

Since 2002 , SAFWCO has been implementing a successful CED Program resulting in a conducive financial development climate and the revitalization of key market based economic in its area of operation. The results are evident in a relatively stable financial sector, balance of payments viability and steady economic growth in and stable financial development rate. To facilitate the eradication of poverty and ensure increased financial development , the SAFWCO developed a Poverty Eradication-project in 2001with PPAF and and again 2007 (March) with IFAF-MIOP under the umbrella of PPAF which are still going on , to function as a Financial Development Catalyst. With this project framework, a Medium Term Competitiveness Strategy for the Potential Clients of the rural setup has been developed to target the areas of facilitation needed for the Micro Credit Loans to function as an 'engine of growth'. Likewise, a Plan for Sub-unit of Settlement Branch has been prepared as a holistic strategic framework to facilitate the expansion of the rural economy through increased in-depth outreach program



Sindh Agricultural
And Forestry Workers
Coordinating Organization

Bridging Communities Financial Needs

**CREDIT & ENTERPRISE
DEVELOPEMENT SECTOR**



Sindh Agricultural
And Forestry Workers
Coordinating Organization

Annual Report 2009

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Annex 1: Description of Products

Abbreviations

CGAP	Consultative Group to Assist the Poor
CED	Credit and Enterprise Development
CRS	Catholic Relief Services
DMER	Disaster Management and Emergency Response
ECPL-	L-Gop ENGRO Foods Private Ltd. Government of Pakistan
EDF	Economic Development Facility
EF	EF Emergency Fund
FSSP	Financial Sector Strengthening Program
GLM	Group Lending Methodology
HID	Human and Institutional Development
IDRF	International Development and Relief Foundation
MFI	Microfinance Institution
MMS	Microfinance Management System
NGO	Non Governmental Organization
OSS	Operationally Self Sustainable
PCDD	Participatory Community Development Dialogue
PIR	Performance Indicators Report
PMN	Pakistan Microfinance Network
PPAF	Pakistan Poverty Alleviation Fund
Rs.	Pakistani Rupees
SAFCO	Sustainable Actions to Access Financial Capital Opportunities
SAFWCO	Sindh Agricultural and Forestry Workers Coordinating Organization
SDC	Swiss Agency for Development and Cooperation
SMN	Sindh Microfinance Network
SOS	Social Organization and Services
SRF	SAFWCO Revolving Fund
SSNP	Social Safety Net Project
TUP	Targeting Ultra Poor
TVO	Trust for Voluntary Organizations
WEB	MIS Web Based Management Information System



Message from CEO

The latent demand for micro financing came alive with social organization inputs in rural areas. This has created vision and introduced the rural population, especially women to entrepreneurial activities. The spread of communication and transportation facilities and market mechanisms into the agricultural economy further escalated the demand for financing services. Many of the citizen organizations initially responded with a micro credit and savings scheme and later developed other financial services and products to cater to the growing financial demands of the emerging business entrepreneurs. Sindh Agricultural and Forestry Workers Coordination Organization (SAFWCO) are amongst the first few pioneers of micro financing. SAFWCO has developed organizational capacity in relation to increasing demand in the rural areas of Sindh, and today has a portfolio of over 21,283 clients and an outstanding loan portfolio of just below Rs.193.88 million(US\$ 2.32Millions) at the end of 2009 together with enhanced institutional capacity to respond to the changing demand.

Since the turn of the century, particularly with the coming of the PPAF and its credit

Towards Equity Based Micro Financing Low income Businesses

SAFWCO sustained the growth of rural businesses and farm enterprises with micro finance plus programs while assisting households below poverty lines with asset transfers under the social safety net program. Growth management challenges grew amidst short supply of finance and changing donor priorities.

line to NGOs, micro financing transformed from social action into entrepreneurship. The demand for financial services in the rural areas and the organizational structure set up by the pioneering MFIs led to development of the Micro Finance Ordinance that encouraged private sector organizations like banks and leasing companies to enter the field. The legislation also triggered organizational transformation among the social MFIs, many of which transformed from a “Society” to a “Company” to manage operation and growth more like a business with a social objective. The field also developed infrastructure and related services with the help of international and government funding.

Within the Micro Finance sector in Pakistan, SAFWCO is identified as a NGO MFI that is nearing transformation into a non-profit company and seeking equity in addition to debt financing. In 2008, the fallout of the financial crisis escalated local economic difficulties causing food insecurity and drying up business investments and government support to small and micro entrepreneurs. In this scenario, Micro Finance Institutions helped small and micro businesses to remain competitive. In the SAFWCO operational areas, recovery rates remained up to the mark and absorption capacity was more than the increased supply. Micro businesses grew and bloomed and many of them achieved award-winning status. SAFWCO sustained the growth of rural businesses and farm enterprises with micro finance plus programs while assisting households below poverty lines with asset transfers under the social safety net program. Growth management challenges grew amidst short supply of finance and changing donor priorities. SAFWCO's major thrust in 2008 was to seek debt financing and prepare institutional arrangements for attracting equity. Attendance at Vietnam and India investment fairs showed that investors were reluctant to come to Pakistan and State Bank regulations and general insecurity in the country were major reasons. Discussions with commercial banks in Pakistan on supply of credit line and channeling foreign funds could not materialize due to high bank charges and their unwillingness to share risks. Also changing conditionality for registration of non-profits under the Companies Act hampered SAFWCO's transformation. In 2009, much of these constraints have been removed. SAFWCO's registration under the Companies Act is complete and the State Bank has removed restraint on debt financing. PPAF under the PRISM arrangement is offering financial collateral for commercial lending and SAFWCO has improved its financial disclosures, liquidity management and operational outreach making it easy for investors and commercial banks to partner with SAFWCO.

With these thoughts, SAFWCO for the next coming years focuses on spreading and increasing outreach and scale through a combination of physical, social and economic development programs. Micro financing in the coming year would reach out to alternate energy development and disaster preparedness and mitigation projects. Within this framework, SAFWCO aims to work consistently with PPAF and attract other investors to deepen the impacts of the projects and to build knowledge management capacity within the organization.

Suleman G.Abro

Founder & CEO



Executive Summary

Micro finance field has considerably advanced in Pakistan and Sindh Agricultural and Forestry Workers Coordination Organization (SAFWCO) is keeping pace with the scale of growth in the rural areas of Sindh. From a small poultry raising project for 20 rural women, SAFWCO's clientele has grown to 10,548 women and 10,735 men with disbursements of Rs. 261,145,000 (US\$ 3,130,860) and Rs. 342,490,000 (US\$ 4,106,102) in 2008 and 2009 respectively. Despite the difficult international financial climate, SAFWCO is set to meet this year's target of lending Rs. 342.49 Million (US\$ 4.11 Million) to 21,283 clients. SAFWCO's loans at an average of Rs.9,109 helps rural poor to strengthen their income earning activities and to move from a loosely structured one person initiative to an enterprise development program. Since sector inception, SAFWCO has demonstrated credibility and capacity to operate at scale, and built up infrastructure and human resources to move towards sustainability. In 2008 and 2009, with continuing support from PPAF, SAFWCO was able to continue scaling up its on-lending program and carry on with the Social Safety Net piloting. SAFWCO was able to maintain its gender ratio

The successful case studies from the Social Safety Net piloting has shown that poor women were able to use transferred assets for income generation and improve their economic and social status.

Very clearly, though SAFWCO has posted commendable growth in 2008 and 2009, yet this is but a small step towards fulfilling the needs of the people and the financing needs of the emerging micro-enterprises in the region.

of 50% Female and 50% Male, to lend for diverse purposes including for on-farm activities, and grow steadily at the rate of 24.3% (CGAR at 3 Years Trailing) clients per year. SAFWCO's client retention in 2009 was 49%. SAFWCO's growth strategy concentrates on deepening the impacts and intensifying client outreach within the present target area till at least 70% of the potential market is served. The new consolidation branch network strategy, piloted in 2007 and 2008, needs now to be extended to other areas.

