected and so may no longer be able to fully accomplish its main role of reducing poverty and assisting economic and social development. While AEP has been able to overcome a variety of barriers to the provision of financial services to the poor in the past, today's challenge is greater than ever. AEP's borrowers are prioritizing living expenditure and have difficulty in repaying their loans, many of them closing their businesses. Hence, urgent support is vital to assist the association in responding to the growing demand for loans. The Covid 19 emergency fund initiative has made us prouder than ever to work for AEP, contribute to the community and support the most vulnerable, in good and bad times alike. I would express my deep gratitude to Emmaüs International, always supporting the Association in challenging times. ”

### › Guitta Rizkallah Bookseller, AEP beneficiary

Guitta Rizkallah, a bookseller in a remote area in Northern Lebanon, Koura, lives with her family and is a mother of three. Guitta's financial situation worsened with the accentuation of the economic crisis in the country and the subsequent relapse in books and stationary sales. The impact of the economic hardship, the COVID-19 pandemic and the lockdown significantly impacted the turnover of Guitta's bookstore, making it more challenging for her to cover the expenses of her modest business and her family's living. Guitta affirmed that by rescheduling her existing loan she will be able to adjust her financial situation beneficially.

“No words can thank you enough for your support and thoughtfulness” she said, when informed about the initiative.



### › Roula Kerbage Loan Officer - Central Bekaa - AEP

“

I have never felt so proud as in the last few months, as we supported the most vulnerable of our borrowers over some of the worst times the country has been through. Rescheduling their loans thanks to the LIFE project funded by USAID gave them breathing space to adjust, and prepare for a new start, having thought only of food supply for their children and families over the last few months. When I saw the impact of this vital program in Bekaa-borrowers' eyes, I realized how AEP sticks to its mission each day and in every program, and how this contributes to enhancing the reputation of the association amongst small entrepreneurs. ”



› Guitta Rizkallah - Koura, North Lebanon

## — Geo-expansion aid project - LIFE

The Livelihoods and Inclusive Finance Expansion Project funded by The United States Agency for International Development “LIFE-USAID” had a very positive impact on both borrowers and AEP.

Thanks to this grant, AEP was able to restructure the loans of its borrowers and 384 micro/small entrepreneurs benefited from the project. The grant was the best possible support to offer borrowers who were struggling during a time of hardship, and provided them with hope to meet desperation over how to settle their dues, maintain their businesses and generate a decent income for daily expenses. It gave them a window to reorganize and start a new chapter in life.

The project:

1/ strengthened the reputation of AEP, as a partner who cares for its micro-entrepreneurs and supports them, and  
2/ improved the financial situation of 384 existing borrowers.

We would like to sincerely thank USAID and LIFE for the trust they have put in AEP.

384

small entrepreneurs  
benefited from  
“Geo-expansion  
aid project”

## Restoration and payment waiver after the Blast thanks to Emmaüs International



Despite all the tragedies the country has been through during its history, AEP has always stood by her borrowers, making an ardent effort to remain true to its mission. However last year was like no other; the situation was truly exceptional. The country faced a multifaceted crisis significantly impacting AEP and its borrowers.

Thanks to the swift support from AEP partner; Emmaüs International movement, AEP was able to offer restoration and reconstruction support.

Emmaüs International movement provided financial support to AEP's borrowers who suffered from severe damages following the Beirut Blast and helped them rebuild their destroyed businesses and/or homes. A new fund will be kicked off in March 2021, for the same purpose thanks for the trust that the multinational funders put in AEP.

In the face of the new pressing living priorities, the association remain deeply connected to its main mission that is to provide microloans to the vulnerable entrepreneurs.



› **Anthony Zamroud**  
Administrative officer - AEP

“

The sudden and unfortunate blast has sent a wave of shock and sadness to all of us. Assisting people to rise again after this tragedy, has been one of our most urgent tasks and I only hope that we will be able to provide support to more people.

Thank you, Emmaüs International, for helping us to support the most vulnerable through this unique project, new to our association and currently so needed in Lebanon. It has allowed those of us in the team to connect more than ever to our mission and to make a real impact on these families' lives. ”

## AEP News

- AEP Developed a new loan product in Lebanese Pounds to respond to the demand, taking into consideration new bank restrictions.
- AEP has signed a Grant agreement with Fondazione San Zeno, being an aid initiative to support: The restoration of damaged homes and affected businesses, the distribution of food baskets and the introduction of payment waivers.
- AEP has signed a Grant agreement with Fondation de France to support its borrowers affected by the Beirut blast, through payment waiver and reconstruction.



