Fostering Resilience in the Middle East: A People Centered Approach

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Our Mission

Markets that provide opportunities for all people to engage and prosper
Disaster Risk Reduction (DRR) Program

Goals

To improve the resiliency of financial service providers serving vulnerable populations as well as the communities they serve.

To create awareness of the need for disaster preparedness in financial services markets and to build a general consensus among key stakeholders around effective disaster risk reduction practices.

To strengthen the capacities of financial service providers and their clients to anticipate, cope, and recover from the negative impacts of disasters.
1. Welcome - SEEP and the DRR Project
2. Agenda and Introductions
4. Vitas Lebanon: Guarantee Facility
5. Vitas Palestine: Refinancing
6. Lessons Learned
7. Wrap up and Closing Q&A
For how many years have you been involved with Disaster Risk Reduction?
Vitas Iraq: Security Protocols

Strategy:
Community and people-centered disaster management

Images from: http://www.vitasiraq.com
Vitas Iraq: Security Protocols

**Soft security Protocols:**
- Engage and support the community (CSR)
- Public Relations practices with community, government and media

**Hard Security Protocols:**
- Coordination with security personnel around all activities
- Detailed hard security practices: communications, warning system, staffing plan
- Accept costs of security as large portion of operating expenses
Key Learning:
Investments in staff and community result in steady growth, satisfied customers and high employee retention.

"The challenges are many in Iraq—road closures, electricity outages, suicide bombings, and complete capital flight—however, crisis management is simply business management for Vitas Iraq and other Iraqi financial service providers, so finding a way to do it well is the only option."
Vitas Iraq: Q & A
Strategy:
Long term funding with political risk insurance

Ghada, a client whose business was made possible through a loan backed by political risk insurance.
**People Centered Approaches:**

- Focus on immediate safety and security of staff and clients
- Establish systematic understanding of financial needs of clients
- Facilitate collaboration among financial services community

Key Learning:
A phased response creates a platform for long-term portfolio growth

“In the wake of war, Vitas Lebanon made more than 36,000 loans worth over $69.5 million...of this amount, just over $600,000 was required to cover defaulted loans—only 0.8% of total loans made.”
Vitas Lebanon: Q & A
Vitas Palestine: Refinancing in the Wake of War

**Strategy:**

- Refinancing product with top-off amount for existing clients
- Small emergency loans for new clients
- Focus on customer relationships for business continuity

A client next to her ruined home in Gaza (left) and in the shelter she rebuilt with the help of Vitas Palestine (right).
People Centered Approaches:

• Partnerships to deliver immediate humanitarian aid
• Daily contact and support for employees

"Vitas staff personally delivered relief packages to clients whose homes and livelihoods had been destroyed, driving company cars across demolished cities to reach even the most damaged areas. No clients were asked about their loans during this time—only their wellbeing."
Key Learning:
Direct aid in the short-term, refinancing and emergency loans for longer-term contribute to portfolio recovery and low delinquency rates.

Vitas Palestine Staff
**DRR is a constant work in progress**

- Need for extra cash is a constant, especially in disaster context
- Consistent financial services are crucial to meet this need

**DRR best practices from Middle East are transferable**

- Crisis management plans imperative for all financial institutions
- Staff and client wellbeing are always the priority
- Do everything possible to help clients recover; writing off loans is a last resort
- Identify methods to preserve liquidity in times of crisis
Thank you!

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