

Communication on Engagement (COE)

Period covered by this Communication on Engagement:

From: April 2020 to April 2022

Participant: Al Majmoua (<http://www.almajmoua.org/>)

Part I: Statement of Continued Support by the Executive Director



8th of April 2022

Secretary General
United Nations
New York, NY 10017
USA

Dear Mr. Secretary - General,

I am pleased to confirm that The Lebanese Association for Development, Al Majmoua reaffirms its support to the United Nations Global Compact and its ten principles in the areas of human rights, labor, environment and anti-corruption.

This is our Communication on Engagement with the UN Global Compact. We welcome feedback on its content.

In our COE, we describe the actions that our organization has taken to support the UN Global Compact and its principles.

Sincerely yours,

Dr. Youssef Fawaz
Executive Director



AL MAJMOUA
المجموعة

Part II: Description of Actions

One of Al Majmoua's mission is to alleviate poverty by improving the economic conditions and livelihoods of its beneficiaries. Access to financial services can reduce poverty and its effects in multiple concrete ways, help the poor access schooling and health care, provide immediate income transfers or relief to survive, and allow for greater control over financial resources.

Al Majmoua is committed to following international best practices in microfinance. It endorsed industry initiatives like the **Smart Campaign** (<http://www.smartcampaign.org/>) for client protection and **MFTransparency** (<http://www.mftransparency.org/>) for pricing integrity and transparency.

Al Majmoua is a member of the Social Performance Task Force (<http://sptf.info>) and works on continuously improving its **Social Performance Management** practices by aligning policies and procedures with responsible business practices.

Al Majmoua undergoes assessments and ratings conducted by external organizations and has obtained in the past many recognitions and certifications that acknowledge its compliance and achievements.

Al Majmoua has committed itself to **gender diversity and women's leadership** by implementing actions at all levels of the organization towards attracting, developing, training, mentoring and retaining the next generation of our women leaders. Part time and flexible hours' policies allowed us to attract and retain top executives and offered our young staff the opportunity to pursue their education. Getting more women on senior management positions have meant more female role models and an encouragement to other women in the organization who see their seniors being promoted.

Al Majmoua committed itself to **environmental sustainability** by collaborating with a Lebanese NGO "L'Ecoute", having started sorting and recycling papers, plastic, cans and electronic waste since 2013.

Al Majmoua has implemented an **exclusion list** where it carefully looks if harmful child labor could be involved. Equally excluded are projects likely to pose a threat to children or to interfere with the child's education and health as well as the physical, mental, moral and/or social development. Al Majmoua rejects any project that uses cutting trees or any forest product in a manner that threatens its sustainability and existence, as well as projects that cause marine pollution due to hazardous waste.

Part III: Measurements of Outcomes

Since its inception, Al Majmoua has been providing low-income individuals, particularly women, with affordable financial and non-financial services to fund their activities and build sustainable businesses all over Lebanon. As of December 2021, the **total number of loans disbursed** is 37,401 (52% being females, 25% youth and 62% entrepreneurs) and the **total number of non-financial services beneficiaries** is 3,256 (56% being females and 36% youth).

Al Majmoua is now serving **more than 19,000 female** clients across Lebanon, as of December 2021. Likewise, women represent 58% of Al Majmoua's total staff and 47% of the senior management team.

Throughout 2020, Al Majmoua remained true to its social responsibility towards its clients, financially and non-financially, addressing their problems with suited solutions. Our main concerns during the financial crisis and COVID-19 pandemic were to assess our clients' situations in terms of health and work; identify their needs to restructure their loan, design and create solutions to protect and secure them with better living conditions; and emphasize Al Majmoua's commitment to its social responsibility by staying in contact with clients and assuring them support during these difficult times. Taking into consideration our clients' requests and needs, we provided a 2-month grace period with no extra delay fees, rescheduled USD loans and introduced new emergency loan products in LBP to support our clients' businesses and meet their basic and social living needs.

We were also able to help some of our clients who needed food and medical aid by cooperating with international NGOs to help deliver direct food assistance to vulnerable female clients and fundraise for a Cash-for-Work program for clients in agriculture and agro-food businesses to support them and the sustainability of their businesses.

In the aftermath of the August 4th Beirut port explosion, Al Majmoua was on the front line, surveying damages and seeking to provide support to our more than 1,300 clients who were impacted by the blast. Al Majmoua's team participated in cleaning the area and referring vulnerable clients affected by Beirut's Port Explosion to local/international organizations for food delivery, medical assistance, shelter and psycho-social support. As of December 2021, Majmoua supported the economic rehabilitation and recovery of more than 640 Micro, small and medium enterprises directly affected by the Beirut blast.

In cooperation with Fair Trade Lebanon and other local organizations, Al Majmoua fundraised to implement a food security program to deliver food parcels to the most vulnerable clients in the affected areas; a cash assistance program to offer USD 200 per client over a period of 2 months to support their basic household needs; an in-kind grant project to support MSMEs reopen their businesses; and a Cash-for-Work program to subsidize the operational cost of affected MSMEs by covering the daily wages of their workers for 3 months. Al Majmoua also delivered individual business coaching for the affected MSMEs to help them develop their recovery business plan.

Al Majmoua also focused on implementing a project which targets social entrepreneurship in Lebanon. In coordination with Cesvi, the YESI project (Youth Empowerment for Social Impact), funded by the EU-MADAD fund, was carried out in 2021 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. 43 beneficiaries participated in the project activities leading them to gain skills on how to develop, strengthen, and increase their opportunities of access to Finance.

As part of Al Majmoua's vision to support women, provide them the opportunity to be successful and active in running their own businesses, Al Majmoua 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; a total of 400 women participated in this project.

Last, but not least, Al Majmoua teamed up with LebNet and expatriates to establish the **Aleb platform** to support the population in Lebanon through sustained remittances on a family-to-family basis. Launched at the end of December 2020, the platform was able to secure support for 34 families by year's end.

Al Majmoua received Foundation Ghazal's "**Conflict Prevention and Peace in Lebanon 2020 Award**" for its outstanding support in the rehabilitation and recovery of MSMEs affected by the 4th of August Beirut Port explosion.

Since 2013, Al Majmoua has been sending its recyclable waste to **Association L'Ecoute** (<http://lecoute-ls.org/recyclage-ang.html>) contributing towards **environmental sustainability** and fundraising for the handicapped.

Al Majmoua excludes all the projects that use juveniles under the age of eleven (compulsory primary education) as well as hazardous projects that use children under the age of sixteen.

Al Majmoua also added in 2021, the child protection and PSEA (Physical and Sexual Exploitation and Abuse) policies in its Code of Conduct and Ethics.