### Chocolate, forever!

Every year AEP renews its commitment to supporting the artisanal work of nine mothers who prepare chocolate during the festival season. This year, 900 kilos of special chocolate were produced and all the profit went to their families.



### Objectives for 2021

- › Study and find new solutions to support AEP borrowers during this hard period
- › Diversify the loan portfolio to better meet the needs of the sector.
- › Go beyond credits and study new strategies and action plan to enlarge AEP activity.
- › Develop partnerships with a variety of suitable national and international institutions.

## Food Aid Support funded by Fondation Abbé Pierre

After carrying out a thorough assessment, AEP have identified food supply as the most urgent need among families, at this difficult time.

Following the dreadful explosion, the initial response from AEP, thanks to the generous support of Fondation Abbé Pierre, focused on distributing 450 food boxes containing rice, flour, tomato paste, oil, jam, tuna, tahina, halawa, lentils, chickpeas, beans, sugar and cheese while supporting vulnerable families who are currently without shelter. Food items were bought from 17 active borrowers who appreciated the initiative to create a value chain, assisted by the direct involvement of the AEP team on site.

The entire AEP team and a group of its volunteers were mobilized to distribute food boxes around different regions. The quality and variety of food boxes was exceptional and much appreciated by recipients.



### > Genevieve Beneficiary of the Food Aid

“

My name is Genevieve, 68 years old and mother of a 35-year-old handicapped boy. I live in Achrafieh, at the top of an old building and the Beirut explosion destroyed all my windows and damaged furniture. My husband lost his job, and we had no savings to help us. We have both been looking for employment but have found nothing. The food basket that I've received was like a miracle to us and we hope to be able to repay AEP someday. What a relief to know that we won't sleep hungry for at least some months. I really appreciate your assistance at this time of severe hardship that we are all passing through. Thank you, AEP for your support”.

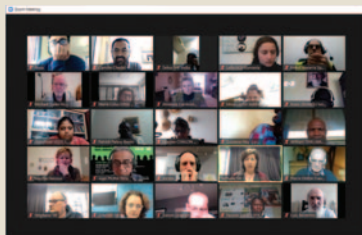
While Genevieve's eyes were moist as she spoke, we have rarely met anyone as brave. ”



## Emmaüs International

### Camille Chedid participates in E.I. meetings

As a member of Emmaüs International and Emmaüs Asia, AEP participated in all meetings organized during 2020 at the regional and international level. AEP was also an active associate, engaged in all decisions taken concerning Emmaüs activities and projects implemented during this year. In view of Covid-19 and the situation that we faced throughout the last year, all regional and international meetings were shifted online, and virtual meetings were adopted. Despite the current circumstances, we were able to adapt and substantially maintain our activities in order to support our beneficiaries. Emmaüs International was thus able to support most of its members' proposals and initiatives related to Covid-19 responds, throughout 2020. The E.I. World assembly was postponed until later in 2021 or early 2022 and replaced by a virtual assembly held in October 2020. AEP participated in four board meetings and one regional assembly. All these meetings aimed at sharing and updating members on projects progress and financial situation, in addition to discussing, analyzing and approving several proposals.



**450**  
food boxes  
distributed  
around the country

### Nos priorités en 2020

Motions New Dehli

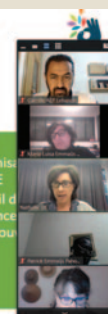
- Scholastiche internazionali et gladdoyer
- Raport mondial
- Assemblée mondiale

Urgences pandémie

- Création fonds d'urgence
- Adaptation des actions de communication
- Adaptation budgétaire

