



Empowering women  
entrepreneurs worldwide.

Activity  
Report  
**2016**



## Our vision

To be part of the driving forces against poverty and towards gender equality, worldwide.

## Our mission

To create the opportunity for women entrepreneurs to achieve their goals with the help of microfinance

## Our values

Integrity, dignity, compassion, optimism, openness

## Foreword

It is my great honour to share with you sparkles.lu's Activity Report 2016. This report comes with pride, as it is a collection of our most significant accomplishments and our most special stories from the past year.

Our team became bigger as we welcomed amazing volunteers to help us reach our ambitious objectives. Together, we won the ING Solidarity Awards in the category « Luxembourgish charity with an international reach and composed of 100% volunteers ».

We partnered with a social enterprise MLE Brand which invests, through sparkles.lu, a part of its benefits in women-owned businesses in Africa.

We participated to the Women's Entrepreneurship Day among a panel of prestigious speakers and became present in the media thanks to articles in national newspapers.

This year, we even received the special support from pupils of the European School of Luxembourg who organised a big charity sale with their educators of the Study Centre.

In 2017, sparkles.lu will continue to advance in its initiatives to improve lives of the most vulnerable, investing in projects which have a ripple effect on the communities of the beneficiaries. We will make our utmost to strengthen and upscale our partnerships. We will launch our first edition of the sparkles.lu Charity Golf Tournament and we will mobilise our efforts to bring people together and help us in our ambition and commitment towards a better future for female entrepreneurs.

Thank you all for your continued support on our journey.

**Maud Majerus, president**

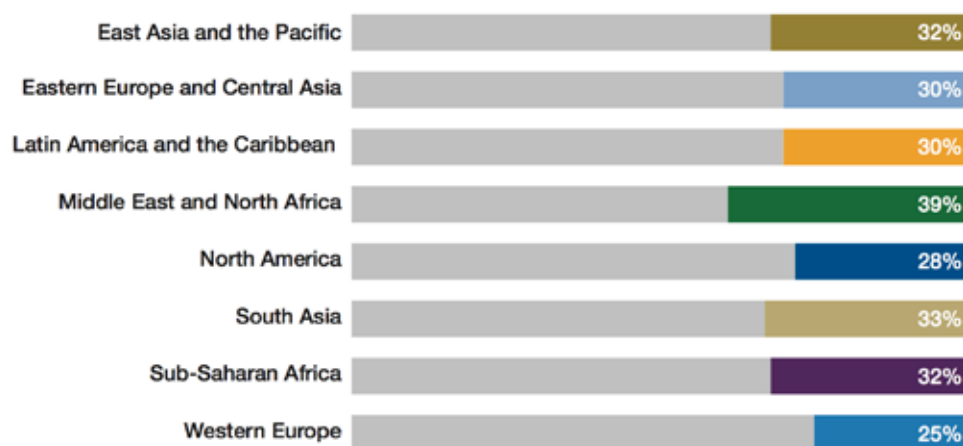
## Promoting gender parity in developing countries

According to the World's Economic Forum Global Gender Gap Report 2016, there is a clear values-based case for promoting gender parity: women are one-half of the world's population and evidently deserve equal access to health, education, economic participation and earning potential, and political decision-making power. However, it is pertinent to note that gender parity is equally fundamental to whether and how societies thrive. Ensuring the healthy development and appropriate use of half of the world's total talent pool has a vast bearing on the growth, competitiveness and future-readiness of economies and businesses worldwide.

A variety of models and empirical studies have suggested that improving gender parity may result in significant economic dividends, which vary depending on the situation of different economies and the specific challenges they are facing. A number of recent studies also indicate that a reduction in the employment gender gap has been an important driver of European economic growth over the past decade, and has the potential to unleash even further growth.

Conversely, limiting women's access to labour markets is costly, as poor female labour force participation hampers economic growth. As a region, East Asia and the Pacific reportedly loses between USD 42 billion to USD 47 billion annually due to women's limited access to employment opportunities. Research by the World Bank demonstrates that similar restrictions have also imposed sizable costs throughout the Middle East and North Africa as well as the Sub-Saharan Africa region.

### Distance from gender parity in 2016, by region



Source: Global Gender Gap Index 2016.

