



# MICROFINANCE SERVICES ANNUAL UPDATE

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**2018**

# MICROFINANCE SERVICES

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## 2018 Programs

- Sawa- non bank microloans
- CITI SYE – Strengthening Young Entrepreneurs
- Ethiopian Israeli Business Loan Fund
- Scaling Up – ongoing services

## ACHIEVEMENTS

- 12,361 loans since inception
- 10,342 direct non-bank microloans
- NIS 117 m in credit

### 2018

- 1531 loans
- 2083 clients supported

### Ongoing Evaluation\*

- 30% increase in business registration
- 34.39% increase in business income

*\* From 1,305 surveyed*



# SAWA - TOGETHER

*In 2018 Sawa reached a record number of clients, loans and business improvement.*

SAWA was developed working with Bedouin women of the Negev, the poorest population in the country. After great success, the program was expanded to the whole country to additional Arab Israeli women and some Jewish populations. Since then, Sawa has reached thousands of marginalized women, assisting them in reaching economic independence.

Since 2011 the government of Israel provides 50% matching support for work with Arab local women.



# OLA

**Ola** is a widowed mother of three. She was forced to raise her children as a single parent. Through the years, she struggled to earn a decent living. She used to work as a day laborer and part time in a restaurant but Ola knew she was worth more. She decided to utilize her drive and open a business. After taking courses and becoming trained, Ola opened her cosmetics salon.

Ola learned how to manage her expenses and pricing. She learned how many customers she would need to break even and reach her different income needs. She used her loan for renovations, materials and treatment stations.

Ola continues to improve her business and is providing a strong future for her family.



# ISMIHAN

Ismihan has managed her house goods and gifts store for several years. It is located on the first floor of the building of her home. She has excellent taste and customers come to her for advice on how to decorate their homes.

Ismihan has four grown children and is making sure each one gains an education. She works hard to make sure her store has unique and beautiful pieces as well as items much in demand in her town.

Ismihan wants to open an additional small branch at the entrance of her town with special items while continuing to operate the existing store on a larger scale.



# FATMA

Fatma studied photography and graphic design. Her studio provides studio pictures and she goes to kindergartens, schools and organizations to provide services on site. She gives wonderful service with warmth and professionalism.

Fatma used her loan to expand her portfolio and include additional backgrounds and props so she could provide more possibilities at schools. Fatma plans on further expanding her business including prints on canvas, t-shirts and other gift items.