The successful case studies from the Social Safety Net for Targeting Ultra Poor's piloting has shown that poor women were able to use transferred assets for income generation and improve their economic and social status. There is a pressing demand from the poor,

especially those not given assets in the first phase and the success of the piloting calls for spreading the program to other areas of Sindh.

In 2008 and 2009, SAFWCO has registered SAFCO Support Foundation – the micro finance wing of SAFWCO as a separate entity under the Companies Act Section 42 Ordinance, and is in the process of transferring assets and handing them over to the new board. The micro finance management and accounts had already been separated since 2005. In 2007, SAFWCO also made a separate Strategic Plan for the CED Sector as well as Operation Manual and Human Resources Policies. CED Sector is moving steadily towards realization of the targets set in the Strategic Plan. The ACTED and Planet Finance institutional support helped SAFWCO to gain

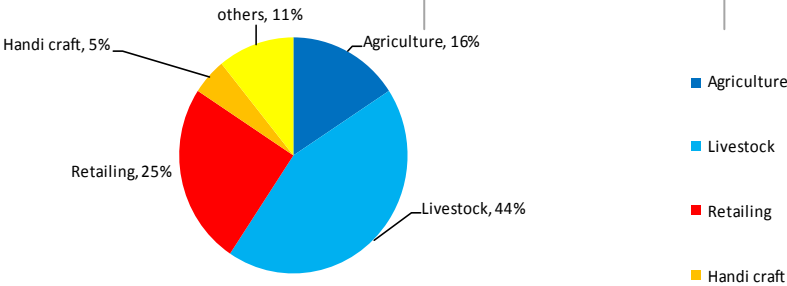
international market exposure and understand key issues related to accessing international investments to help meet the supply side requirements. The experience has helped bring out the gaps in SAFWCO structure and operation that needs to be filled and the program should be rated before venturing into attracting international investments. At the heart of the investment acquisition strategy is the need to prepare SAFWCO for equity building, with a clear exit strategy for the investors.

Very clearly, though SAFWCO has posted commendable growth in 2008 and 2009, yet this is but a small step towards fulfilling the needs of the people and the financing needs of the emerging micro-enterprises in the region.

*Tufail Rajpar
General Manager CED*

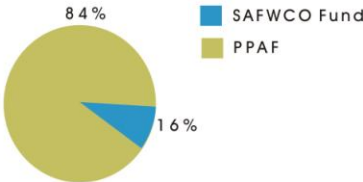
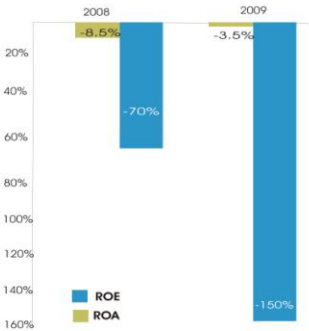
SAFWCO CED at a Glance

Productivity	2008	2009	Financial Performance		
<ul style="list-style-type: none"> Active Clients Average Loan Balance per active Client Active Clients per Staff Member Active Clients per Loan Officer Portfolio per Loan Officer Repayment Rate 			Annualized Return on Assets (ROA), % Annualized Return on Equity (ROE), % Operational self-sufficiency, % Revenue		
			Financial Revenue ratio Yield on portfolio, % Profit margin ratio, %		
			Efficiency Operating Expense / Loan Portfolio (%) Personnel Expense / Loan Portfolio (%) Average Salary /GNI per capita in (\$) cost per loan		



2009

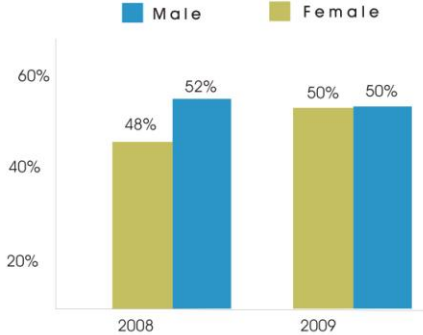
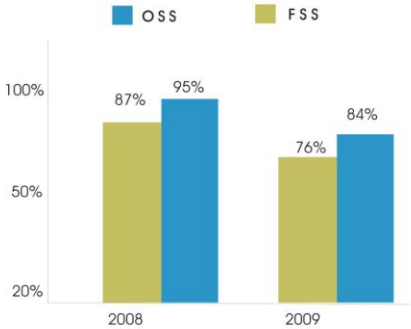
Source of Funding



