



FMFB has disbursed more than 25,000 agricultural loans worth AFN 1.5 billion to the Afghan farmers



The Microfinance Investment Support Facility for Afghanistan (MISFA) was set up in 2003 at the invitation of the Afghan government — to get donor coordination right from the start and avoid the counter-productive efforts that have emerged from conflicting donor objectives in other post-conflict situations. It was established as a vehicle through which the Afghan Government and international donors could channel technical assistance and funding to build microfinance in Afghanistan.

In March 2006, MISFA was registered as a limited liability non-profit company whose sole shareholder is the Ministry of Finance of the Islamic Republic of Afghanistan. MISFA Ltd is an independent apex organization with a select group of implementing partners on the ground.

Story of Abdul Motaleb

The student who left Army School of Afghanistan because of financial problems

Abdul Motaleb, 26, had to give up his studies in the Afghan Army School to take over the role of breadwinner from his aging father.

When the health of his father—now 80 plus years old—began deteriorating, Abdul Motaleb knew he had to leave school and abandon his dream of completing his education.

“Nowadays in Afghanistan, it is really hard to continue your study if your family has very low income,” said Abdul Motaleb. “The state universities and the army school are providing young people from poor families like me an opportunity to earn a degree for free, but this is only possible if there is at least one person, other than yourself, earning a living for the family.”



The First MicroFinanceBank Afghanistan (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 45 branches, 17 of which are in rural areas, covering 14 provinces. Being a bank, FMFB-A is able to offer not only microfinance loans, but also deposit/savings services, SME loans as well as other commercial banking services. FMFB-A has also proven to be innovative, introducing a housing Improvement Loan product based on client-demand and Agricultural-based loan facility.

Livestock rearing business has enabled Abdul Motaleb to construct a new house to live in.

This was not the case for Abdul Moteleb. Both his aging parents, his one sister and four young brothers in their village in Argoh Torouq, Badakhshan, were relying on him to bring the income to meet household needs, including the education of his school-aged sister, which was important to the family.

Thanks to FMFB, Abdul Motaleb was able to transition from being a student to becoming the income earner through a microcredit. Once he decided to pursue livestock rearing, Abdul Motaleb applied to FMFB for his first loan of AFN 120,000.

Since that first loan, he has never looked back. When his household income started stabilizing and he was able to fully repay the

first loan, Abdul Motaleb applied for a second loan of AFN 160,000 to expand his business.

Today, he earns around AFN 8,000 per month where before he use to earn 2 to 3 thousand AFN and he is able to put away some savings for the family on top of that. His sister is able to continue going to school, and someday soon, Abdul Motaleb, who recently got engaged, will marry and has no fears of not having enough money to support his extended family.

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- Abdul Motaleb