

Micro-Finance NGOs Eye the Diaspora at the Lebanese Emigration Research Center

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On Wednesday 11th January 2012, at Notre Dame University, the USAID-funded VEGA/IESC Lebanon Investment in Microfinance (LIM) Program Chief of Party Mahmoud El Zein initiated a roundtable meeting to explore the possibility of extending linkages between the Lebanese Diaspora and local communities through leading local Microfinance Institutions under the umbrella of the USAID funded LIM Program.

LERC Program Director Guita Hourani briefed the attendees on the work of the Lebanese Emigrant Research Center (LERC) on contributions of the Diaspora to local communities and the role of LERC in expanding and cultivating relationships with Lebanese emigrants.

The United States Agency for International Development (USAID) Senior Economic Growth Specialist Mr. Georges Frenn stressed the importance of associating economic development with the interest of the Lebanese Diaspora to further the development of local communities.

Mr. Mahmoud El Zein discussed the important role that LIM Program and microfinance institutions can play in facilitating the networking process with the Diaspora according to specific and transparent guidelines.



Participants in the round table meeting.

During its first two years, the 6-year USAID-funded VEGA/ IESC LIM Program has disbursed US \$ 6.5 Million through its partners. It has to date, helped create and sustain over 5,000 jobs in the agribusiness,

tourism, and ICT, a third of which are filled by women. Through the LIM Program, USAID funds have been disbursed to more than 3500 micro small and medium-sized businesses (SMEs and MSMEs).

Institutions that participated in the meeting included the Association for the Development of Rural Capacities (ADR), Professional Mutual Aid Association (AEP), the Lebanese Association for Development (Majmoua), the Lebanese Cooperative for Development (CLD), Emkan, and the Makhzoumi Foundation.

Following Mr. Mahmoud's statement, each of the representatives of the partner institutions gave a brief introduction about its work and services. These institutions offer a variety of microfinance loans, ranging from 300 to 20,000 US dollars at an interest rate that varies between 6.5% and 13%. The types of loans also vary from personal to collective and cover business and house-improvement loans.

The attendees expressed their interest in informing the Diaspora and in involving it in their micro-economic development efforts. Director Hourani presented methods and tools that might be employed to entice the Lebanese expatriates into partnering with these organizations to assist their kith and kin in bettering their economic situation. Director Hourani explained how the Lebanese emigrants can be motivated to invest, donate, or lend funds to the microfinance institutions, stressing that building trust with these emigrants is necessary in order to cultivate relations that would be beneficial to micro development in Lebanon.

During the discussions, ideas were presented on how to channel contributions to local economic development. It was agreed to have the LIM program take the lead in developing links with the Lebanese Diaspora and to meet again in a month's time to follow up on the matter.