2009

Sustainability

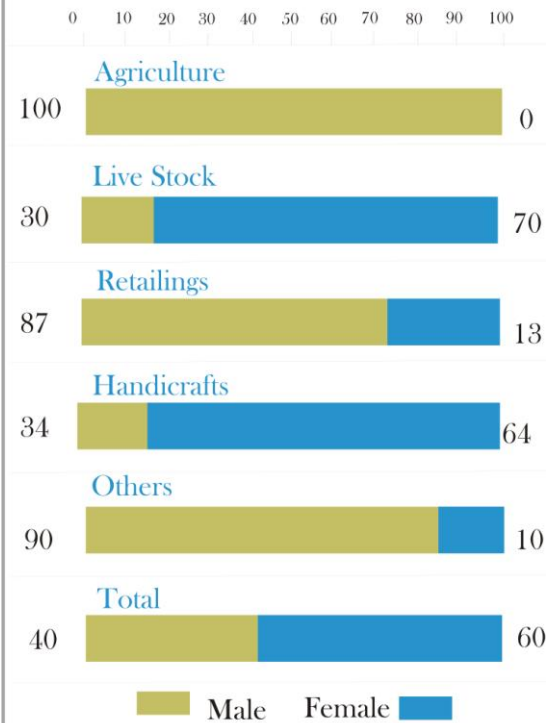
Gender Wise Breakup



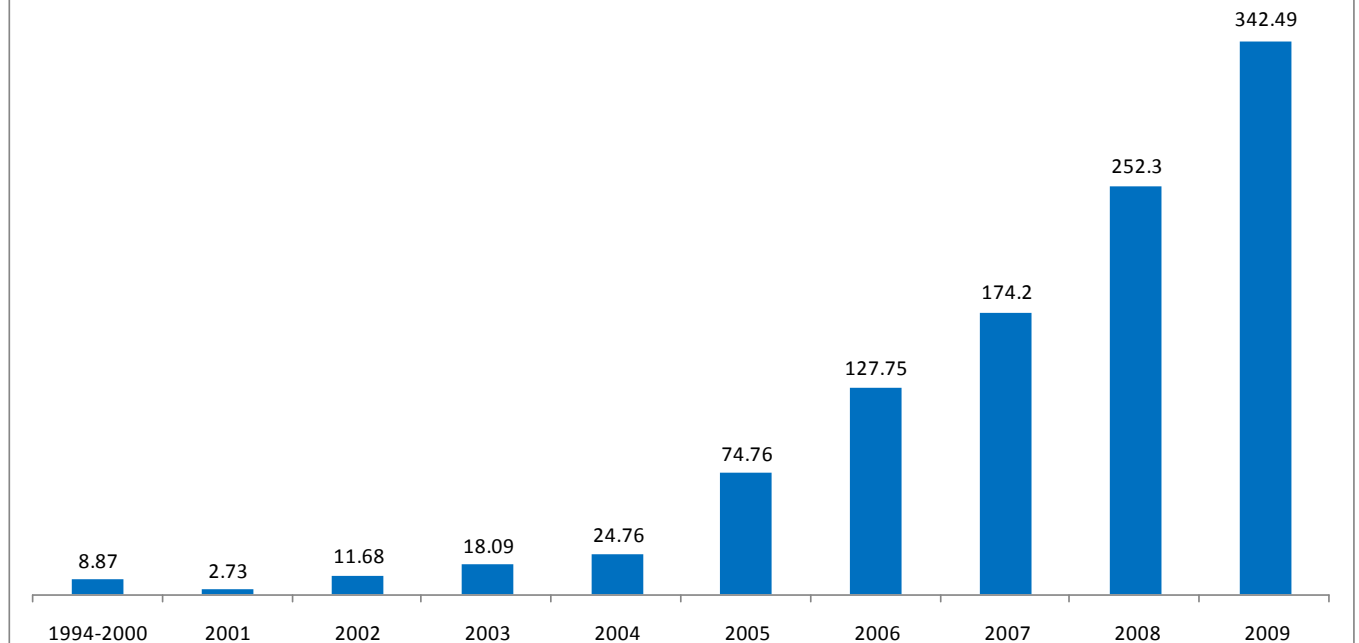
Gender Wise Distribution of Loans

As a percentage of a articular Loans

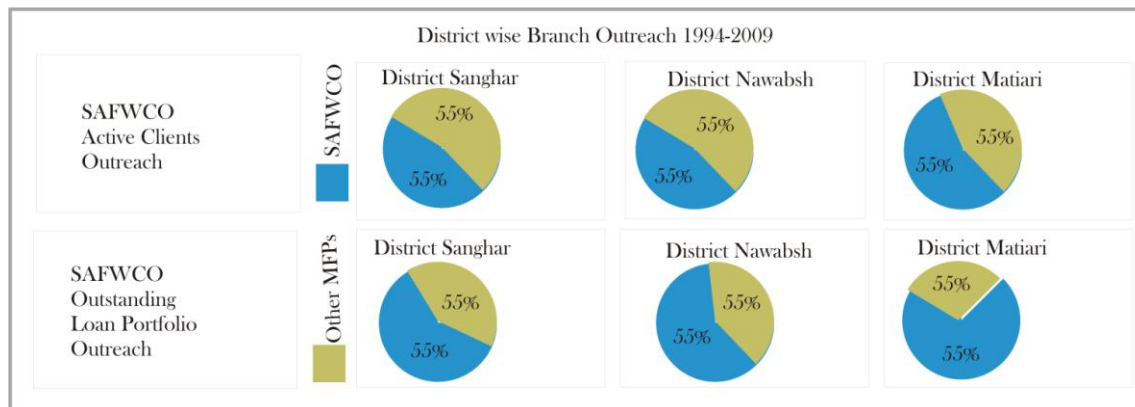
From July 2008 to June 2009



Yearly Growth In Microcredit Program



District Wise Branch Outreach



Yearly Growth in Clients





Pakistan Economy & Micro Finance

*Pakistan has a population of 168.9 million growing at a rate of 2.8% per annum. Pakistan's economic mainstay is Agriculture, contributing 21.8% GDP and 44.65% employment. In the year 2008-09, Pakistan's economy weathered the international financial crisis, the costs of war on terror and the policy induced imbalances of the past years. While large scale manufacturing declined, Agriculture sector recorded a 4.7% growth mainly due to performance of the major crops. In 2008, Rupee remained destabilized losing against dollar and the food and commodity prices surged pushing the consumer price index by more than 20%. For 2009, it was estimated that a quarter of the population lived below the poverty line of US\$1.25 per person per day. Pakistan's financial health is still vulnerable and "access to international debt markets remains severely constrained (particularly after the debt restructuring requested by Dubai World). In this environment, funding under the Stand-by Arrangement with IMF has been a key to shore up the country's foreign exchange reserves and moderate the rupee depreciation."*¹

The economic processes in the country leave quarter of a population below poverty line and half the population vulnerable to slipping below the poverty line. With high inflation, small producers and farmers find it difficult to meet their daily consumption needs and meet the growing production costs. In this circumstance, with little or no access to any other financial services, low income households find micro finance a great assistance in stabilizing household cash flow and continuing their income earning activities.

1.1 Micro Finance in Pakistan

Micro finance field in Pakistan has grown steadily over the last two years. From 1.35 million clients in 2007, the number increased to 1.79 million in 2008 and by third quarter of 2009, it was 1.83 million. The Gross Loan Portfolio (GLP) grew from 12,750 (US\$ 152.86 million) million in 2007 to

Rs.20,000 million (US\$ 239.78 million) in 2008 and by 3rd quarter of 2009 it stood at 21,396 million (US\$ 256.52 million). Women clients were marginally higher in number than men but the men held the higher portion of GLP. The five top MFIs held 83% of market share in terms of clientele and 78% of GLP. Khushali Bank and NRSP led the market with highest footprint, number of active borrowers and GLP. RSP's share of market declined from 34% active clients in 2008 to 30% in 2009, while Micro Finance Banks' (MFB) share of clients increased from 34% to 40%. NGO MFIs share also dropped from 27% to 25%. In Sanghar, Nawabshah, Mirpurkhas and Matyari, SAFWCO's operation area, active clientele was marked as between 10,000 and 25,000 borrowers. SAFWCO's clientele in 2008 was 20,097, which increased to 21,283 by the end of 2009. PPAF credit disbursements during 2007 was 6,228 million (US\$ 74.67 million) through 70 partners in 111 districts, and in 2008 it was 9075 million (US\$ 108.80 million) through 74 partners in 111 districts, In 2009, credit disbursement was 3570 million (US\$ 42.80 million)

through 82 partners in 126 districts SAFWCO disbursed 271 million (US\$ 3.25 million) in 2008 and 342.5 million (US\$ 4.11 million) in 2009 and more than 90% of this lending was through a PPAF credit line.

During the beginning of 2008, State Bank of Pakistan stopped MFIs from acquiring debt financing in foreign exchange at a mark-up but towards the end of 2009 allowed it. During 2008 and 2009, SAFWCO with the help of ACTED and BWTP (Banking with the Poor)/ Planet Finance reached out to international investors, and one of the major obstacles to obtaining funds was the State Bank of Pakistan's regulation. The other two were the security conditions in Pakistan and SAFWCO's own transition from NGO to a Non Profit Company.

1.2 The Sindh Situation

Sindh has a population of 30,439,893, of which 7,048,595 resides in districts Sanghar, Matyari, Mirpurkhas and Nawabshah (SAFWCO CED main area of operation). Percentage of adult men and women in the target area are 52% and 48% respectively.

Major occupations in this region are farming, raising livestock, and small trade and businesses related to handicrafts, local services provision, transport facilities and ration shops. Amongst the women, raising livestock and handicrafts and small scale local service provisions like stitching and embroidery are popular. Rural poverty in Sindh is 48% and as communities the religious minorities and landless peasants are the most deprived. Gender discrimination is historical and discriminatory practices are common. In Sindh, improving gender sensitivity and balance is important to poverty alleviation. SAFWCO's struggle for women empowerment is based on the realization that micro finance is a tool for economic empowerment and not economic empowerment itself. Enabling women to be gainfully employed, strengthening local markets, establishing learning centers and providing micro credit (capital) are required to lead to empowerment. These tools have and are directly contributing towards reducing poverty and supporting development of the communities towards sustainability.

One of the major reasons for poverty is lack of access to financial market and an unstable household income pattern. Presently, there are about 33 micro finance institutions operating in Sindh with a total outreach to 91,827 households. These institutions provide mainly credit up to Rs.30,000 at a time. Besides the MFIs, commercial banks and Agricultural Development Bank also provide credit with a higher ceiling and a requirement for financial collateral. The potential market for micro finance in Sindh is estimated as 6.4 m and in 2009 outreach of micro credit programs was to 405,151 borrowers.

Following table depicts market outreach and potential in SAFWCO operation area.

Districts	Active Clients	Potential Market
Matyari	5,648	607,212
Mirpurkhas	0	329,494
Nawabshah	3,093	238,378
Sanghar	2,542	305,121
Total	21,283	1,480,205



2. SAFWCO's Role in Rural Development & Poverty Alleviation

*Sindh Agricultural and Forestry Workers' Coordinating Organization (SAFWCO) was formed in 1986 and registered in 1991 as a society under the Societies Act 1860. SAFWCO envisions 'being a leader in eradication of **poverty** through political and socio-economic empowerment of communities in the region on sustainable bases' and since the turn of the century has actively pursued the mission of organizing and supporting the poor. Major cross cutting themes are poverty alleviation, gender balance and natural resource management. The SAFWCO mission is carried out through Seven main program sectors, viz.*

- *Social Development Sector (SDS)*
- *Credit and Enterprise Development Sector (CED)*
- *Human and Institutional Development Sector (HID)*
- *Community Physical Infrastructure CPI*
- *Education Development (EDS)*
- *Health Water Sanitation (HWS)*
- *Monitoring Evaluation Research (MER)*

The founder and CEO Mr. Suleman G. Abro guides and steers all sectors of the organization. Each sector comprises of different programs at different levels. SAFWCO plans and implements time bound projects in partnership with community and citizen groups with the support of the national and international donor communities. SAFWCO's head office is based in Hyderabad, Sindh and operations are in districts Sanghar, Nawabshah, Matyari, Mirpurkhas, Jamshoro and Thatta. SAFWCO has grown from a

group of friends organizing village groups in Shahdadpur's rural area in 1986 to an organization presently having 750 staff members with an outreach to 1,038,144,500 in 7,015 villages.

