



PMIC Connect

February 2024



In This Issue

- Portfolio Highlights
- PMIC News Bites
- Client Success Story
- People & Culture
- Read of the Month

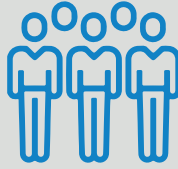


Portfolio Highlights



PKR 28
(Billion)

LOAN PORTFOLIO



724,503

TOTAL CLIENTS



85

NUMBER OF DISTRICTS



26

TOTAL BORROWERS



87%

WOMEN CLIENTS



36%

YOUTH CLIENTS



64%

RURAL



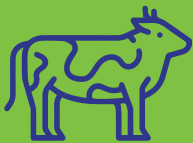
PKR 3.94 (Billion)

LOAN PORTFOLIO
DEPLOYMENT IN
EXTREME POVERTY ZONES



33,197

RENEWABLE ENERGY -
UNITS SOLD



830

LIVESTOCK INSURED



1

(Million)+

CUMULATIVE JOBS
SUPPORTED BY MICROINANCE
LENDING OPERATIONS



PKR 111
(Billion)

INCREMENTAL REVENUE
GENERATION BY PMIC
FINANCE MICRO ENTERPRISES

PMIC News Bites



PORTFOLIO MANAGEMENT DEPARTMENT

Visit to SSSF, SMCL, and ADVANS

During PMD's recent field visit, the team met with three PMIC microfinance borrowers: SSSF, SMCL, and ADVANS, and had open discussions to gain insights into their current financial and operational challenges. The team also visited different branches such as the Jamshoro Branch and the SMCL Women branch, where the entire staff comprised women, reflecting the demographic makeup of their clientele.

Additionally, the PMIC team conducted field visits to meet with end clients in Nawabshah and Sakrand, aiming to gain firsthand insight into the challenges they face and document strategies for optimizing processes. PMIC team also visited the Sindh School for Underprivileged Children, deepening our understanding of the socio-economic landscape and identifying potential avenues for intervention and support.

In urban areas such as Mehmoodabad and Lasbella, we met with clients who expressed concerns about the current economic conditions, particularly regarding the need for larger loan sizes. Despite facing challenges navigating inflationary pressures, clients generally expressed satisfaction with the products, services, and treatment they received as borrowers.



PMIC ISLAMIC FINANCE OPERATIONS

- **PMIC Islamic Operations:** PMIC is gearing up to step into Islamic finance alongside existing and new Microfinance Providers (MFPs). Shariah-compliant products and a Policy Framework have been developed. This includes setting up a Profit & Loss Distribution and Pool Management system. Shariah advisors have been shortlisted for Board approval. Upon receiving clearance from SECP, the products will be available for borrowers and lenders to utilize.
- **New Product Rollout:** In partnership with PMIC, commercial bank (BOP) has extended facilities totaling PKR 900m to RCDP (Rs.750m) and Agahe Pakistan (Rs.150m) through the Credit Ensure Facility (CEF) provided by PMIC. These PMIC borrowers have accessed financing facilities with a guarantee ranging from 33% to 40% from PMIC. Another facility from Meezan Bank is in process.

SECTOR DEVELOPMENT DEPARTMENT PROJECTS

PRIME PROGRAM

PMIC team finalized the content and organized trainings in Lahore, Multan, and Hyderabad for credit staff and renewable energy experts of Microfinance Providers – MFPs. More than 160 staff members were trained during the 3 training workshops. In addition, PMIC also organized briefing sessions for top management of MFPs in Sindh and Punjab to appraise them about the design, key elements, and execution methodology of the subsidy scheme. PMIC team held discussions with 4 new organizations including JWS Pakistan, Damen Support Programme, Taleem Finance Company, and NRSP, which aim to become part of the PRIME program. These MFPs are deliberating on financing targets to be achieved under the PRIME program subsidy scheme during 2024 and will start rolling out financing during 1st quarter of 2024. PMIC team also developed Terms of Reference for a Blue-print model (a benchmark installation manual for installers of solar suppliers), and hired an Independent Verification Agent – IVA for the development of a web-based platform. The ToRs have been shared with KfW for No Objection – NO – once received, PMIC will roll out RFPs accordingly. PMIC will be rolling out the Euro 5 Million subsidy scheme from 1st March 2024.



LIVESTOCK MICRO INSURANCE – LMI

PMIC continued to deploy the LMI initiative through MFPs. As of February 2024, 8 MFPs have signed MoUs with Asia Insurance Product (AIC). Over 700 credit officers have been trained by AIC on the TAGMU insurance product and around 830 animals are insured in the field.

