



MEDSt@rts | Med microfinance support system for start-ups

ANALYSIS OF THE MEDITERRANEAN MICROFINANCE INDUSTRY

As a preparatory activity to the design of a transnational network of microfinance, MEDSt@rts partnership have realized an **in-depth analysis of the state of the microfinance industry**, at a local and national level.

The organizations involved were SFIRS Spa in **Italy**, Chamber of Commerce of Achaia in **Greece**, Chamber of Commerce and Industry of Sfax in **Tunisia**, LEADERS in **Palestine** and Chamber of Commerce and Industry of South Lebanon in **Lebanon**.

The starting point of the analysis has been the collection of data from relevant statistical departments, public administrations, banks and financial institutions, and the consultation of relevant published studies.

The partnership was able to locate a total of **128 organizations** currently operating in microfinance. **The largest percentage of them (43%) is located in Palestine**, more than a third (36%) in Tunisia, 22% in Lebanon, and the remaining part is almost equally distributed among the two European partner countries: Italy and Greece.

The 38% of the considered organizations **are financial institutions** providing microfinancing and/or loans; 24% are private companies or venture capitals; 20% are business incubator; **16% are governmental organizations**. Finally, a couple of organizations are non-profit.

The analyzed organizations support enterprises with microfinancing and/or loans at different stages of their business path. The 21% of the organizations support aspiring entrepreneurs that are still defining their business idea, 28% help them in the early stage of their business, 30% help them grow and the remaining 21% mainly support entrepreneurs looking to scale their business.

The sectors of the enterprises supported by the analyzed organizations is also varied: 11% of the organizations are willing to support businesses of all fields. Among the others, **the most relevant sectors are: technology, information & communication, green energy, education, agriculture, health, financing of SMEs and transport**.

The **financial instruments** more used by the analyzed organizations **are loans (37%), followed by grants (23,5%)**. Almost 8% utilize equity funds, 6% seed funds, 5% vouchers. Other financial instruments used by the organizations include crowdfunding, angel investors, financial leasing and loans of honor.

