

Microfinance Investment Support Facility for Afghanistan



December 2014



HFL CEO David Payne with MISFA MD, Bahram Barzin (third and fourth from left, respectively), in a partnership signing ceremony

MISFA supports “new” HFL and new year bid for OSS

TOI, a non-governmental organization (NGO) based in the United States, purchased the shares of Hope for Life (HFL), a microfinance institution previously affiliated with IAM and Hope International.

HFL had been a MISFA partner institution since the year 2010 and throughout, both institutions had maintained a solid and transparent relationship. MISFA had open communication lines, not only with HFL’s senior management, but also with its parent organizations.

Thus, when Hope International and IAM expressed their intention to exit from the sector and Afghanistan, there was a collaborative process that ensured a smooth transition. More importantly, both parties agreed on a viable arrangement—the takeover of TOI—that protects HFL’s existing clients, staff, and overall portfolio.

“It’s important for MISFA to ensure that existing clients do not suffer from a disruption of service in this type of transition,” said MISFA Managing Director, Mr. Bahram Barzin.

MISFA will continue supporting HFL as a partner MFI based on the three-year business plan it submitted, projecting Operational Self-Sufficiency (OSS) from October 2015 onwards.

HFL targets urban residents, both female and male clients, with sufficient economic activities and potential. It offers two core loan products: the Group Loan for female and male clients; and the Individual Loan for male clients. HFL operates in Kabul City.

MISFA expands public awareness campaign

MISFA and the Killid Group have recently produced info-drama programs titled: *Fasl-e Baran (rainy season) Part 2*, intended to further expand public awareness of microfinance in Afghanistan.

The programs will be broadcast by 12 local radio stations in six provinces: Herat, Kunduz, Badakhshan, Balkh, Baghlan and Bamyan. The programs will also be broadcast in Kabul simultaneously. The provinces were targeted based on the higher numbers of microfinance borrowers living in them.

The campaign has multiple objectives: to encourage potential clients; introduce new products; clarify misperceptions about microfinance services and institutions; and explain the roles of district representatives and village leaders. It also shows what microfinance can do to change peoples' lives, if used properly.

The drama program features Afghan artists, including Wesal Noori, a prominent journalist, poet and drama director.

The drama series has five episodes and each episode will be aired in Dari and Pashto for three months. The total broadcast time is 6,492 minutes (108 hours).

MISFA's public awareness campaign through radio is now in its fourth phase. The first phase was focused on client oriented news features. The second phase targeted the introduction of microfinance program in Afghanistan and its history through five-minute dramas in Dari and Pashto. The third phase highlighted the process of loan taking and client eligibility for loans.

Although an impact assessment of the campaign is yet to be carried out later next year, the initial feedback from MFIs and radio stations acknowledge the positive impact of the dramas.

Broadcast stations confirm receiving numerous calls from the general public everyday asking how they could reach microfinance institutions.



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This is MISFA's quarterly newsletter. MISFA is a Limited Liability Company (LLC) established in 2003 as a vehicle through which the Afghan government and international donors could channel technical assistance and funding to build and strengthen Afghanistan's microfinance sector.

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