

EPCCGF



STICHTING EUROPEAN PALESTINIAN
CREDIT GUARANTEE FOUNDATION

Quarterly Newsletter

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Letter from the Managing Director

We are pleased to present the activities of EPCGF for the Q3, 2021. EPCGF approved 248 SME loan guarantees for total amount of USD 21 million as of 30 September 2021. This represents an increase of around 38% in terms of number and 48% in terms of volume compared to the year-ago period. The NPL improved and is sitting at 6.70% as of 30 September 2021, compared to 7.79% as of 30 September 2020. As a matter of fact, NPLs were mainly reduced due to growth of the portfolio as well as better management of defaulted loans. I truly appreciate the hard work of the partner banks and EPCGF employees for this outstanding performance during these difficult times.

Without a doubt, the Estidama initiative supplemented EPCGF's growth with 56 SME loans for about USD 5 million as of September 2021. Micro finance portfolio under Estidama is also progressing and reached an outstanding of around USD 3.2 million. As we look forward, we continue to see more demand on MSME Estidama loans in the upcoming period.

Technical assistance (TA) continued in this reporting period. EPCGF commenced a TA project for assessing and strengthening the IT environment for one of the partner MFIs to help them comply with the PMA requirements and identify their technology needs towards digital transformation. To improve the corporate governance within the Foundation. EPCGF decided to kick off a study under the TA program to assess the areas for improvement to cultivate the culture of integrity, ensure better performance and ultimately achieve sustainability of operations.

I feel prouder than ever of our partners', donors' and team's efforts in these extraordinary circumstances. None of this achievement would have been possible without perseverance, hard work, support, and above all, commitment towards supporting the MSME final beneficiaries. My sincere gratitude for all.

Managing Director

Raed Kafity

SECTOR DISTRIBUTION

Economic Sector	Amount USD
Agriculture	1,339,286
Health & Medical	684,061
Trading	14,303,518
Export & Import	0
Education	0
Crafts	539,579
Industry/Light Industry	1,848,915
Services	1,523,111
Construction & contracting	711,000
Tourism	100,000
TOTAL	21,049,470

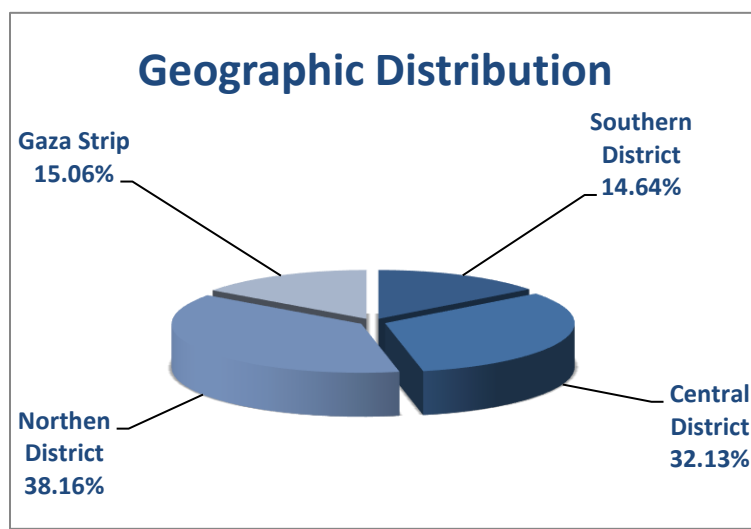
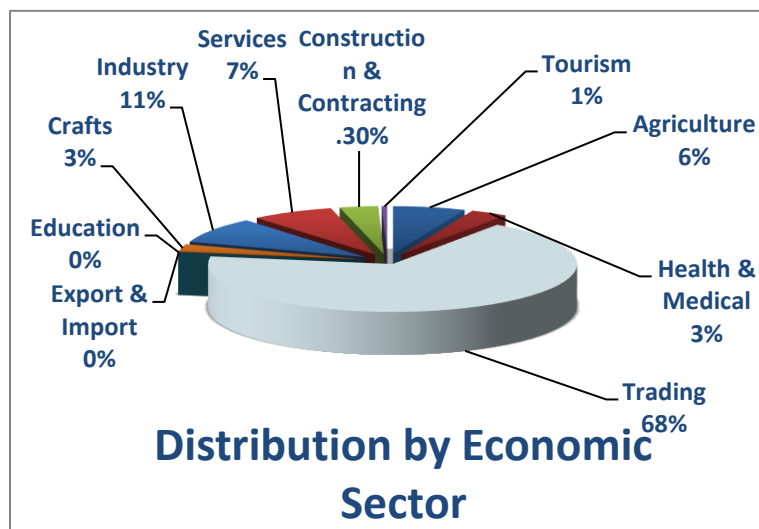
GEOGRAPHICAL DISTRIBUTION

Region	Amount USD	No. of Loans
Southern Districts	3,082,526	33
Central Districts	6,763,933	72
Northern Districts	8,033,284	101
Gaza Strip	3,169,728	42
TOTAL	21,049,470	248

South: Hebron, Bethlehem

Central: Ramallah, Bethany, Al Ram, East Jericho, East Jerusalem

North: Nablus, Jenin, Tulkarem, Qalqelia, Tubas, Salfeat



MARKET PENETRATION

Code	Client's Type	Number
001	New Clients	69
002	Existing Clients with No Credit	32
003	Existing Borrowers with No Credit	32
004	Existing Borrowers	95
005	Borrowers with Arrears	2
006	New Client for Bank (with Credit History)	10
007	Existing Client (Credit Relationship with EPCGF)	8
Total		248

SME PROFILE

No. of Employees	No. of Enterprises
1-5	125
6-10	72
11-15	28
16-20	13
21-25	10
TOTAL	248