SAFWCO has a strategic vision of developing the sectors into separate institutions managed by the SAFWCO board. As part of this vision, the Sustainable Actions to Accesses Financial Capital Opportunities (SAFCO Support

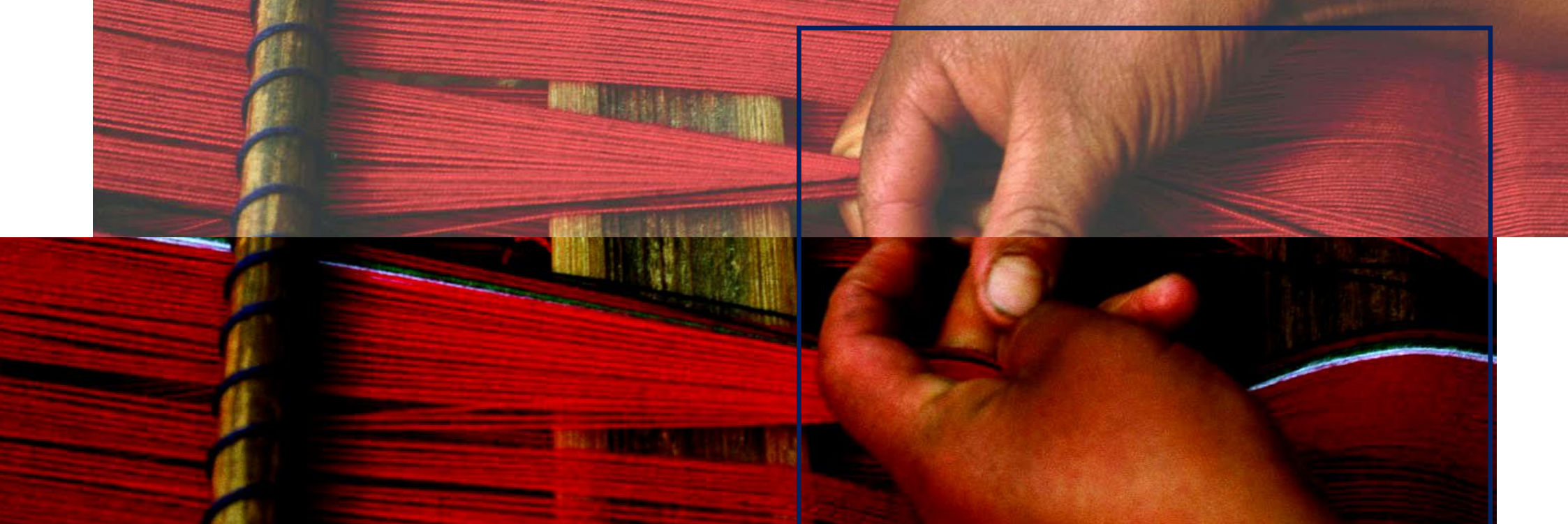
Foundation) has been registered under section 42 Companies Ordinance 1986 last year to exclusively manage micro finance components of SAFWCO. This institutionalization process will lead to popularity of the SAFWCO brand and bring the micro finance practice under a more disciplined regime thereby increasing public accountability and transparency. Credit and Enterprise Development Sector was supported by "IDRF

Canada" for "Low Cost Housings Project" in 1994, "TVO" for "Goat Rearing Program" in 1996, "The Asia Foundation" for "Socio Economic Development of Rural Women" in 1998, "CRS" for "Women Empowerment" in 2002 and in January 2001, "Pakistan Poverty Alleviation Fund (PPAF)" offered SAFWCO a small credit line for micro credit. SAFWCO saw this as an opportunity to scale up and applied for the higher credit line.

Since then PPAF (2001-till date) is supporting the sector for uplifting of the Socio Economic condition of rural people.

In 2008 and 2009, through Credit and Enterprise Development, SAFWCO provided micro credit, training to borrowers, researched into development issues, and piloted a social safety net project. To strengthen the organizational capacity, SAFWCO deepened outreach.





3.Overview

Micro Credit Program (MCP) is the cornerstone of SAFWCO's Credit and Enterprise Development Sector. It is community led and demand driven, and channels mainly PPAF credit line and covers operation cost by charging a mark up to the clientele. All loan products have a maximum recovery period of 1 year. Average size of a loan is Rs.9,109(US\$ 109.21) . Clients graduate over a three year period, and the maximum loan size is Rs.30,00 (US\$ 359.67) . Since beginning, focus has been on poverty alleviation and the strategy has been to provide start up loans for income generation activities to rural women through a group guarantee as social collateral. The income from the income generation activities adds to the household income, stabilizing household expenses during off season and binging to the women power to invest in household improvements including children's education. For women led households, the MCP helps develop women's entrepreneurial capacity and keeps the family above poverty line. In 2008, seeing the inability of destitute women to start off a business, SAFWCO introduced the Social safety net program as a pilot to transfer asset (as a grant) and build her capacity to start a new business. MCP's main source of funding is from the Pakistan Poverty Alleviation Fund (PPAF). PPAF provides credit line and some part of operational funding especially for start up ventures and grants for productive infrastructure construction and capacity building of borrowers and staffs. In the last two years, MCP received Rs.439.8 Millions(US\$ 5.27 Millions) as credit line and Rs.25.22 Millions(US\$ 0.30 Millions) as arant and naid Rs.16.61 Million(US\$ 0.20 Millions) as cost of fund to PPAF.

3.1 Products & Services

SAFWCO offers 8 types of financial products viz. Agricultural loans, Regular Monthly loans, Half Installment loans for women, Buffalo loans, Festival loans, Eidul Azha loans for Goats, and Emergency Fund. The Agricultural loans are seasonal loans for farmers, who require cash mainly for purchase of seeds, fertilizers and pesticides.



SAFWCO offers 8 types of financial products viz. Agricultural loans, Regular Monthly loans, Half Installment loans for women, Buffalo loans, Festival loans, Eidul Azha loans for Goats, and Emergency Fund. The Agricultural loans are seasonal loans for farmers, who require cash mainly for purchase of seeds, fertilizers and pesticides. The farmer pays off the loan after harvest. Average size of loan is Rs.10,000. The Regular monthly loans are given for a 1 year period and recovered through fixed



monthly installments. The loans are taken for various types of income generation activity and include handicraft production, increasing stocks in a retail outlet, goat rearing and for purchase of equipment and machinery. The half-installment loans for women are 13 Average size of Buffalo loans range from Rs.20,000 to Rs.30,000 and are given as third or fourth loans to good clients, especially women who want to graduate from goat rearing to dairy production and are willing to make own investment to the loan for purchase of the animal. With all loans given for livestock, SAFWCO makes additional arrangements for their vaccination and training of the borrowers in livestock management. The Festival loans are given mainly to small producers to help them participate in a local festival. Generally, the loans are given for 3

months and are in the range of Rs.10,000 to Rs.30,000(US\$ 119.89 to 359.67) . Eidul Azha loans are for rearing male goats as sacrificial animals. The loans are recovered following Eidul Azha (Day of Sacrifice). Emergency Fund is disbursed to borrower's family in case of death and covers burial charges and loan write off. All borrowers are required to pay a nominal premium towards the Emergency Fund.





