

Microfinance Investment Support Facility for Afghanistan



December 2016



MISFA's Managing Director, Mr. Bahram Barzin and FINCA's CEO, Mr. Deepak Shrivastava signing the agreement.

MISFA promoting efficiency and risk mitigation through technology

FINCA-Afghanistan, with support from MISFA, is investing in biometric technology to provide more efficient services to its clients and to reduce the risk of fraud.

MISFA recently committed to supporting this innovation by signing

a funding agreement with FINCA.

FINCA will purchase and operate biometric technology to capture and securely store its clients' data in a more systematic way. Tablet devices and Global Positioning System (GPS) will also be procured to tag and geo-map clients'

place of residence. This will be complemented by scanners programmed to automate loan applications, and a mobile SMS service alerting clients when their repayment is due, or when new services are available.

FINCA Afghanistan which started operations in 2004 offers a wide array of credit products, including individual and solidarity group loans all of which can be

accessed through conventional lending or Islamic financing. Headquartered in Kabul, abject poverty sustainably.

FINCA Afghanistan serves more than 25,000 clients through 22 branches in 11 provinces across Afghanistan. FINCA Afghanistan is helping clients to create their own jobs and build small businesses

This activity will be funded through MISFA's Access to Finance project funded by IDA/World Bank.

Supporting capacity building

The First MicroFinance-Afghanistan (FMFB-A) has renewed its commitment to increase productivity and further enhance sustainability by investing in building the capacity of its staff.

With funding support from MISFA, FMFB will undertake a series of progressive capacity building and training activities for selected staff, designed to enhance their skills, particularly in management and leadership.

FMFB will accomplish its capacity development plan by collaborating and partnering with training providers, such as the Afghanistan Institute of Banking

and Finance (AIBF), AKAM training academy, and other relevant institutions.

FMFB-A has been a MISFA partner since 2007. It is currently the largest microfinance institution in Afghanistan in terms of scope and outstanding portfolio size. The bank has a network of 38 branches, covering 14 provinces. Being a bank, FMFB-A is able to offer not only microcredit, but also deposit/savings services, as well as SME loans. FMFB-A has also proven to be innovative, introducing a housing loan product based on client-demand, and an agricultural-based loan facility.



MISFA's Managing Director, Mr. Bahram Barzin and FMFB's CEO ,Mr. Faburama Ceesay signing the agreement.

Providing humanitarian aid to clients victimized by war

MISFA distributed humanitarian aid to microfinance clients, who were victims of the war in Kunduz, a province in the northeast of the country.

Kunduz citizens have been victims of war and insurgency. When Kunduz briefly fell into the hands of the Taliban last September, the fighting claimed dozens of lives and thousands were displaced, losing their homes, farmlands, livestock, shops and other assets.

MISFA partner MFIs conducted a situational analysis, assessing the extent of the crisis and identifying basic and urgent needs of victims, particularly their clients.

“DFIs and clients relation is beyond borrower and lender relationship,” said Mr. Matin Ezidyar, MISFA’s Public Information and Communications Manager. “We are here to reassure you of our support not only through financial services, but also in times of emergency.”

The package of assistance distributed to each microfinance client consisted of 92 kilograms of wheat flour, 48 kg of rice, 10 liters of cooking oil, 7 kg of sugar, 2 sheets of blankets, and one 12m2 carpet.

“This is an extra-ordinary package of assistance,” said Gul Bibi, a microfinance client whose son was killed by the Taliban and whose business was destroyed. “You are a true friend because you are a friend in need.”



“This is an extra-ordinary package of assistance and you are a true friend because you are a friend in need.”- Gul Bibi

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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