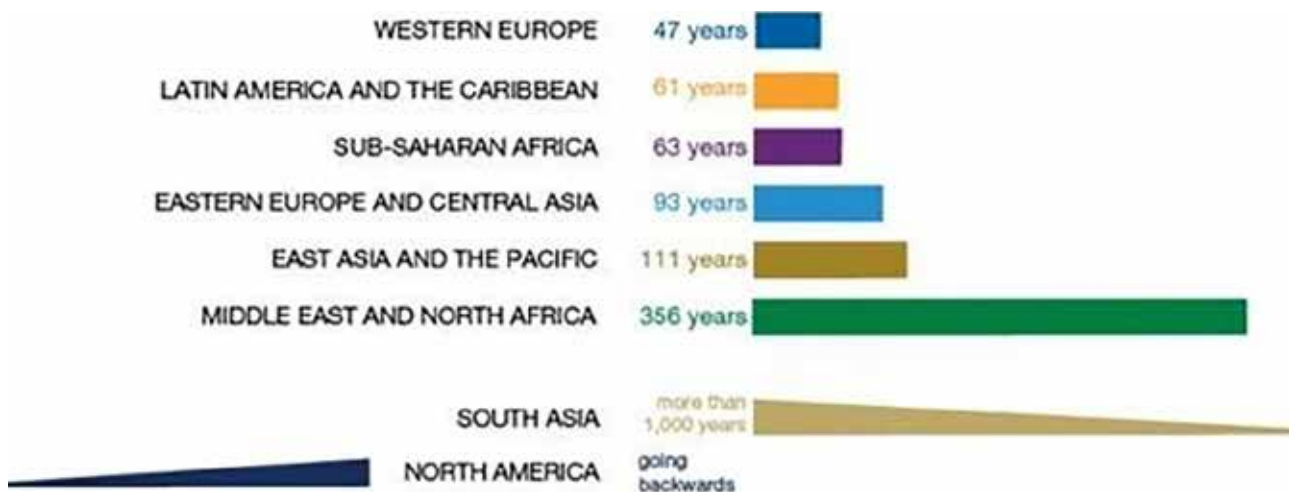
The mission of sparkles.lu is to support low-income female entrepreneurs developing their business activity by providing them access to capital. Improving these women's financial situation does not only benefit the women themselves, it has a positive impact on their children, their family and their community. By elevating themselves over poverty, with dignity, by emancipating themselves through their hard work, they set an example for other women in their community and inspire them to become entrepreneurs themselves. Moreover, women who generate profit allocate it primarily to their children's education, healthcare and the improvement of their living conditions.

sparkles.lu selects microloans according to a set of values and criteria, which are the following:

- the location
- the sector
- the ethicality
- the sustainability
- the impact of the project
- the living conditions of the borrower
- the family situation of the borrower

It is with the greatest satisfaction that we report no payment default to this date, which is a clear sign of our beneficiaries' commitment to repay their loan.

## When will regions close the economic gender gap?



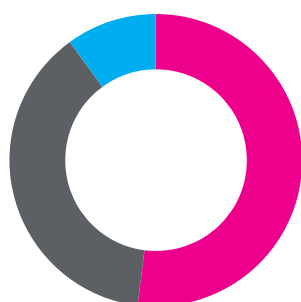
Source: Global Gender Gap Index 2016.

**« Men should not clip the wings of women. They should let them fly and let them go forward. » Malala Yousafzai**

## 2016: 68 projects in 17 countries

Thanks to the support of new donors and to the fact that the on-going loans are regularly reimbursed, the number of projects financed by the charity is growing steadily. Refunds of current loans generate fresh investments as each month, borrowers repay their loan and new projects can be funded.

Indeed, in 2016, sparkles.lu financed 33% more projects than in 2015. Since its creation in 2014, sparkles.lu has financed 132 projects in 23 countries at 31.12.2016 out of which 47 loans have been fully reimbursed.



<b>2016</b>	<b>68 projects</b>	<b>+ 33%</b>
<b>2015</b>	<b>51 projects</b>	
<b>2014</b>	<b>13 projects</b>	
<b>Total</b>	<b>132 projects</b>	

« I always believed that one woman's success can only help another woman's success. » Gloria Vanderbilt

This year, sparkles.lu paid attention to invest in projects which have a ripple effect on the borrowers' family and community. For example, we supported Yayuk and Nuning, both entrepreneurs based in Indonesia who started a retail business of water filters, each of them allowing access to clean drinking water for 250 people in the community where they live.



Yayuk



Nuning



We also supported 20 women entrepreneurs working in the fishing industry in the Philippines thanks to the support of ING Luxembourg.

## Countries where sparkles.lu intervened in 2016

Countries	n° projects	Countries	n° projects
Philippines	20	El Salvador	1
Kenya	16	Malawi	1
Samoa	7	Pakistan	1
Colombia	6	Tajikistan	1
Indonesia	3	Tanzania	1
Madagascar	3	Togo	1
Haiti	2	Uganda	1
Honduras	2	Zimbabwe	1
Ecuador	1		

**Total amount lent  
in 2016  
30,700.00\$**

## Events and fundraising

In 2016, sparkles.lu was invited to intervene at several events such as the Hubdot networking event “Making the World a better place”, the Femmes Leaders conference, the Women Entrepreneurship’s Day and the Connected Women lunch session. This allowed us to promote the action of the charity, to raise awareness about entrepreneurship in countries of the South and also to make calls for volunteers.

