



Empowering women
entrepreneurs worldwide.

Activity
Report
2017



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 pleasure to share sparkles.lu's Activity Report 2017. This report is a collection of our accomplishments and our most special stories from the past year.

This year, we received the special support from the Tribunal of the Court of Justice, which organised its yearly charity event and we launched the first edition of the sparkles.lu Charity Golf Tournament. This event mobilised all our efforts to bring people together and it was worth it.

Our partnership with the MLE Brand continued and, through the charity, the social clothing company invested a part of its benefits in women-owned businesses in Africa.

In 2018, sparkles.lu will continue to advance in its initiatives to improve lives of the most vulnerable, investing in projects that have a ripple effect on the communities of the beneficiaries. We will make our utmost to strengthen and upscale our partnerships for the years to come.

Thank you all for your continued support on our journey.

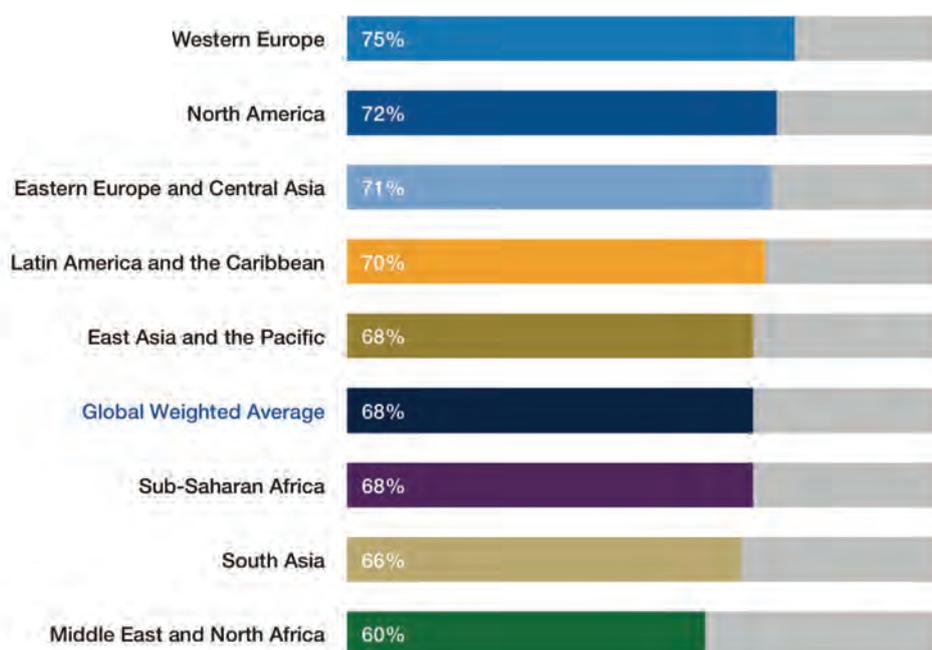
Maud Majerus, president

Promoting gender parity in developing countries

According to the World Economic Forum Global Gender Gap Report 2017, on current trends, the overall global gender gap can be closed in exactly 100 years across the 106 countries covered since the inception of the report, compared to 83 years in 2016. The most challenging gender gaps remain in the economic and health spheres. Given the continued widening of the economic gender gap, it will now not be closed for another 217 years. However, the education-specific gender gap could be reduced to parity within the next 13 years. The political dimension currently holds the widest gender gap and is also the one exhibiting the most progress, despite a slowdown in progress this year. It could be closed within 99 years. The health gender gap is larger than it stood in 2006.

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. Notable recent estimates suggest that economic gender parity could add an additional US\$250 billion to the GDP of the United Kingdom, US\$1,750 billion to that of the United States, US\$550 billion to Japan's, US\$320 billion to France's and US\$310 billion to the GDP of Germany. Other recent estimates suggest that China could see a US\$2.5 trillion GDP increase from gender parity and that the world as a whole could increase global GDP by US\$5.3 trillion by 2025 by closing the gender gap in economic participation by 25% over the same period.