EDUCATION FINANCE

The Education Finance Program is a joint effort between PMIC and Opportunity International, focused on supporting the Education Quality Program. Education Quality is a three-year program aimed at providing financial assistance and quality education training to 150 Low-Cost Private Schools (LCPS) in Southern Punjab. Its main goals include improving education standards, increasing student enrollment, and enhancing school management, instructional leadership, and pedagogical practices through training. Implementation partners include RCDP, AGAHE Pakistan, and Taleem Finance Company, reflecting a shared commitment to uplift the educational landscape and create an environment conducive to improved learning outcomes and comprehensive school development in Southern Punjab.

The program started On June 2023 and a total of 163 schools have been onboarded. The introductory seminars, cluster leadership meetings, and the School Leadership Professional Development (SLPD1 and SLPD2) are completed. The training is facilitated by the education specialists hired by Opportunity Internationals. A field visit was conducted in the district Sheikhpura on Feb. 19, 2024, the 5 sample schools were satisfied with the training and the program, and another school was visited on Feb 21, 2024, in Muzaffargarh. The schools have improved their budgeting and school management strategies for the academic year 2024.



ELECTRONIC WAREHOUSE RECEIPT FINANCING

PMIC is developing its long strategy to delve into the agriculture eco-system and is taking retail level exposure in the post-harvest “Electronic Warehouse Receipt Financing” for small farmers. Under the pilot for EWR financing 18 EWR have been financed till date for rice and Maize amounting to 28 Million Appx.

With recent interaction with farmers and engagement in farmer conventions, PMIC has seen an influx of EWR financing requests from the Okara district. At present, there are 10 farmers who are willing to get their EWRs financed from PMIC and are in the process of opening transaction accounts with NCMC and Commercial banks for PMIC to facilitate the financing of their EWRs after initial due diligence.

CHALLENGE FUND ROUND II – DIGITAL CREDIT SCORING MODEL

During the 3rd week of February, the PMIC and Qarar team had several individual stakeholder meetings onsite to discuss project progress and deliverables. Onsite visits were made to TMF, SAFCO, and Data check.

A meeting was held with PMIC Management and the Qarar project lead team. Qarar project team was pleased to inform you that 5 MFPs are fully onboard for the development of the Credit Scoring Model. The first set of data was received from the MFPs following several back-and-forth meetings and documentation exchanges. The data scientist team at Qarar is finalizing an expert model in the interim and back-testing the MFI data to determine how an expert model performs.

Qarar has also enabled the availability of a dashboard for MFIs to test the newly built “expert-based” scoring model to test out for new acquisitions. This dashboard will allow MFIs to input application information to generate a score and risk category. This model is rolled out to MFPs and an initial training session specific to guidelines on capturing the results from the model vis a vis their existing credit assessment processes was also conducted.



FARMER ENGAGEMENT CONVENTION AT BAHAWALPUR

PMIC collaborated with its Agri partner GrowTech Services Private Limited to organize a farmer engagement convention in Bahawalpur for small and medium-sized land holding farmers on 15th February 2024. The primary objective of this event is to educate and provide a platform to small farmers with evidence-based farming practices, provide actionable advisory services, and expert guidance, establish market linkages, and facilitate access to microfinance service providers in the area.

This session will be attended by over 250 small and medium-sized farmers from the region along with key stakeholders from the Agriculture Extension Department, Seed Development Department, Agri Tourism, Cotton Hub, AG Venture, and leading local input providers.

PMIC had an opportunity to engage with farmers and other key agriculture stakeholders to assess their needs in developing PMIC’s long-term strategy for interventions in the agriculture ecosystem.



INTRODUCING THE PRIME PROGRAM SUBSIDY SCHEME FOR MFPs

PMIC organized the CEO's briefing session on the PRIME program Subsidy Scheme in Lahore (for Punjab-based MFPs) and Hyderabad (for Sindh-based MFPs). The PMIC team briefed the top management of MFPs about the rationale, design, and key features of the subsidy scheme. PMIC appraised them about the execution methodology and the results-based framework, based on which interest rate subsidy will be rolled out for MFPs. PMIC team also discussed the transaction flow, the role of the Independent Verification Agent (IVA) – for verification of solar systems – and the development of a web-based software platform – for tracking the installation of solar systems, triggering repayments of the subsidy scheme, and providing reporting for all stakeholders. The subsidy scheme will be launched from the 1st of March, 2024 and MFPs management was eager to be a part of the initiative.



PMIC'S COLLABORATIVE PILOT PROGRAM FOR DIGITAL AND FINANCIAL INCLUSION

To improve the lives and incomes of home-based workers, the PMIC team is leading the development of a collaborative pilot program that focuses on a) digital and financial literacy among women, b) value-added skills enhancement, and c) access to finance for business expansion. This will be a multi-stakeholder program focusing on creating linkages and synergies with the existing partners. The PMIC team, including the Assistant Manager of the Sector Development Department and the Assistant Vice President of Research, conducted a series of field visits in the districts of Vehari, Muzaffargarh, Bahawalpur, and Lahore from February 19th to 23rd.

