

CONNECT

OCTOBER, 2021

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PMIC News Bites

PRIME

PMIC has completed the pre-qualification process of solar suppliers and has added new vendors to the existing list of qualified vendors working under the PRIME program. PMIC's RE team has conducted visits to MFIs and vendors in Sindh. The rollout strategy for the larger solar home systems and their partnerships with the qualified solar suppliers have been discussed in meetings held at their head office in Hyderabad. The RE team is currently finalizing a list of product offerings with the support of vendors and partner MFIs. RE mobilizers and RE experts are being hired by borrowers and work in the field has been initiated by few MFIs. IEC material to equip their demand maturation activities is also being finalized by the PMIC's RE team in collaboration with the MFIs and solar suppliers.

Meetings have been held with the Product Development team of Ubank. They are in a process of qualifying their solar vendors and hiring RE Experts for PRIME Program. Ubank is likely to launch program activities through their channel in November 2021.



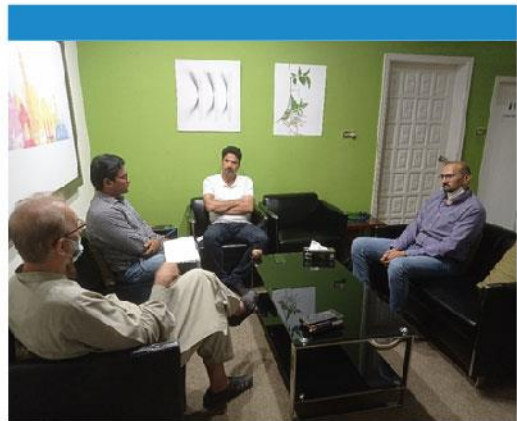
Meeting with TMF



Meeting with SSF Team



Meeting with CEO SSF



Meeting with Indus Clean Energy

Livestock Micro Insurance

PMIC has connected both Asia insurance company and the MFIs, which are part of the Livestock loan insurance initiative. The insurance company management has conducted meetings with all the borrowers and MoUs are being finalized between both parties. The rollout strategy is being finalized by Asia Insurance company and MFIs in respective districts of latter. The trainings of credit staff is also being initiated so that credit officers can start organizing community awareness sessions and start insuring animals accordingly.

LCPS Projects

PMIC and Opportunity International (OI) are finalizing program design for year 2022, where the entities aim to target 150 schools. The program will involve three trainings for school owners and teachers, which will ultimately benefit in imparting quality education for students. The SDD team is also in the process of applying for a grant funding to international donors for future education initiatives.

Challenge Fund (CF)

PMIC's Board of Directors approved the concept note on Challenge fund, with a recommendation to get inputs from KRN Pakistan as they have launched few rounds of Innovative Challenge Fund. PMIC team shared the concept note with KRN's innovation team and visited them to discuss on their learnings. KRN innovation team provided key recommendations for improving proposed process flow of PMIC's Challenge Fund.

The recommendations made have been incorporated in the Challenge fund Concept note and will be circulated in the Board of Directors meeting.

Discussion with ADB on Insurance

ADB team held a call with PMIC to discuss the setting up a Social Security and Pensions scheme for the missing middle in Pakistan. The ADB has selected Pakistan and Philippines for a study and a pilot for an insurance product for the purpose. PMIC team, comprising of Head SDD, CFO and Head PMD, shared their experience of designing and implementing micro insurance products for the low-income individual, farmers and entrepreneurs in the country and how ADB could use lesson learnt by PMIC in product development and roll out.

Enterprise

PMIC is collaborating with IGNITE Program to improve access to finance and support capacity building for entrepreneurs. The proposed partnership would train a large number of entrepreneurs especially women, in addition to ensuring efficient utilization of the financing obtained. PMIC is currently in the process of signing an MOU with CARE International for IGNITE Program and any other programs focusing on enterprise development in future.

AMC 5

Pakistan Microfinance Network (PMN) hosted the 5th Annual Microfinance Conference (AMC) at Serena Hotel, Islamabad on 5th -7th October 2021. The primary objective of the event was to discuss the challenges posed by COVID 19 to the sector and Navigating Inclusive Finance in a Post Pandemic Era. PMIC was a gold sponsor for the event and sponsored tea for delegates on day 2 of the AMC.