Distance from gender parity in 2017, by region



Source: Global Gender Gap Index 2017.

Note: Covers all 144 countries featured in the 2017 index.

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 and the family situation of the borrower**

Examples of loans:

María Del Rosario is a 34-year-old businesswoman who lives in Barranquilla, Colombia. She has been selling fried food for almost a year. Her customers are people living in the neighbourhood. Maria is aiming to reduce her costs and make wholesale purchases. In order to do that, she needs a 225 USD loan to buy some extra corn, flour, salt and oil.

Gosheen is a 22 years old woman who lives with her family in Gujranwala, Pakistan. She has been working as a tailor to provide her family with more income for the last 2 years. The problem Gosheen faces is that her sewing machine does not work anymore and needs to be replaced. Apart from that, Gosheen would like to get some coloured threads, laces and buttons to replenish her inventory. To meet this challenge, she has requested for the \$350 loan, which is going to provide her with all needed equipment and supplies.



María Del Rosario

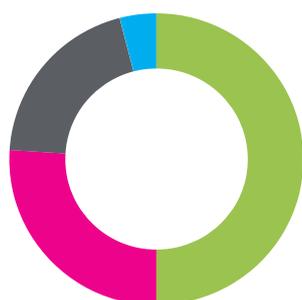


Gosheen

2017: 129 projects in 24 countries

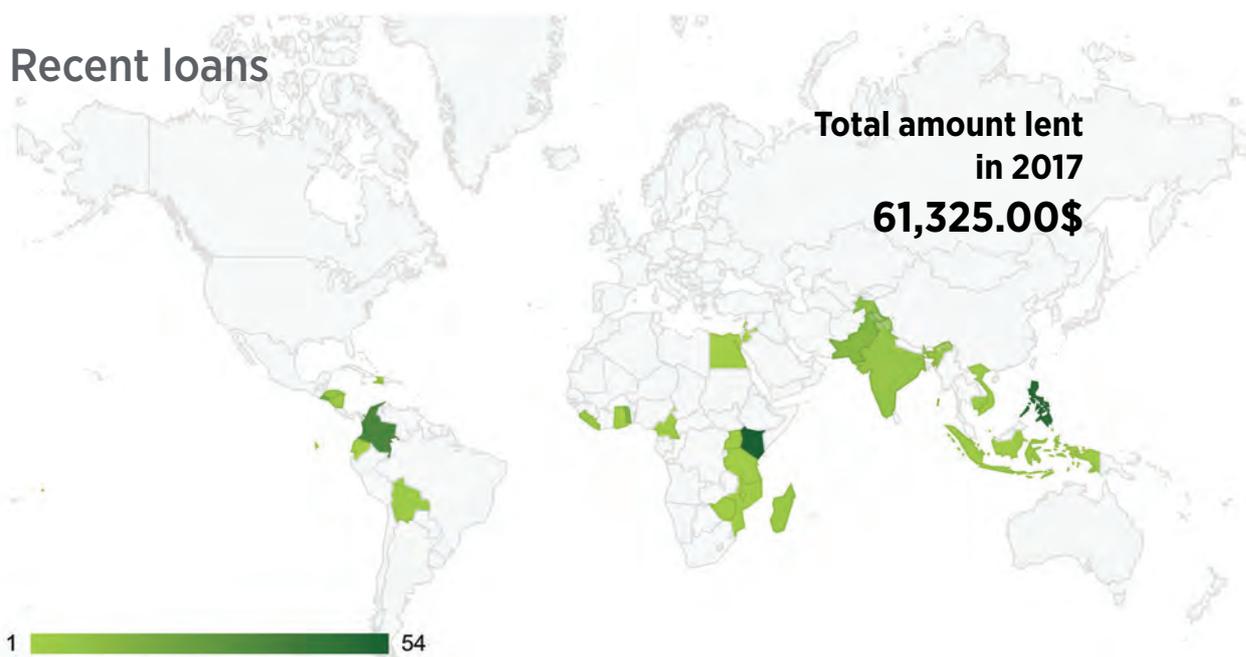
Thanks to the support of new donors and to the fact that the on-going loans are regularly reimbursed, the number of projects financed by the charity is growing steadily. Refunds of current loans generate fresh investments as each month, borrowers repay their loan and new projects can be funded.

