



Empowering women
entrepreneurs worldwide.

Activity
Report
2020



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

This financial year started on a sober note as the COVID-19 pandemic took grip in March, meaning that we had to cancel our plans to make our first field trip to meet female entrepreneurs. Quickly, we had to refocus our attention on the much-needed efforts to try to counterbalance – at our level – the devastating effects of the virus.

Indeed, the sparkles team should have travelled to Bangladesh in 2020, in order to learn about the many challenges faced by Bangladeshi entrepreneurs.

Due to the COVID-19 outbreak, the charity had to re-focus on core priorities such as providing as much support to entrepreneurship projects as possible. We also decided to support the microfinance platform we had been using for six years, Kiva.

As a result, the charity generated an unprecedented growth in the number of women supported as we more than doubled the total amount of loans made since creation, in only one year. To date, sparkles.lu financed over 1,200 entrepreneurs' projects across 52 countries.

Throughout the year, our supporters have shown the same incredible support and solidarity as they have done in previous years and we are extremely grateful for this.

Our annual report and accounts tell the story of the past year – all the high and lows of a year which ended like no other, as we continue in our mission to support female entrepreneurship.

Thank you for your trust and support.

Maud Majerus, president

Promoting gender parity in developing countries

According to the World Economic Forum Gender Gap Report 2020, the Global Gender Gap score stands at 68.6%. This means that, on average, there is still a 31.4% gap to close. Which means that the overall global gender gap will close in 99.5 years, on average, across the 107 countries covered continuously since the first edition of the Global Gender Gap report. Lack of progress in closing the Economic Participation and Opportunity gap leads to an extension of the time that will be needed to close this gap. At the slow speed experienced over the period 2006-2020, it will take 257 years to close this gap.

The second area where gender gaps will take longest to close is Political Empowerment. This year's evolution speeds up the pace of progress towards parity, yet it will still take 94.5 years – even at this faster rate – to close the gender gap.

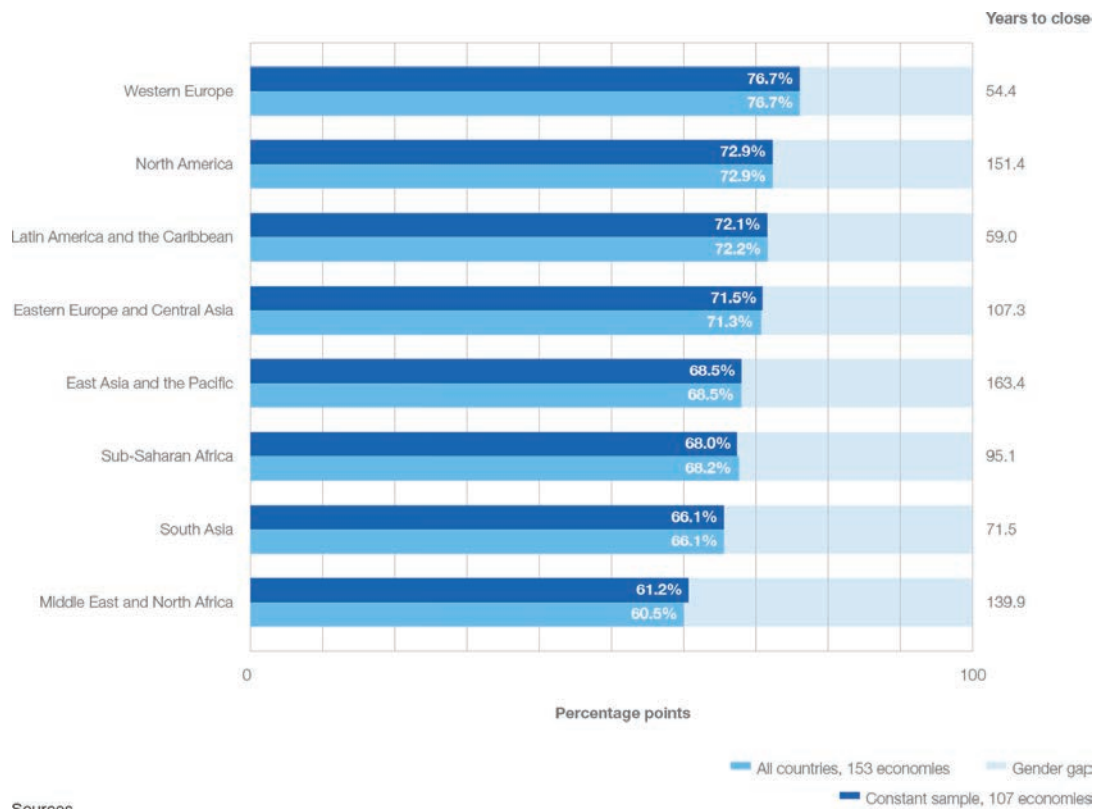
Third, the Educational Attainment gender gap is on track to be closed over the next 12 years, mainly thanks to advancements in some developing countries. The Health and Survival gender gap remains virtually unchanged since last year. Globally, the time to fully close this gap remains undefined, while gender parity has been already fully achieved in 40 countries among the 153 covered by this edition of the report.