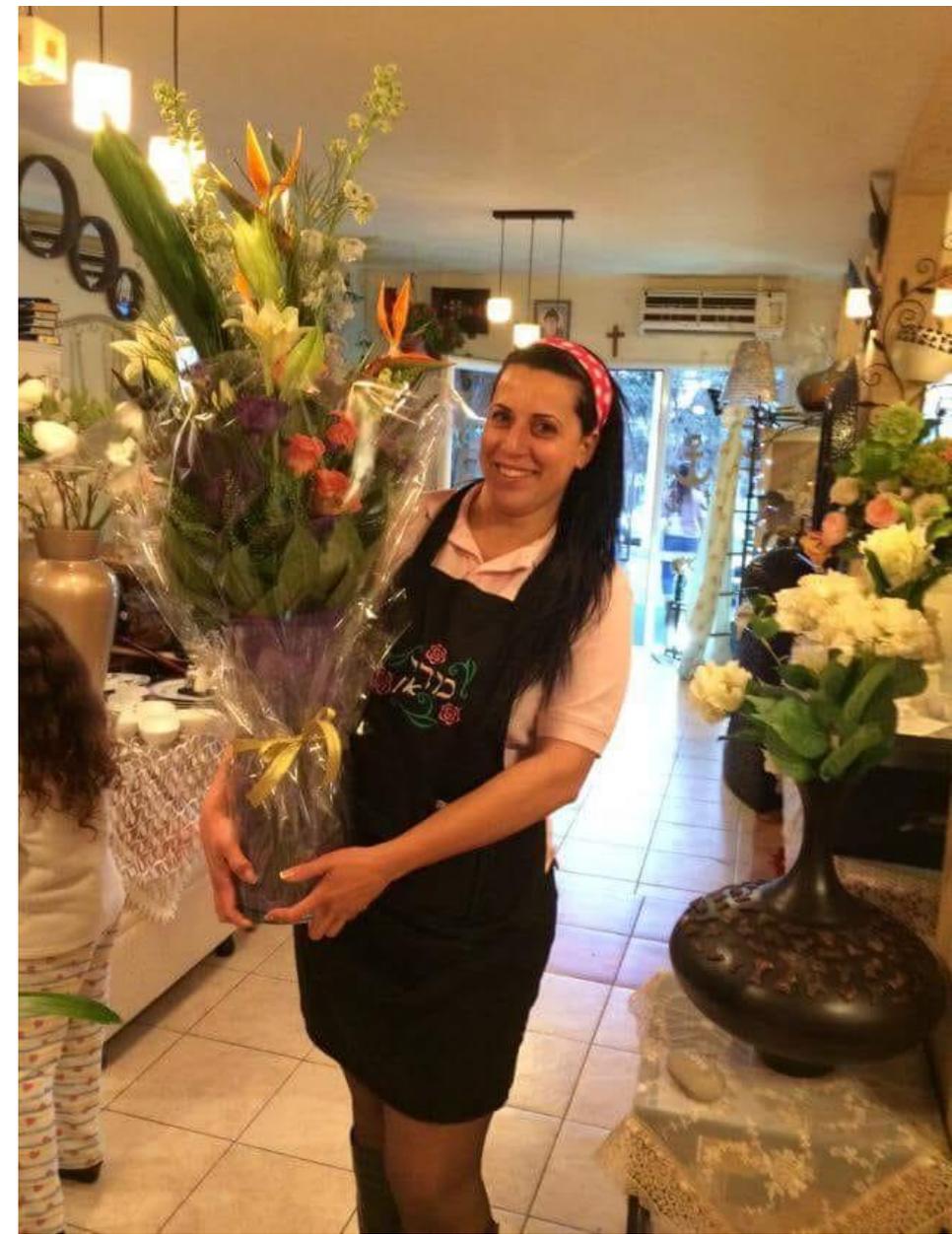


# MARAAT

Maraat owns a flower and gift shop. She also provides decorations for weddings and celebrations and has gained an excellent reputation in her area.

Maraat is a veteran client of SAWA. She took a small group guaranteed loan several years ago when she was first developing her business. After she registered her business, she took a second – larger loan to diversify her stock of gifts along with her flowers.

Maraat believes in keeping her business strong, making sure her children gain a good education and expanding her wedding and celebration designs.



# CITI SYE – STRENGTHENING YOUNG ENTREPRENEURS

The CITI SYE program enabled over 300 young Arab and Jewish women gain entrepreneurial skills, business management abilities and access to networking opportunities within their cities and regions.

**CITI SYE succeeded in establishing an effective model for development and expansion of entrepreneurship among young females. The impact on the participants is meaningful with real business expansion taking place and a community of support fostered through the networks which were built.**



# IRAJ

Iraj is a young entrepreneur from central Israel. She is finishing her Bachelor's degree this year. In order to assist in paying for her studies, Iraj began selling artistic pieces and accessories. She used her loan to buy supplies to create additional stock to sell. The loan enabled her to continue creating her products, meet customer demands and increase her income.



# LIEL

Liel opened her vegan restaurant, Shatki, in Beer Sheva together with Shlomit. Liel managed a vegan catering business when she began CITI SYE and during the program gained the courage and tools to open her restaurant. Shatki takes part in local events and programs and gives back to the community, raising social awareness while creating a community.

Their restaurant has both a strong loyal customer base and walk-ins. They have received accolades from food critics and social media sites throughout the city.

Liel is a successful entrepreneur, following the plan she developed with CITI SYE business consultant. Liel and Shlomit are real leaders in their field.



# SIJAD

Sijad is a young mother of two. After studying at university and working as an employee, she also trained in cosmetics, specializing in hair removal by laser. She opened her clinic three years ago in a nice centrally located building and has customers from her city as well as from nearby towns. She recently opened a new branch in a town north of her city and is growing her clinics.

Sijad is a smart businesswoman who knew her business was needed in the area. She plans to open additional branches in the future while also saving and working for the future of her family.