Indeed, in 2017, sparkles.lu financed 90% more projects than in 2016. Since its creation in 2014, sparkles.lu has financed 261 projects in 32 countries at 31.12.2017.



2017	129 projects	+ 90%
2016	68 projects	
2015	51 projects	
2014	13 projects	

Total 261 projects



The 24 countries where sparkles.lu intervened in 2017

- | | | | | |
|-------------|----------|------------|--------------|-------------|
| Bolivia | Haiti | Lebanon | Pakistan | Timor-Leste |
| Cameroon | Honduras | Liberia | Philippines | Togo |
| Colombia | India | Madagascar | Samoa | Vietnam |
| El Salvador | Jordan | Mozambique | Sierra Leone | Zimbabwe |
| Ghana | Kenya | Nicaragua | Tajikistan | |

Events and fundraising

In 2017, the Tribunal of the Court of Justice organised its yearly charity event and chose sparkles.lu to benefit from the event, among other charities. The charity received a donation of 3,489 EUR.

sparkles.lu organised its own fundraising event on 30.09.2017: a golf tournament, a golf clinic and a tombola in the beautiful Golf de Luxembourg. Thanks to the players, the sponsors and the club, we managed to raise 3,000 EUR.

sparkles.lu partnered again with the MLE Brand, a socially responsible business which sells garments with powerful and empowering messages under the brand “MLE Empowering Apparel”.

sparkles.lu also received the support from Rosetta Smile, a crochet jewellery online shop, which reversed a part of its benefits to the cause.

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



Charity sale at the EIB



sparkles.lu Charity Golf Event



sparkles.lu Charity Golf Event in September 2017

Thank you to all our members and generous donors!

Balance sheet

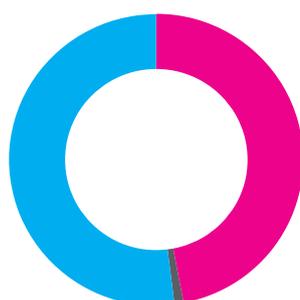
The fourth accounting exercise of sparkles.lu shows that we doubled our lending capacity to finance microloans. We have proudly lent over 100,000\$ to micro-entrepreneurs since the creation of the charity. According to sparkles.lu's statutes, the increase of the asset value allows the multiplication of loans over the years, hence increasing our economic and social impact. Due to the dollar fluctuation which happened in 2017, the USD micro-loan account has been negatively impacted by a currency exchange loss. However, this loss can be considered as unrealized and having not direct impact on the micro-loans activity, as far as the loans reimbursement are kept and reinvested in new projects in dollars.

ASSETS		LIABILITIES	
Total receivables	30,403.46	Retained earnings	34,677.92
Banking assets	8,912.12	Result of the exercise	4,637.66
Total assets	39,315.58	Total liabilities	39,315.58

Amounts in EUR

EXPENDITURE		INCOME	
Other external charges	3,027.71	Other operating income	12,555.85
Marketing	0.00	Donations	5,975.85
Events expenditure	2,968.71	Memberships	75.00
Other	59.00	Revenues	6,505.00
Financial charges	4,890.48	Financial income	0.00
Banking fees	10.08		
Exchange rate loss	4,880.40		
Result of the exercise*	4,637.66		
Total expenditure	12,555.85	Total income	12,555.85

Amounts in EUR



Donations:	5,975.85€	47.60%
Memberships:	75.00€	0.60%
Revenues:	6,505.00€	51.80%
Total:	12,555.85€	

* This amount will be used to finance new projects

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
44,448\$



Total amount lent since 2014
106,825\$

sparkles.lu board and volunteers



Maud



Claude



Arianna



Stéphane



Gabriela



Gabriela



Sigita



Myriam

« 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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