3.2 Micro Credit Management

SAFWCO MCP has separate administration, monitoring and accounts from the other sectors. The General Manager (focal person) heads the Credit and Enterprise Development (CED) Sector in charge of steering the operations, policy development, marketing and research and monitoring. The Deputy General Manager assists the GM and looks after Human Resources Development and Management. The operation is carried out under the supervision of the Operations Manager heading a team at head office, and the field operation is carried out through branches headed by a Branch manager. Generally each branch comprises of a Branch Manager, a female and male credit officer, an accountant and support staff (driver, clerk). Each branch covers roughly 30 km square area. Under the new arrangement, credit officers are responsible for client identification, organizing a local credit committee, carrying out appraisal and loan monitoring and recovery. Disbursements are made through cheques from the branch and all recoveries are deposited at a nearby Bank branch. Towards the closing of the day, the Bank branch transfers all recoveries to the designated central accounts maintained by the Head office. The Operations department is responsible for checking on compliance, approval of the appraisals submitted by the branch, consolidating the accounts and making timely disbursement to the branches.

3.4 In-depth Outreach Strategy



Implemented an Outreach strategy emphasized increasing coverage within a limited distance to reduce travel time and costs, improve client-staff relationship and enhance monitoring and appraisal quality. In 2008, MCP made a market assessment and realized that they were reaching out to less than 1% of the potential clients. One main reason for inability to increase outreach was the distance credit officers were covering to service existing clients. This showed that targeting mechanisms were inefficient and there appeared a large potential market within the present operational area. MCP therefore decided to go for an in-depth strategy – relocate credit officers from branch office to near potential client cluster. This resulted in the establishment of Settlement branch with three credit officers at a distance not less than 30 km from the branch office. The pilot was carried out in the Matyari branch locality and it proved successful, encouraging it to establish Settlement branches in Shahdaddpur and Nawabshah. In addition to Settlement branch, MCP established Sub Units with one credit officer mainly for recovery purposes at a distance of 10 km from the Settlement branch. This has further strengthened the operations. SAFWCO now has 2 Sub Units.



3.5 Financial Management

SAFWCO has prepared the IFRS/ CGAP formats and started making financial reporting on these formats. This has improved transparency and disclosures. As a result of this, negotiations with commercial banks on debt financing are making faster headway. Combined with PPAF offer of providing collateral for debt financing and SAFCO registration under Companies Act, commercial banks are now willing to lend 100% of the collateral amount plus undertake 15% exposure themselves. Together with the State Bank allowing MFIs to obtain debt financing from foreign investors and to cover foreign exchange risk, this opens up the way for SAFCO to negotiate foreign investments.

Under Governance, the specific committees are still to be formed and preparations are underway to first form Advisory Board to guide the governance improvement process, however a separate finance department has started working since 2007 and separate financial, management and social audit for the CED sector was carried out in 2008 and 2009. In reviewing the CED sector business plan, SAFWCO agreed to deepen the impacts and improve outreach within the region commanded by the present branch network.

SAFWCO centralized its disbursement and repayment so as to better manage liquidity and earn bank profits on them. In centralizing disbursement, the head office has centralized Compliance, MIS and Accounts. The branch is now deared to target and carry out appraisal and send

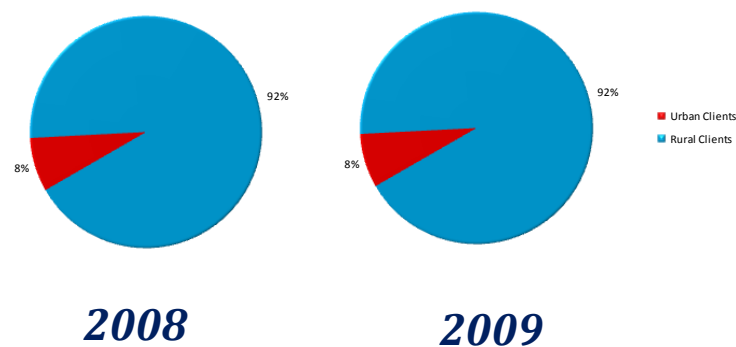
them to the head office, where the appraisal form is first checked for compliance, then the MIS entries are made and then the checks are made and sent to the branch. At the same time, the check amounts are transferred from the central account to the branch's current account. Similarly, repayments deposited into branch's current account are daily remitted to the central account to earn daily returns on them. SAFWCO's own fund is now being deposited into a long term deposit account with a credit line agreement to help SAFWCO earn, while managing liquidity crunch whenever it occurs. The centralized arrangements have improved time and quality checks on appraisal, disbursement and recovery information management and timely disbursements and recoveries.



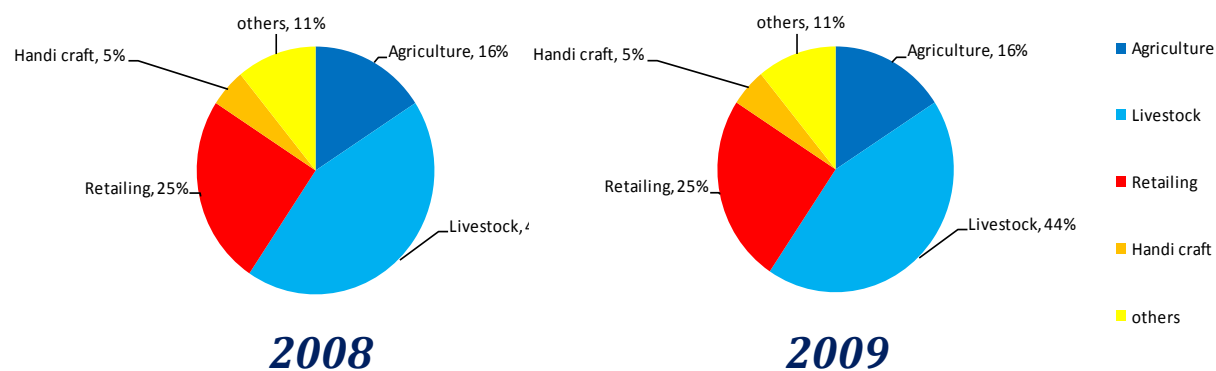
3.6 SAFWCO Microfinance Program – Key Statistics

Parameters	2008	2009
Number of Clients	20,097	21,283
Number of Women Clients	8,587	10,548
Value of Total Loans Disbursed	216 Million (US\$ 2.59 Millions)	342.49 Million (US\$ 4.11 Millions)
Outstanding Loan Portfolio (OLP)	164.16Million (US\$ 1.97 Millions)	193.88Million (US\$ 2.32 Millions)
Number of Branches	11	14
Number of Settlement Branches	04	04
Number of Sub Unit Branches	0	02
Number of Total Staff	159	171
Number Credit Officers	60	65
Credit-line (Rs.)	169.8 3 Millions (US\$ 2.01 Millions)	270 Million (US\$ 3.24 Millions)
Operational Self Sufficiency	84%	95%
Financial Self Sufficiency	76%	87%
Yield on Gross Portfolio	26%	29%

Source of Funding



Sectoral Distribution





4. Institutional Strengthening

In 2008 and 2009, three aspects of SAFWCO's institutional strengthening components emphasized the shift towards market based approach.

4.1 Registration as SAFCO Support Foundation under Companies Act.

*The registration makes it possible for SAFCO Support Foundation (**Sustainable Actions to Access Financial Capital Opportunities (SAFCO)**) to invite equity investments and for commercial lending institutions to provide debt financing to SAFCO. The process of registration was long drawn, and with its successful completion, SAFCO is in the process of creating and advisory board of legal, financial, human resources management and social development expertise to transform the NGO management into a micro finance institution. In 2010 -11, SAFCO plans to complete the transformation process and apply for rating as a micro finance institution.*

4.2 Exploring Foreign Investment Market

*SAFWCO started exploring the foreign investment market and adjusting its systems and procedures to establish market credibility. With ACTED (**Agence d'Aide à la Coopération Technique et au Développement**) support, the SAFWCO CED sector reviewed the strategic plan prepared in 2007 and carried out a SWOT analysis that identified the following areas as requiring attention.*

1. Governance – formulation of overseeing committees, making operational separate finance department, and review of business plan

2. *Financial Management – financial reporting in IFRS/ CGAP format, liquidity management, and breakeven and productivity analysis*

3. *MIS Evaluation – Complete the data migration into a web based MIS and assess its functionality, flexibility and usability*

4.3 Capacity Building through global friends

SAFWCO is the member of the Banking with the Poor network (BWTP) and South Asia Micro finance Network (SAMN). In 2008-09, ACTED and Planet Finance assisted MCP in institutional

strengthening of the program providing support for exposure visits, training and advisory services. The major output has been introductions to international investors assisting SAFWCO to develop instruments for attracting equity and opening up further avenues for securing debt financing services. SAFWCO's interaction with the Banking with the Poor (BWTP) network helped it in attending the South Asia Microfinance Forum and the investor fairs in Hanoi.