Chairman PMIC addressed the opening session chaired by Finance Minister of Pakistan on day 1. Whereby, Mr. Yasir Ashfaq led the lightning talk discussing the impact of ‘Digitization and Covid on the Microfinance Sector’. He was also part of the discussion on ‘Finding Solutions to the Three Big Challenges Faced by the Microfinance Sector’ as a panelist on day two. Mr Saqib Siddiqui also represented PMIC as a panelist in the plenary session discussing ‘The New Asset Classes to Microfinance’. The platform provided a great opportunity for PMIC to showcase its work and share its point of view on the current state of the microfinance sector. PMIC was also recognized for successfully completing its 5 years of operations in the sector.



Pakistan Banking Award for Best Contribution By A Non-Banking Entity

Pakistan Microfinance Investment company won the prestigious Pakistan Banking Awards 2021 for “Best contribution by a non-bank entity”

PMIC’s win as the “Best contribution by a non-bank entity 2021” is a testament to our team’s tireless efforts of creating a financially inclusive society, and serving the underserved.

Pakistan Banking Awards 2021 recognizes the efforts put in by PMIC for contributing to the socio-economic development of communities in order to bring stability, peace, and financial prosperity. These awards for the coming year are to be spent innovating solutions for the sector.



Virtual conference with Industries and Production Division and SMEDA

PMIC attended a conference all organized by SMEDA and Ministry of Industries and Commerce to explore possibilities of microfinance providers supporting small and medium size businesses in the country by providing the access to financial services. The conference was attended by Mr. Khusro Bakhtiyar, Minister for Industries and Production, President SMEDA, Presidents of Microfinance Banks, PMN and from PMIC by CFO and Head SDD. PMIC stressed its importance as a key lender to the microfinance sector and suggested that the Government should consider PMIC as part of the wholesalers being engaged and incentivized for SME lending through MFPS.



Field visit

In the last week of September 2021, PMD team visited Hyderabad and Karachi to meet existing and potential borrowers. In Karachi, the team visited an emerging Fintech company, Abhi Private Limited. Abhi offers instant solution for advances against accrued salary (up-to 50%) that not only solves the cash management problem for the employees but also shifts the hassle of dynamic payroll management from the employer HR to Abhi. It offers a closed loop product which is fully secured against the accrued salary, with high potential to expand and scale across Pakistan. PMIC is looking for the possible collaborations with the company.

PMD team also visited Tez Financial Services (TFS) and discussed the current performance and future plans of the company. The co-founders of the company highlighted the resilience shown by TFS during the COVID-19 pandemic. TFS is interested in continuing the business relationship with PMIC through its ongoing product preposition of nano loans as well as through additional products.

Meanwhile in Hyderabad the team met SAFCO Support Foundation (SSF) and shared the conceptual framework of upcoming innovative products and transaction structures. The brainstorming session was held to discuss avenues for business expansion for both PMIC and SSF.

Male Champions of Change (MCC)

A Group Implementation Leader Meeting was arranged by MCC on the 14th of October 2021. Implementation leaders from member organizations attended the meeting. MCC team shared insights from the Champions Meeting held earlier and evaluated progress on Action Plans from Q3 and an execution plan for the coming months.

CEO's interview

During the month of October 2021, SDD team arranged two interviews of the CEO for the media to boost PMIC's business presence and awareness among its potential stakeholders.

Yasir Ashfaq's first interview this month was broadcasted on the 8th of October 2021 at HUM NEWS channel during a morning show. Yasir discussed the Microfinance Sector of Pakistan, the impact of COVID 19 on the sector and the role played by PMIC.

<https://pmic.pk/mr-yasir-ashfaq-hum-news-interview-part-1/>

The second interview was published in Business recorder on the 15th of October 2021. The CEO discussed PMIC's enabling role for the microfinance sector, especially given the challenges during the pandemic. Please find the link below to access the article.