The purpose of the visits was to assess the needs and willingness of women microfinance clients to utilize digital and financial literacy skills to expand their businesses. Additionally, the team engaged with CIRCLE Women graduates of the Digital Literacy Program to explore and document opportunities for the expansion of women-owned businesses and improving their incomes through leveraging digital platforms. These visits will serve as a critical groundwork for future collaboration between the microfinance service providers and digital and financial skills partners.



NIBAF LEADERSHIP TRAINING PROGRAMME FOR MFBs AND MFIs

PMIC's CEO, Mr. Yasir Ashfaq, initiated the Leadership Training Program for Microfinance Banks (MFBs) and Microfinance Institutions (MFIs) with an opening address at National Institute of Banking and Finance (NIBAF)-Pakistan. The training was aimed to enhance inaugurated the Leadership Training Programme for Microfinance Banks (MFBs) and Microfinance Institutions (MFIs) with an opening address. The training, conducted in collaboration with the National Institute of Banking and Finance (NIBAF)-Pakistan, aimed to enhance the professional capabilities of the participants. Mr. Syed Sajid Ali, Director of Learning and Development, presented a token of appreciation to Mr. Ashfaq and addressed the participants, highlighting the workshop's merits and its significance in their professional development.



Client Success Story



FROM STRUGGLE TO SUCCESS: FIAZ BIBI'S INSPIRING ENTREPRENEURIAL JOURNEY

Fiaz Bibi, a determined 50-year-old lady from Nala Khan Wala, Bahawalpur, embarked on an inspiring journey to establish her own small-scale general store. Despite her husband's absence, working abroad to alleviate financial burdens, Fiaz persevered in managing the household and raising their children.

With unwavering determination, Fiaz pursued her dream of entrepreneurship, aided by the invaluable support of PMIC's client – Agahe Pakistan. Securing a loan of 65,000, complemented by her personal savings, marked the beginning of her entrepreneurial endeavor.

Starting modestly with a Rs. 5,000 investment in jewelry items, Fiaz transformed a corner of her home into a thriving hub of essential goods, meeting the needs of her local community. Overcoming hurdles like building a customer base and managing inventory, Fiaz relied on word-of-mouth marketing and strategic planning to establish her store as a trusted source.

Through dedication and resilience, Fiaz's customer base expanded steadily, enabling her to diversify her product

range and achieve financial stability. Today, her small-scale general store stands as a beacon of success, earning her 40,000-50,000 and inspiring others in her community.



Fiaz Bibi's journey exemplifies the transformative potential of entrepreneurship and the pivotal role of PMIC's clients in empowering individuals to realize their dreams.

People & Culture



HR AND ADMIN ACTIVITIES

ENGAGEMENT SURVEY AND TOWNHALL MEETING

An Anonymous Engagement Survey conducted by PMIC has yielded exceptionally positive results, further solidifying our commitment to fostering a thriving workplace culture. The survey showed an outstanding response rate, with 100 percent of our team actively participating. More than 80 percent of respondents indicated a strong sense of engagement, reflecting the positive and collaborative spirit that defines our workplace. Following this a town hall meeting was held on February 6th meeting facilitated by the HR team, which provided a platform for the CEO and employees to engage in an interactive session, fostering open discussions and valuable insights.

Candid discussions during the town hall meeting served as a testament to the genuine interest our employees have in contributing to the betterment of our work environment and overall employee experience. The valuable insights gathered have been met with enthusiasm, and the HR team is already gearing up to work on implementing the constructive feedback received.



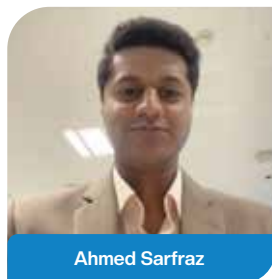


OBITUARY

Our heartfelt condolences on the sad demise of Faheem Khalid's beloved mother. May Allah bless the departed soul.

BIRTHDAY CELEBRATIONS

We wish you a very Happy Birthday!



EMPLOYEE CONTRIBUTION

SUPERCHARGE YOUR WORKFLOW: HOW DIGITAL COLLABORATION TOOLS BOOST EFFICIENCY IN THE WORKPLACE

The modern workplace is no longer confined by four walls. Teams are geographically dispersed, schedules are asynchronous, and collaboration is key to success. In this dynamic landscape, digital collaboration tools have emerged as game-changers, transforming how we work and interact, and ultimately boosting efficiency in profound ways.