The partnership also helped SAFWCO's staff to get training in liquidity management, financial analysis and IFRS/ CGAP format preparation. In addition, exposure visits to India, presentations on Equity Investments and interaction with other MFI representatives at the Delhi and Paris conferences helped SAFWCO gained insights into market based systems, available international resources and inclinations of the investors.





5. “City-PPAF Best Regional Micro-Entrepreneur Award”

In 2008, SAFWCO nominated 5 entrepreneurs for PPAF Citi Micro Entrepreneur Awards for best performing entrepreneurs who are PPAF partners’ micro finance clients.

Ms. Sahibzadi, “City-PPAF Best National Micro-Entrepreneur Award Female”

Sahibzadi, a 24 year old disable Micro-Entrepreneur of Sindh Agricultural and Forestry Workers Coordinating Organization (SAFWCO), won 'Best National Micro-Entrepreneur Award Female' at the Citi-PPAF Micro-entrepreneurship Awards 2008. “My life has never been a worriless purpose ever till I got to become a member of SAFWCO credit program” says content Sahibzadi.

Her community members often teased at her disability as she generated hatred towards the word Jaddi- – a feminine Sindhi word for feeble

, vulnerable human being- “I felt disappointed, hopeless and inferior to others. Despair always hovered around my life” she described her feeling to the teasing remarks she has from others..

Her thinking about life took a shift, soon after she knew about SAFWCO credit program. “That provided me a vision. It was not about to take loans but was also to manage life. This was a life changing opportunity



for me. I started to join their meetings, listened to their talks and got motivation. It influenced me allot." She recalls the awakening.

"It was time for me to re visit my self. I now concentrated more on what I can than I can't." Sahibzadi gloved with the maiden idea of self-consciousness, took first loan of Rs.10, 000(US\$ 120) and with sefl-saving contribution of Rs.2000 (US\$ 23.98) purchased a buffalo-calf. On the other hand she got admission in sewing centre to master this art. Sahibzadi graduated from the centre in three months. For mastering this skill she sold one of her goats for Rs. 5000(US\$ 59.94) and purchased a sewing machine. Hence she started sewing at home. Gradually her customers increased and she became able to repay loan installments from her own earnings.

She invested her subsequent loan amounts in purchase of goats and a milking buffalo. She earned good profit from this business .Besides she continued sewing at home. Her cumulative savings for that year risen to Rs.20, 00 (US\$ 23.98) . She is quite satisfied now and happy on what she has done.

She has now earned equal treatment form her community member. " now no one calls me Jaddi. I am Sahibzadi Darziani-Tailress for all". She contributes in family. Keeping the sewing orders rise in her mind she had planned to purchase 5 more machines and establish a sewing skill centre for girls of locality. "I wish to see all my graduates employed in sewing". She envisions



Mr. Muhammad Naeem, “City-PPAF Best Regional Micro-Entrepreneur Award”

The laborer turned wholesaler Muhammad Naeem, a 36 year old Micro-Entrepreneur of Sindh Agricultural and Forestry Workers Coordinating Organization (SAFWCO), won 'Best Regional Micro-Entrepreneur Award Male (runner-up)' at the City-PPAF Micro-entrepreneurship Awards 2008. “Whatever I have earned it is fruit of hard work ” says Naeem.

His elder brothers separated after their marriages while he along with his younger brother remained with their old parents. He would do labor work on construction sites and earned wages of Rs.80 (US\$ 0.96) for his labor. It was very hard for his family of 4 to survive.

Muhammad Naeem, had only few days' apprentice ship on his fathers

fathers pan cabin, when he applied for first loan with SAFWCO in 2004. “I saw a ray of hop in SAFWCO credit program and got convinced about my inherited skill of pan-selling .Hence I applied for loan to establish a pan cabin” He recalls.

He got first loan of Rs. 6,000(US\$ 71.93) in 2004. He contributed Rs.3, 600(US\$ 43.16) forms his savings and rented a pan-cabin. He started his business by investing Rs.8, 000(US\$ 95.91) in purchasing pan, katha , metha masala , and chalia. His business got footing and he began reaping a good income of his investment. He started saving Rs. 100(US\$ 1.20) in

a local saving committee. "I have learnt through hard labor days that austerity is the only way of life that suits me". Naeem tells about his maiden learning.

With a span of two years, Naeem's pans become famous in the town and his customer increased to three folds. He purchased a larger cabin for Rs. 6,000(US\$ 71.93) in the same area and turned his existing cabin into a godown 'I was so happy with the vary thought of ownership. Yesterdays laborer has become today's property owner'. He recalls the feeling he had when his income and savings translated into a maiden property ownership.

Muhammad Naeem expanded his business to surrounding towns. He purchased raw-katha and chalia at subsidized rate form Hyderabad and Karachi. He offered it to local cabin holders on a minimal profit margin. His sales and income increased day by day so the number of customer. He employed his younger brother with him on cabin.

In September 2006, his godown stock flooded to dirt with intruding rain water..in the same year her wife got ill for few weeks after giving birth to a dead child. This event rendered him a heavy emotional and financial loss

Naeem believed in hard work .He reorganized himself altogether. He focused more now on his pan-cabin. With flourished business and regular savings he had never fell short to loan installments. He resumed his wholesale business within few months.

The story of Muhammad Naeem does not end here he now has purchased a shop for Rs. 175,000(US\$ 2,098) where he intends to start flour mill for his younger brother. He has flourished his business with proper planning, commitment and hard work. He plans to expand his business in other villages and towns. His income was Rs. 3000(US\$ 35.97) in year 2004 when he first applied for loan. His current income has now risen to Rs.22000(US\$ 263.76).

6. Social Performance Management

As part of a follow up, MCP improved client dealing, put up complaint box at branches and trained staff in relationship management. MCP reported these on social performance management framework (SPMF) to MIX Market on the standard format. In 2009, at the Social Performance Task Force meet at Madrid, SAFWCO received the Silver Medal for SPMF reporting.

MCP initiated social audit to improve social performance management in 2008. The first step was piloting the poverty score card in 2008 after receiving training from Grameen Foundation. The poverty score card pilot brought out that 67% of SAFWCO micro finance clients are above national poverty line and about 18% are at the bottom of the pyramid. CED field officers judged 7% as being at the bottom of the pyramid. Compared to microfinance clients, 36% of the sample that did not avail of microfinance services were found to be above poverty line and 40% at the bottom of the pyramid. However 28% of non MF sample and 11% mfi clients are land owners. More women than men, and more urban than rural were found to be poorer. All of them preferred livestock rearing as income generation activity.

Following this MCP carried out a client satisfaction survey for Sanghar branch. Client satisfaction shows that 91% of the clients are satisfied with the loan amount. All the new clients reported satisfaction against 86% of repeating borrowers. Client retention was 72%, with 8% saying they did not require further loans. Continuing clients saw SAFWCO loan as directly supporting business growth. Greater number (91%) of clients, especially women borrowers were satisfied with the fees and charges and terms and conditions. Very few mentioned knowledge of diversity of loan products and loan ceiling. Almost all the clients found access to SAFWCO services easy and affordable and were happy with staff behavior and attitude. A total of 95 clients (50 men and 45 women) were carried out from 27 villages.