Educational Attainment gaps are relatively small on average but there are still countries where investment in women's talent is insufficient. While in 35 countries gender parity in education has been achieved, a few developing countries have yet to close over 20% of the gaps. Ten percent of girls aged 15-24 in the world are illiterate, with a high concentration in developing countries. Further, in these countries, education attainment is low for both girls and boys, which calls for greater investment to develop human capital in general. Even in countries where education attainment is relatively high, women's skills are not always in line with those required to succeed in the professions of the future. In addition, they encounter barriers to employment in the most dynamic and in-demand occupations.

Based on data from the LinkedIn platform, women are underrepresented in six of the eight micro-clusters with the highest employment growth rate (people and culture, content production, marketing, sales, specialised project managers, data and AI, engineering and cloud computing). Further, comparing where women are six currently employed with the skills they possess, it turns out that there are some occupations where women are under-utilised even if they have the needed skills. Women could further contribute to many of them – including some high-tech and managerial roles – if current barriers could be addressed.

Although progress continues to proceed at a very slow pace, and despite significant heterogeneity across countries' performances, the fact that most countries are moving toward greater gender parity is encouraging and rewards the efforts of all policy-makers and practitioners across the world that work to achieve the UN's fifth Sustainable Development Goal: Gender equality.

Gender gap closed to date by region, 2020



Sources

World Economic Forum, Global Gender Gap Index, 2020.

Notes

Population-weighted averages, including the 153 economies featured in the Global Gender Gap Index 2020 and the 107 economies featured throughout all 2006-2020 edition of the index.

Fundraising

Deloitte Luxembourg

- Deloitte's WorldClass Projects initiative helps to impact a maximum number of people. This year, Deloitte donated 5,000 EUR to help women around the world accomplish their business goals thanks to microfinance.

An extraordinary support from the European Investment Bank (EIB)

- sparkles.lu won the EIB Group Volunteering Hub Awards this year due to the great support of the EIB colleagues who have voted for the charity. This award is supported by the EIB Institute, which donated an amount of 7,500 EUR.

The asbl received many generous donations this year and we thank our donors for their goodwill, support and kindness.



2020: 730 projects financed

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2020	730 projects	
2019	112 projects	
2018	161 projects	
2017	128 projects	
2016	68 projects	
2015	51 projects	
2014	13 projects	
Total	1265 projects	Total amount lent in 2020 55,975.00 USD

Balance sheet

The seventh accounting exercise of sparkles.lu shows that we multiply over five times our lending capacity to finance microloans. We have proudly lent over 300,000 USD 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, the USD micro-loan account has been negatively impacted by a currency exchange loss. However, this loss can be considered as unrealised 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	32,239.16	Retained earnings	54,732.88
Banking assets	30,920.39	Result of the exercise	8,426.67
Total assets	63,159.55	Total liabilities	63,159.55

Amounts in EUR

EXPENDITURE		INCOME	
Other external charges	54.00	Other operating income	13,145.00
Marketing	0.00	Donations	5,500.00
Events expenditure	0.00	Memberships	0.00
Other	54.00	Revenues	7,645.00
Financial charges	4,664.33	Financial income	0.00
Banking fees	0.00		
Exchange rate loss	4,664.33		
Result of the exercise	8,426.67		
Total expenditure	13,145.00	Total income	13,145.00

Amounts in EUR

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.

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.

sparkles.lu creates a virtuous circle by continuously reinvesting the reimbursements into new women owned businesses.

How does it work?



Total deposits
56,198 USD



Total amount lent since 2014
303,400 USD

sparkles.lu board and volunteers



Maud



Claude



Arianna



Stéphane



Gabriela

« 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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