# POP UP GALLERY & STORE

Young Jewish and Arab entrepreneurs from the northern region created a Pop Up Gallery & Store showing and selling their art and products.



Items included textiles, jewelry, clothing, pictures, children educational books, vegan food and graphic art items. The store opened with a special evening celebration and continued throughout the week before Rosh Hashanah.



The Pop Up Gallery & Store gave an excellent opportunity for the young entrepreneurs to prepare an event together from start to finish. They gained important pricing, marketing, planning and networking tools and benefited from strong sales throughout the week.



# ETHIOPIAN ISRAELI BUSINESS LOAN FUND

Following demonstrations by the local Ethiopian community, the government identified the significant challenge of businesses owners in attaining credit. Following our successful partnership with Sawa, the Ministry of Economy turned to KIEDF to run a program that answers the credit and business development needs of Ethiopian business owners.

We adapted our SAWA model to the needs of the Ethiopian business community with loans of up to ₪150,000.

The program began operation in January of 2018 and works in collaboration with the Ministry of Economy and Ogen.

**In 2018, over 100 businesses were reached with close to 40 loans distributed**



# BAYUSH

Bayush studied with local hair styling masters, gaining training and experience over the last decade. She used the loan to establish her own salon. She provides special hairstyles for events, programs and celebrations as well as haircuts, coloring and extensions. Bayush's dream has become a reality thanks to her experience, skills, connections and this investment. She is succeeding in creating a good name for herself and has a strong flow of clients



# GALAGAY

**Galagay** is from northern area of Israel. His business is in construction and he specifically sells and installs water and sewage pumps. He had work experience in the field and used his loan to purchase equipment that enabled him to open his own business and provide services to significant sized factories and businesses.

With the investment, he has been able to submit stronger bids as a recognized contractor.



*Galagays*   
שירות שטח למשאבות ותעשייה



# SCALING UP

Few programs focus on providing skills needed to scale up Microenterprises. Through a platform of services KIEDF is focusing on enabling women to expand their businesses, create jobs and influence their community's business environment.

A total of 253 female entrepreneurs have benefited from services during the year. An expanded program will be implemented between 2019-2021.



# KAREN

Karen used her first loan to establish home based cosmetics salon. After time, she wanted to expand the business space to accommodate the growing number of customers. She used a second loan for renovations and for additional supplies and materials.

Karen has been able to strengthen her family's income with her business. She plans one day to expand services to include bridal makeup and spa treatments.



# SUHAILA

Suhaila opened her business after understanding there was a real need locally for a housewares and gift shop. Every time she wanted to buy a gift, she had to travel outside her village. With persistence, ambition and the tools to manage her enterprise, Suhaila continues to manage her business with success

She is the mother of five and with her income is assisting each of her children to attain an academic degree. She is proud of the fact that her business income is making their education possible.

Suhaila has received three loans and with each one she developed another part of her business. She now plans to open another branch in the city center.

Suhaila believes that the sky is the limit, and that women can achieve miracles through their persistence and, determination. "With the right tools, we can achieve our dream."



# NETWORKING BETWEEN CLIENTS

At the start of 2018, the Central Branch Jerusalem Field Staff organized visits of new entrepreneurs to meet successful clients from Rahat and the Negev. They toured businesses, gained management tools and discussed their challenges and the avenues they each have used to reach success. Each client continues to apply lessons they learned that day through the year.



## MARKET PROJECT

Many clients struggle with sales of their products while first developing their business. Through a special project developed at the local offices, clients items are being sold in a select number of mini-markets and stores in their area.

Clients work together on packaging and supplying the stores with their products

# PLANS FOR THE FUTURE

KIEDF will continue the important services of Sawa among Arab women. The need for expansion continues and KIEDF is working on finding new partners to assist in reaching additional customers.

We are working on phase two of the CITI SYE program to bring an even greater impact on young entrepreneurship field.

The much needed Ethiopian Business Fund will continue.

We are expanding the work within Scaling Up to provide directed services to participants.

**A new area we want to develop is digital financial & business management platforms. This is a new endeavor which will utilize existing local ingenuity adapted to economically and geographically marginalized populations.**



*~A special thank you~*

**Without the assistance provided by  
our donors, supporters and the  
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would not be possible.**