7. Social Safety Net Project

Studies conducted by IRIS, University of Maryland, USA shows that the very (ultra) poor households, who earn under US\$1 per day per person are generally not micro finance customers. These households "suffer greater instability, have less developed skills, fewer social and institutional connections, fewer economic opportunities" than the 'better off' poor. The ultra poor therefore need support and preparation before they can become micro-finance clients. In response to this finding, BRAC created the Income Generation for Vulnerable Group Development (IGVGD) Program, and based on IGVGD the Targeting the Ultra Poor (TUP) was created. TUP is an intensive training, financial education and savings in 18 months. The intention is to graduate the ultra poor into a micro finance program.

In Pakistan the TUP is called Social Safety Net (SSN) Project and is being pilot tested by BRDS, OCT, AKPBS, IET and SAFWCO. The 2 year pilot testing started in October 2007. The main activities in the pilot include targeting, training, asset transfer, food and health allowances, and savings. The SSN project is supported by CGAP. World Bank through the PPAF.

The SAFWCO pilot project was implemented in 18 villages of Kharochhan in District Thatta, Sindh. Kharochhan is one of the poorest localities in Pakistan and the 18 villages selected are representative of Kharochhan. The two year piloting started in October 2007. For SAFWCO, the purpose of the pilot was to organize the ultra poor, as such SAFWCO aimed to provide Rs.12.2 million(US\$ 0.15 Million). to 200 ultra poor families in the form of asset and to train them to productively use the asset and build up further assets and savings. The specific objectives of the program were:

1. Life skill and technical capacity development.
2. Improving livelihood conditions.
3. Improving economic conditions and aid in asset building



4. Include into mainstream microfinance and poverty alleviation programs

7.1 Project activities were categorized under 11 main headings, viz.

- Research including PRA, base line surveys and conflict management

PRA and base line surveys for 20 villages have been completed.

- Capacity building including developing training manual and enterprise development



Training manual has been developed and enterprise development capacity building package delivered to the beneficiaries.

- Market survey, identification of livelihood options and developing business strategies

Market survey and goat rearing has been identified as a suitable livelihood option.

- Revalidation of 18 villages

Completed

- Public lottery for selection of beneficiaries

Carried out and beneficiaries have been selected

- TNA and Training

TNA and training has been carried out. Trainings have been imparted for



- Asset transfer

Asset transfers are being made in two stages. In the first stage assets have been transferred to all beneficiaries. Provision of subsistence allowances

- Savings

Voluntary savings is being made at the rate of Rs.320 (US\$ 3.84). Per persons in groups. By end of December 2009, savings accumulation amounted to Rs. 60,880(US 730).

- Monitoring

Monitoring is done every quarter and reports are taken out.

Activities under the pilot testing will be completed by May 2010, following which an evaluation will be done to bring out the learning. Presently, SAFWCO has done some case studies of beneficiaries and brought out a publication on that.

Auditor's Report to Board of Governors



Anjum Asim Shahid Rahman

1st & 3rd Floor, Modern Motors House

Beaumont Road, Karachi: 75539

T: 9221 35672951-56

F: 9221 35688834

W: www.gt-pak.com

Other offices: Islamabad, Lahore.

AUDITOR'S REPORT TO THE BOARD OF GOVERNORS

We have audited the annexed consolidated balance sheet of **Sindh Agricultural & Forestry Workers Coordinating Organization** (the Group) as at June 30, 2009 and the related consolidated income and expenditure account, consolidated cash flow statement and consolidated statement of changes in retained surplus together with the notes forming part thereof (here-in-after referred to as the financial statements) for the year ended June 30, 2009.

It is the responsibility of the Board of Governors to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved accounting standards as applicable in Pakistan. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion and after due verification we report that:

- 1) The Group has not made accrual for service charges income on micro credit loans outstanding at the year end. Owing to the nature of records, we were unable to satisfy ourselves as to the amount of accrual by other audit procedures.
- 2) The Group has not made accrual amounting to Rs. 3,030,743 for markup expense on PPAF loan outstanding at the year end.

Except for the matters stated in above paragraphs, in our opinion the financial statements present fairly in all material respects the financial position of Group as at June 30, 2009 and of its surplus for the year then ended, in accordance with the approved accounting standards as applicable in Pakistan.

(Signature)

Without qualifying our opinion we draw attention to the fact that as mentioned in note 15 to the financial statements the Group has not made any provision for current taxation, as management is confident that the tax exemption certificate will be granted in compliance with relevant clause of 2nd Schedule to the Income Tax Ordinance, 2001.

The financial statements of the Group for the year ended June 30, 2008 were not audited by the predecessor auditors. The corresponding figures for the year ended June 30, 2008 have not been audited by us, as we are required to audit only the figures as at and for the year ended June 30, 2009.

Date: 18 JAN 2010
Karachi

(Signature)
Anjum Asim Shahid Rahman
Chartered Accountants
(Signature)

Annexure-I Continued

SINDH AGRICULTURAL & FORESTRY WORKERS COORDINATING ORGANIZATION
CREDIT & ENTERPRISES DEVELOPMENT SECTOR
CONSOLIDATED BALANCE SHEET
AS AT JUNE 30, 2009

ASSETS	Note	2009	2008
----- Rupees -----			
Current assets			
Cash and bank balances	4	11,535,290	24,162,293
Micro credit loans to customers - net	5	205,830,923	137,497,318
Grant receivable from PPAF		9,203,692	3,676,935
Advances, deposits and prepayments	6	3,969,671	4,004,047
		230,539,576	169,340,593
Non-current assets			
Fixed assets-tangible	7	14,517,405	11,991,203
Fixed assets-intangible	8	211,000	316,500
		14,728,405	12,307,703
		245,267,981	181,648,296
LIABILITIES			
Current liabilities			
Loan from PPAF	9	176,473,680	125,659,033
Emergency Fund	10	4,492,025	2,130,526
Accrued and other liabilities	11	5,051,889	5,895,782
Deferred grant for operations	12	585,641	3,643,645
		186,603,235	137,328,986
Non-current liabilities			
Deferred grant for fixed assets	13	7,429,073	4,912,336
Accumulated surplus		51,235,673	39,406,974
		245,267,981	181,648,296

The annexed notes from form an integral part of these financial statements.

SINDH AGRICULTURAL & FORESTRY WORKERS COORDINATING ORGANIZATION
CREDIT & ENTERPRISES DEVELOPMENT SECTOR
CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2009

INCOME	Note	2009	2008
----- Rupees -----			
Service charges earned	15	51,571,497	33,578,792
Service charges expense	16	(9,133,819)	(7,484,707)
Net service charges income		42,437,678	26,094,085
Charge to loan loss reserve	5	(2,620,751)	(1,432,547)
Loans directly written off	5	(3,043,870)	(1,046,739)
Net service charges income after provision		36,773,057	23,614,799
Other income	17	1,204,784	1,283,822
		37,977,841	24,898,621
EXPENDITURE			
General and administrative expenses	18	39,268,401	30,102,050
Community training expenses		2,922,287	6,004,765
Other expenses	19	2,948,146	2,307,976
		45,138,834	38,414,791
Net operating deficit		(7,160,993)	(13,516,170)
Grant income	20	18,989,692	22,194,390
Net surplus for the year		11,828,699	8,678,220

The annexed notes from form an integral part of these financial statements.