<https://www.brecorder.com/news/40126795>

Client Success Story

Kulsoom Bibi

Kulsoom bibi belongs to a low-income family from Vehari. She was married to a man who was a mason by profession, hence, there were days when there was no work at all. Frustrated and annoyed with the situation, she was determined to make things better.

She applied for a loan to start her own handicrafts business through PMIC's borrower AGAHE. With the first loan, she immediately bought some raw materials, and rather than just working on clothes, she decided to work on fancy pillow covers, bags, quilts, fans, prayer mats all made by hand. Her work was flawless and highly presentable and was noticed by other women in the community. Sooner than anticipated, she began to receive customized orders, and her financial situation began to improve. The business picks up during the wedding season. Over the last four years, she is single handedly taking care of the entire family, while her husband works with her father as a mason.

Looking back, money was always an issue. Everything was about money, she says. She had a skill that was passed on to her by her mother. That was made possible with a little loan from AGAHE. As opposed to just taking a loan for consumption and then worrying about repayment, she is in favor of small business loans to make a livelihood. In the future, Kulsoom plans to build a small display center within her home, where she can exhibit her products for people to see as they walk by her house.



People & Culture

HR and Admin Activities

PMIC Quarterly Meeting

On the 1st of October 2021, PMIC Quarterly meeting was held at Highland resort with fun team building Activities. During this visit, in first half a detailed strategy session was held for employees to know what way is forward for PMIC as an organization. The session acted an opportunity for valuable feedback and brainstorming. The strategy team has been working towards identifying regulatory and legal requirements along with the potential barriers to the Hybrid Lending Model. An initial Asset purchase product document has also been successfully formulated, distributed amongst interested institutions and feedback acquired. In second half team building activities were arranged for team bonding and improving communication.

According to Reward and Recognition Framework top performing employees From mid-year review were awarded certificates and gift by CEO-Yasir Ashfaq

- i. M. Shuja Ali
- ii. Kiran Yousuf
- iii. Ahmed Saleh Jamal
- iv. M. Farrukh Rehan
- v. Arusha Latif

Awards including most cooperative department, HoD and employee was also presented by CEO-Yasir Ashfaq

- i. Portfolio Management-Most Cooperative Department
- ii. Syeda Ambreen Zehra Taqvi-Cooperative HoD
- iii. Ahmed Saleh Jamal-Cooperative Employee

Three (3) team building activities were held to help increase employee engagement and interdepartmental strength

- i. Team Gladiators won Scavenger Hunt
- ii. Team Green won Communicate what we understand

Both Teams were presented with certificates for their participatory efforts in the team building and communication.





Townhall meeting

Townhall was organized to celebrate PMIC's 5 years of successful business operation in the sector. Yasir Ashfaq along with PMIC employees discussed PMIC journey till date. It was established that PMIC plays a vital role in the Microfinance sector, and we should work towards maintaining organization culture for future to sustain similar growth.



Farewell

We bid farewell to two valued members of our team, Syed Ahsan who resigned from his position of Manager, Research and Hassan Farooq who resigned from his position of Manager Compliance and Risk to pursue other opportunities. PMIC team wishes both of you the best of luck in all your future endeavors!



Hassan Farooq

Syed Ahsan Abbas

Farewell Celebrations

Birthday Celebrations

We wish you a very **Happy Birthday.**

Irfan Shah



Muhammad Faheem Khalid



Rashid Imran



Read of the month

Digitization in Microfinance

Case Studies of Pathways to Success

For at least a decade, the microfinance industry has been watching and discussing changes in the financial sector driven by technology with a keen interest in the new potential for expanding the traditional microfinance model. This Working Paper takes a unique look at microfinance institution (MFI) innovation with digital technologies by featuring case studies on the following MFIs that successfully created measurable customer and business value through digitization: Amret (Cambodia), Bancamía (Colombia), Microfund for Women (Jordan), Al Kuraimi Islamic Microfinance Bank (Yemen), and FINCA Impact Finance (global). Based on these cases, the paper offers insights and recommendations of wider applicability to inspire and inform digitization initiatives by other MFIs regardless of their size, location, or maturity.

<https://www.cgap.org/research/publication/digitization-microfinance-case-studies-pathways-success>