Indeed, until June 2016, the charity was only composed of the three voluntary members of the committee. Due to the increase of our workload, we decided to look for volunteers who could help us with our tasks!

On the fundraising side, we raised 7,000 EUR by participating to the ING Solidarity Awards: we won the internet vote as well as the prize of the Jury in the category “Luxembourgish charity with an international reach and composed of 100% volunteers” for our project to support fisherwomen in the Philippines.

Towards the end of the year, we also held zumba sessions and a charity sale at the European Investment Bank.

On their side, the pupils and the educators of the Study Centre of the European School Kirchberg organised a charity sale and provided a cheque of 2,517 EUR.

sparkles.lu is now partnering with the MLE Brand, a socially responsible business which sells garments with powerful and empowering messages under the brand “MLE Empowering Apparel”. Mutually inspired by our stories and our common vision to empower the poorest entrepreneurs, we decided to unite our forces. A part of the benefits of the company is invested by sparkles.lu in African women’s business projects. In 2016, two women received a loan in the context of this partnership.

The charity also received many generous donations and we thank our donors for their goodwill, support and kindness.



**ING Solidarity Awards**



**Partnership between sparkles.lu and MLE Brand**



**Thank you** to all our members and generous donors!



**Women Entrepreneurship's Day**



**Zumba session at the EIB**



**Charity sale at the EIB**



**Hubdot event "Making the World a Better Place"**



**and the MLE Brand**



**Charity sale of the Study Centre of the European School**

## Balance sheet

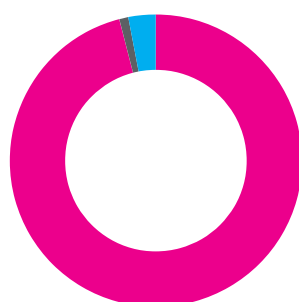
The third accounting exercise of sparkles.lu shows that 99.5% of the donations and the fundraising events' revenues have been used to finance microloans. We simply insure that the money that we raise is directly allocated to the projects. According to sparkles.lu's statutes, the increase of the asset value allows the multiplication of loans over the years, hence increasing our economic and social impact.

ASSETS		LIABILITIES	
Total receivables	17,495.69	Retained earnings	8,104.63
Banking assets	17,182.23	<b>Result of the exercise</b>	<b>26,573.29</b>
<b>Total assets</b>	<b>34,677.92</b>	<b>Total liabilities</b>	<b>34,677.92</b>

Amounts in EUR

EXPENDITURE		INCOME	
Other external charges	113.00	Other operating income	26,140.59
Marketing	9.00	Donations	25,308.29
Events expenditure	50.00	Memberships	75.00
Other	54.00	Revenues	757.30
Financial charges	39.34	Financial income	585.04
Banking fees	39.34	Exchange rate gains	585.04
<b>Result of the exercise*</b>	<b>26,573.29</b>		
<b>Total expenditure</b>	<b>26,725.63</b>	<b>Total income</b>	<b>26,725.63</b>

Amounts in EUR



<b>Donations:</b>	<b>25,308.29€</b>	<b>96.81%</b>
<b>Memberships:</b>	<b>75.00€</b>	<b>0.29%</b>
<b>Revenues:</b>	<b>757.30€</b>	<b>2.90%</b>
<b>Total:</b>	<b>26,140.59€</b>	

\* This amount will be used to finance new projects in 2017

# Microfinance

Microfinance is a general term, which is used to describe financial services offered to low-income individuals or to people who cannot access traditional banking services. This simple mechanism allows individuals to fight against poverty by giving them access to credit.

sparkles.lu finances women entrepreneurs worldwide. The funds stem from donations and fundraising events.

sparkles.lu does not apply interest rates to its loans and selects them by using online microfinance platforms. These platforms are themselves working with field partners, which are local microfinance institutions.

These field partners are in direct contact with the beneficiaries and they provide them with the funds in their local currencies along with other financial services, such as training on the topics of savings, insurances, etc. These actors apply an interest rate to cover their charges and their risks.

The charity creates a virtuous circle by continuously reinvesting the reimbursements into new women-owned businesses.

## How does it work?



**Total deposits**  
**21,248\$**



**Total amount lent since 2014**  
**45,500\$**

## sparkles.lu board and volunteers



Maud



Claude



Stéphane



Arianna



Gabriela



Gabriela



Myriam



Sigita



Stéphanie

« sparkles.lu is deeply grateful for the continued and generous support of all our friends. Your commitment and passion are an inspiration. » Maud Majerus

IF YOU CHANGE NOTHING  
NOTHING WILL CHANGE



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