Gone are the days of endless email chains and siloed information. Today, tools like instant messaging platforms and project management software bridge geographical divides, keeping everyone in the loop and facilitating real-time communication. Documents can be shared and edited collaboratively, eliminating version control chaos and ensuring everyone works on the latest iteration. This seamless flow of information empowers teams to react quickly to changes, make informed decisions faster,



Zeeshan Khan Shahid
Chief Technology Officer

ultimately, complete tasks with greater speed and accuracy. Digital collaboration tools go beyond communication. They streamline workflows by automating repetitive tasks, like data entry or progress tracking. Project management software, for example, assigns tasks, sets deadlines, and tracks progress, allowing teams to stay organized and accountable. Additionally, file-sharing platforms eliminate the need for physical documents, saving time and resources spent searching for information. This newfound efficiency frees up valuable time for employees to focus on higher-level strategic thinking and creative problem-solving.

Collaboration is not just about getting things done faster; it's about sparking creativity and generating new ideas.

Digital tools like online whiteboards and brainstorming platforms create shared spaces where team members can contribute freely, regardless of location or time zone. This open exchange of ideas fosters innovation and leads to better solutions and more engaging projects. Additionally, knowledge-sharing platforms allow employees to capture and share their expertise, making it readily accessible to the entire team, further fueling innovation and growth.

Digital collaboration tools not only enhance efficiency but also foster a more connected and engaged workplace culture. Real-time communication platforms allow for informal interactions and team building, even for remote teams.

Additionally, knowledge-sharing platforms create a sense of community and shared learning, encouraging employees to help each other and grow together. This collaborative spirit boosts morale improves employee satisfaction, and ultimately leads to a more productive and successful workforce.

As the workplace continues to evolve, digital collaboration tools will play an increasingly vital role in driving efficiency, innovation, and employee engagement. By embracing these technologies and fostering a culture of collaboration, organizations can unlock their full potential and thrive in the ever-changing business landscape. Remember, collaboration is not just a trend; it's the future of work. Are you ready to join the revolution?

The vast array of digital collaboration tools can be overwhelming, so here are a few popular options categorized by their primary function, along with some key features to consider:

Communication & Teamwork

- **Slack:** Real-time messaging, group chats, channels, file sharing, searchable message history. Great for quick communication and information sharing within teams.
- **Microsoft Teams**
Video conferencing, instant messaging, file sharing, collaborative document editing, task management. A comprehensive suite for all-around teamwork, especially within the Microsoft ecosystem.
Flowdock: Group and private chat, threaded conversations, integrations with other tools. Streamlines communication for project-focused teams.
- **Zoom:** Video conferencing, screen sharing, recording, breakout rooms. Ideal for virtual meetings and presentations. Project Management & Task Organization
- **Asana:** Task management, project tracking, deadlines, team collaboration, reporting. Flexible and user-friendly for organizing workflows.
- **Trello:** Visual boards, drag-and-drop task management, Kanban-style workflow. Great for agile teams and quick visualization of progress.
- **Monday.com:** Customizable workspaces, automation, integrations, visual dashboards. Powerful and adaptable for complex projects.
- **ClickUp:** Task management, goals, documents, mind maps, integrations. Offers a wide range of features for diverse project needs.

CREATIVE COLLABORATION & KNOWLEDGE SHARING

- **Miro:** Online whiteboard, brainstorming tools, sticky notes, real-time collaboration. Excellent for visual thinking and creative ideation.
- **Figma:** Collaborative design platform, prototyping tools, version control, design handoff. Streamlines the design process for teams.
- **Notion:** All-in-one workspace, notes, tasks, databases, wikis. Creates a central hub for capturing and sharing knowledge.
- **Google Workspace:** Collaborative document editing, spreadsheets, presentations, communication tools. Familiar and widely used for document-based teamwork.

Read of the Month



How Managers Should Balance Competition and Cooperation

The featured read of the month, "Want to Be a Better Leader? Stop Thinking About Work After Hours" is a compelling article based on the latest research published in Harvard Business Review.

Managers often cannot disconnect from work even after their official hours are over, engaging in mental tasks like troubleshooting employee issues, solving client problems, or planning for the next day. Many managers often feel compelled to remain tethered to work even after official hours, believing it necessary for peak performance in their leadership roles.

However, recent research suggests that this habitual rumination may be counterproductive, especially for those new to leadership roles. Continuously dwelling on work leaves managers feeling depleted, which affects their ability to fulfill their leadership responsibilities—a phenomenon even noticeable to their employees.

This article explores a few measures through which leaders can establish work-life balance and boost their morale. Establishing boundaries between work and personal time, recommending activities that promote relaxation and detachment from work in the evenings to replenish mental resources and enhance leadership identity. Ultimately, the research challenges the notion that constant connectivity is essential for effective leadership, highlighting the significance of recovery time in cultivating successful leaders.

Full-length article can be accessed at the following link:

<https://bitly.ws/3eBmj>



Authored by: Zarak Jamal Khan