Organisation collective

- Organiza du SIE
- Travail d'instance du Mou



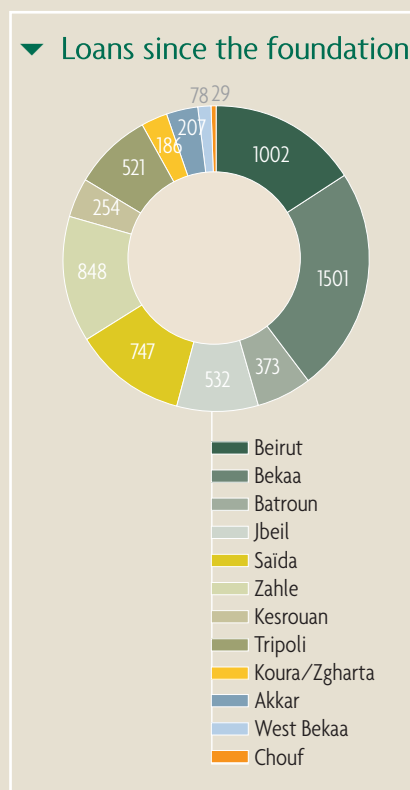
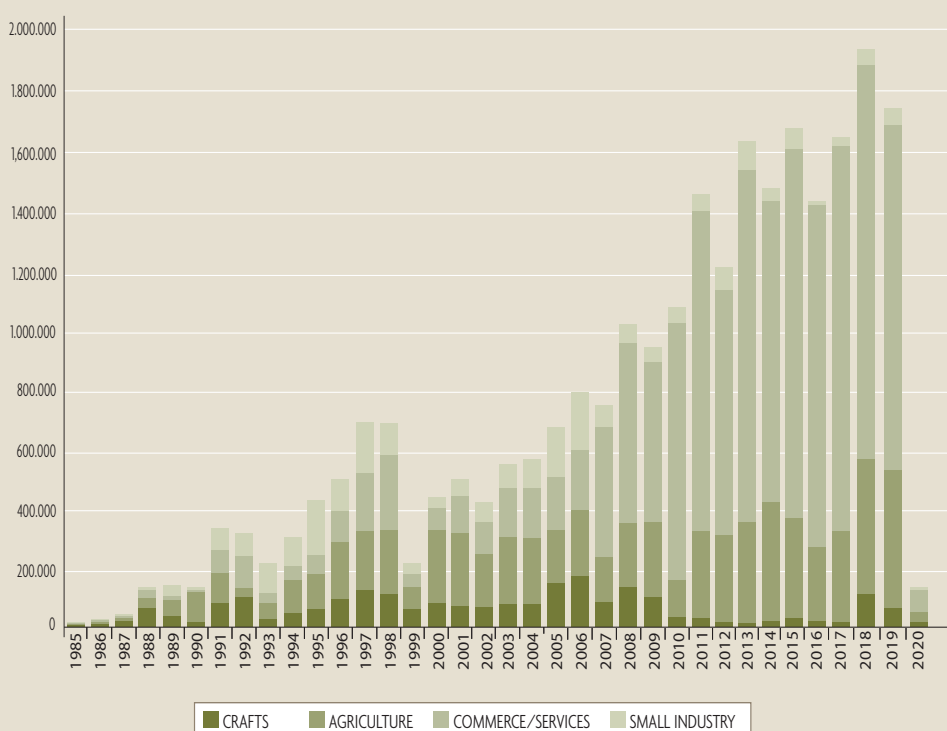
## Achievements

— Ever since its foundation in October 1984 until the 31<sup>th</sup> of december 2018, the “Parabank” has granted **6 278 loans** for a sum of **25 090 974 US\$** among which

Coverage rate:  
**65%**

→ **6 174 familial loans** for a sum of **24 254 483 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 2020

Granted loans: → Number **126**  
 → Amount **172,400 US\$**

Average outstanding loans:  
 → Number **956**  
 → Amount **2,022,198 US\$**

### ADMINISTRATIVE COMMITTEE :

<b>President :</b> Camille Chedid	<b>Vice-President :</b> Wafaa Abou Charaf	<b>Secretary :</b> Dolly Haddad	<b>Treasury :</b> Samira Khoury
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<b>Members :</b>	Antoine Eid Janet el Tawil	Roger Melki Chady Rached	Nicolas Sbeih
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**Planning and coordination :** Lara Hassoun

### AEP's Address

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 E- mail: [aep@inco.com.lb](mailto:aep@inco.com.lb)  
 Website : [www.aep.org.lb](http://www.aep.org.lb)



AEP Liban



AEPLebanon



## 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**

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