Chief Executive Officer

Manager Finance & Administration

Annexure-I Continued

SINDH AGRICULTURAL & FORESTRY WORKERS COORDINATING ORGANIZATION
CREDIT & ENTERPRISES DEVELOPMENT SECTOR
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2009

CASH FLOWS FROM OPERATING ACTIVITIES	Note	2009	2008
----- Rupees -----			
Net surplus for the year		11,828,699	8,678,220
<i>Adjustment for:</i>			
Depreciation		1,733,248	1,415,897
Amortization		105,500	105,500
Charge to loan loss reserve		2,620,751	1,432,547
Loans directly written off		3,043,870	1,046,739
Service charges		9,133,819	7,484,707
		28,465,887	20,163,610
(Increase) / decrease in operating assets			
Micro credit loans to customers - net		(73,998,226)	(28,588,328)
Grant receivable from PPAF		(5,526,757)	(3,472,399)
Advances, deposits and prepayments		34,376	504,539
		(79,490,607)	(31,556,188)
Increase / (decrease) in operating liabilities			
Emergency Fund		2,361,499	1,411,115
Accrued and other liabilities		(843,893)	5,490,730
Deferred grant for operations		(3,058,004)	1,963,617
		(1,540,398)	8,865,462
Service charges paid		(9,133,819)	(7,484,707)
Net cash used in operating activities		(61,698,937)	(10,011,823)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets-tangible		(4,259,450)	(4,391,650)
Purchase of fixed assets-intangible		-	(422,000)
Deferred grant for fixed assets		2,516,737	(652,310)
Net cash (used in) / from investing activities		(1,742,713)	(5,465,960)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan from PPAF		50,814,647	26,511,033
Net cash from financing activities		50,814,647	26,511,033
Net decrease in cash and cash equivalents		(12,627,003)	11,033,250
Cash and cash equivalents at beginning of year		24,162,293	13,129,043
Cash and cash equivalents at end of year		11,535,290	24,162,293

The annexed notes from form an integral part of these financial statements.

SINDH AGRICULTURAL & FORESTRY WORKERS COORDINATING ORGANIZATION
CREDIT & ENTERPRISES DEVELOPMENT SECTOR
CONSOLIDATED STATEMENT OF CHANGES IN RETAINED SURPLUS
FOR THE YEAR ENDED JUNE 30, 2009

	Rupees
Balance as at June 30, 2007	30,728,754
Net surplus for the year	8,678,220
Balance as at June 30, 2008	39,406,974
Net surplus for the year	11,828,699
Balance as at June 30, 2009	51,235,673

The annexed notes from form an integral part of these financial statements.



Products and Services

SAFWCO-CED Services:

The impact of microfinance can be best seen through the children of clients, as each loan helps them towards a better future. It's not so much about today but about a sustainable tomorrow. In order to improve the outreach in the area and to provide financial services with demand driven financial products within the reach of the poor clients at their door step with more quicken accessibility; well designed products play an important role. At present SAFWCO is offering financial services with its

six (06) products of advancing credit facilities while one of insurance product as follows:

1 Agricultural Loans

2 Half Installment Loans for Females

3 Regular Monthly Loans

4 Livestock Loans

5 Eid Azha Loans for male goats

6 Economic development

7 Emergency Fund (Insurance Product)

The SAFWCO-CED approaches also include capacity building of communities through peer networks and focuses on creating awareness regarding proper business management, its record keeping and social issues using seminars and workshops.

Products and Services

In general regular loans the loan amounts would range in the following brackets:

- 1. 1st Loan maximum Rs. 8,000*
- 2. 2nd Loan maximum Rs. 15,000*



3. 3rd Loan maximum Rs. 20,000

4. 4th Loan maximum Rs. 30,000

In EDF loans the loan amounts would range in the following brackets:

1. 1st Loan maximum Rs. 50,000

2. 2nd Loan maximum Rs. 75,000

3. 3rd Loan maximum Rs. 90,000

4. 4th Loan maximum Rs. 100,000

1. Agriculture Loan

The agriculture loans are extended to farmers for purchase of agricultural inputs such as fertilizers and pesticides. The first loan is offered for maximum four acres of cultivated land @ Rs. 2,000/acre (Rabi season) and Rs.2,500/acre (Kharif season). Maximum first loan in Rabi season is Rs.8,000 and in Kharif is Rs.10,000. For the second loan, an additional two acres of cultivated land(if client has) at the same rate can also be financed. Safwco, in all, will finance farming on a maximum of 12 cultivated acres of land. Maximum loan in Rabi is of Rs.24,000 (5th loan) and in Kharif is Rs.30,000 (5th loan). The repayment period is 6 months or one time payment after harvest. Farmers mostly use this loan for purchase of seeds, fertilizer and pesticides.

2. Half Installment Loan

The half installment loan is for women from backward areas for purchase of livestock. The loan size ranges from Rs.5,000 to Rs.30,000 for goat rearing only. SAFWCO expects women to save on purchase of dairy and dairy products up to Rs.30- 40 daily lading to monthly saving of Rs.900 to Rs.1200. This saving forms the monthly repayment installment.

3. Regular Monthly Loans

Regular monthly loans range from Rs.2,000 to Rs.30,000 for income generating purposes such as trading and vending. They can also be used for producing handicrafts, operating schools, computer centers and stitching business. Repayment period is of one year maximum with installments payable in equal monthly installments. Borrowing is generally for bulk purchase of stocks.



4. Livestock Loans

Purpose of Livestock loans are for purchase of livestock such as goats, sheep, buffalos, and cows. These loans are offered for twelve months period with equal monthly installments. For loan amount Rs.20,000 or above, the repayment period is 18 months. The first loan is of Rs.8,000 for purchasing goat and for buffalo is Rs.10,000, provided the borrower has the remaining amount to purchase the buffalo immediately. However, if the clients already has two milking buffaloes then the first loan offered is of Rs.12,000 and if client has three/ more buffaloes then the first loan offered is of Rs.15,000.

5. Eid ul Azha Loans

This loan is advanced before Eidul Azha for the purchase of sacrificial animals, generally goats. This loan is offered at most 90 days before Eidul Azha. The entire loan amount will be paid immediately within 3 months after Eid.

6. Economic Development Facility (EDF)

This loan is for graduate clients who have taken Rs. 30,000 loan from regular monthly loans. Disbursement will be made on individual basis, only for income rearing purposes. Client will provide postdated cheques as collateral, client should have mini: Rs. 100,000 working capital in his/her running business. Monthly installment will be collected from client through his/her postdated cheques from bank

7. Emergency Fund / Insurance Product

The Emergency Fund (EF) is the coverage to the client's family if the client dies during the period of repayment (one year or six months as per the agreement) on the following terms and conditions:

- *1% on each disbursed loan has to be deposited by client at the time of disbursement*
- *The coverage period is the loan term period as signed between the client and organization*

Our Friends & Supporters



The Pakistan Poverty Alleviation Fund (PPAF) represents an innovative model of public private partnership. Incorporated under Section 42 of the Companies' Act 1984 it follows regulatory requirements of the Securities and Exchange Commission of Pakistan. It is sponsored by the Government of Pakistan and funded by World Bank and lot of other leading donors.



PlaNet Finance is a leading international non-profit organization with the mission to alleviate poverty through the development of microfinance, therefore increasing the unbanked and underbanked's access to financial services. Since its beginning in 1998, PlaNet Finance has developed into a group of organizations (PlaNet Finance Group) providing a diverse set of services. PlaNet Finance brings together over 1,000 staff.



The South Asian Microfinance Network (SAMN) is a regional microfinance network with objective to enhance capacity, investment and regional dialogue in the microfinance sector of South Asia, The SAMN members who are leading Apex Institutions and Networks from the countries of the region along with Agency for Technical Cooperation and Development (ACTED) govern and manage the activities of SAMN.



Pakistan Microfinance Network (PMN) is a network of organizations engaged in microfinance and dedicated to improving the outreach and sustainability of microfinance services in Pakistan. The network has built greater awareness among policy makers, launched comprehensive capacity building initiatives, and established standards and benchmarks for transparency in MFIs.



Sindh Microfinance Network (SMN) is a network of organizations engaged in microfinance services in Sindh and has formed in the year 2002 for the promotion of best practices in province. Indigenous organization are serving the poor but their program is needed for best practices and management system, so the network playing a vital role for those organizations.



BWTP Network Asia Resource Centre for Microfinance
The Asia Resource Centre for Microfinance (ARCM) is a learning and information hub for Banking with the Poor Network (BWTP) members and other microfinance stakeholders in Asia.



ACTED (Agency for Technical Cooperation and Development) is a non-governmental organization with headquarters in Paris, founded in 1993. Independent, private and not-for-profit, Organization



