

# CONNECT

MAY, 2022

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Number of Districts:  
90



Youth Clients:  
35%  
(March-22)



No. of Borrowers:  
25



Women  
84%  
(March-22)

## Portfolio Highlights



Loan Portfolio  
Rs. 25,814 million  
(April-22)



Rural  
64%  
(March-22)

## PMIC News Bites

### **SAMN CONFERENCE –SOUTH ASIA FINANCIAL INCLUSION TRAINING(S-FIT) DUBAI 24TH OF MAY 2022**

CEO PMIC, Yasir a Ashfaq along with other PMIC team members attended the Financial Inclusion Training (S-FIT) held in Dubai on the 24th of May. Mr. Yasir Ashfaq, conducted.

During the workshop, Mr. Yasir Ashfaq enlightened the participants through his valuable insight on state of financial and digital inclusion, especially w.r.t women, rural areas and last mile clients. He also elucidated on how certain cultural norms limit the usage and adoption of new technology and digital transformation of financial services. He further provided suggestions on how to address the challenges.



### **KfW visit to PMIC**

Training of Trainers were organized by Asia Insurance Company for the staff of MFIs to educate them about the TAGMU insurance product and the entire process of insuring animals. Further, MFIs and the insurance company deliberated on system integration, to ensure that once an animal is insured, then all insurance related information automatically gets transferred to insurance company and policy is issued online for the client's animal. Animal insurance will initiate in February, 2022

The briefing was followed by a presentation on PRIME (Renewable Energy Program). Progress made on the program, challenges faced, remedial measures implemented and recommendations for scaling up the program were discussed in detail..



A session with MFIs and vendors was also organized with the KfW team. MFIs shared the demand for RE products, need for targeted subsidy to make the products affordable for clients, building capacity of their staff and increasing awareness among clients as essential elements to expedite the progress on PRIME targets. Vendors stressed the need for larger systems, financing of solar pumps for irrigation and vendor financing facility as suggestions for program improvement.

The KfW team appreciated the role PMIC has played in increasing financial inclusion in the country and strengthening the ecosystem for microfinance. They also understood the need to make necessary changes in the PRIME program to make it more effective and responsive to client needs.



## Client Field Visits

### Sector Development Department field visit

The SDD team members conducted a field visit to three districts of southern Punjab. SDD team went to district Layyah (RCDP), Muzaffargarh (FFOSP) and Vehari (AGAHE Pakistan). The team met clients being served under two microfinance plus programmes including PRIME as well as the Livestock Micro Insurance. The SDD team also met a number of local suppliers which are providing solar equipment to local communities. These suppliers have been asked to submit their registration documents to PMIC so that they may be qualified for PRIME program. The clients shared their .





feedback about the projects, challenges being faced and further support they require from borrowers in addressing them, especially in PRIME's case.

### Portfolio department field visit

PMD visited Shah Sachal Sami Foundation (SSSF) in district Shaheed Benazirabad formerly Nawab shah, situated in the Sindh province. The team visited vocational training center facility of SSSF, which aims to help girls/women of the area in acquiring skills to earn livelihood by offering various courses. The team also interacted with borrower's clients out of which a major portion earn their livelihood mainly through clothing/embroidery business in the enterprise sector. The team discussed patterns with respect to loan utilization and impact of the program on their livelihood.



PMD visited Thardeep Microfinance Foundation (TMF) in district Mirpur Khas situated in the Sindh province. The team interacted with borrower's clients and checked the loan utilization pattern, client's livelihood and asked for recommendations to improve the ongoing program based on their feedback. The clients were quite satisfied with the borrower and hopeful to increase their businesses with the support of the institution. It was good to note that the services of TMF have positively contributed to the sustainable livelihood of their clients in the area.





## PMD Field visit - Lahore

The Portfolio Management Department team recently visited PMIC borrowers based in the Lahore Region including CEIP and Taleem Finance Company Limited. During the visit the team interacted with the management and conducted field visits to meet the end-clients. The team discussed the business impact of the prevailing macroeconomic situation on the livelihoods of the end-clients and further witnessed improving livelihoods of the clients post-pandemic. However, clients were showing apprehension about the inflation, which could affect their cashflows. The team further highlighted various deliverables and action items for the borrowers to strengthen their balance sheets and improve their financial performance.



## Human Resource Department's Field visit for Strategic Interventions in the year 2022

Head of Human Resources PMIC visited SSSF office in Nawabshah city, Sindh province, on 19th May 2022 for a review of their HR function. SSSF was setup as an MFI in April 2016 and since then it has tried to manage its operations and HR practices in a more structured approach. The purpose of the visit was to review HR department's work, HR policies and procedures and do a gap analysis so that PMIC Human Resources department can provide support, using their expertise and exposure, in improving key areas of concern in the year 2022.

During the visit, a presentation was arranged by the Manager HR and CEO SSSF. HR Manager, Ms. Saima, joined 4 months ago and is still settling into the role. HR Manager presented a detailed overview of all HR policies, practices and procedures. The CEO was supportive and gave his input wherever needed. From this visit it is apparent that SSSF has a challenge in talent acquisition and retention of staff in senior positions. Their channels of sourcing are localized and do not include free platforms available on social media and internet. Their daily routines have become practices whereby HR policies are not properly implemented. An in-depth analysis of the HR policy manual is planned for the Strategic intervention so that support can be provided in areas that can help SSSF become an employer of choice at least in Nawab shah city. Training and Development is also an area for improvement as formal TNA exercise is not in practice and staff is generally trained in sessions conducted by CEO SSSF and local motivational speakers. Other areas for improvement include Performance Management, employee engagement, communication etc.





## PRIME

KfW's mission comprising of Mr. Markus Aschendorf, Head of Equity Investments/ Funds Division, for Europe, Asia and MENA, Ms. Barbara Berkel, Senior Portfolio Manager, Equity Investments/Funds Division for Europe, Asia and MENA and Mr. Asad Farooq, Program Officer KfW-Pakistan Office came to PMIC during the month of may. The mission met with PMIC team, borrowers and suppliers and discussed a range of topics pertaining to PRIME program. The team held discussions with all the stakeholders on the challenges being faced under the PRIME program and possible solutions to increase the sales of solar home solutions through microfinance under the intervention. Further, SDD team paid a monitoring visit to Southern Punjab and met clients in Vehari (Agahe Pakistan), Layyah (RCDP) and Muzaffargarh (FFOSP). The team met local suppliers in the respective districts as well and aims to shortlist them under the PRIME program to bring efficiency in deployment of solar home solutions and after sale services. During the month, PMIC borrowers initiated installation of larger systems, as previously only pico lights were being sold under the PRIME program.

## Livestock MI

The Livestock MI project continued to make progress as around 1,500 animals have been insured as of date. The borrowers have been facing a major challenge with regards to limited internet connectivity, which hinders the live upload of pictures and other information of animals and clients. However, the Asia Insurance Company is working on an off-grid version of the application which will allow credit officers to store the client and animal data in the application and as soon as they get internet connectivity the data will automatically get uploaded on the online server. This will greatly benefit in insurance of animals in far off areas of PMIC borrowers. The borrowers continued to organize community awareness sessions in the field.

## **LCPS Projects:**

PMIC and Opportunity International - OI continued to finalize the design as well as other parameters pertaining to the LCPS program. SDD shared a detailed feedback on the MoU with the OI team. There are some changes suggested to OI. OI is designing a new agreement, incorporating those changes and will soon share the new agreement. SDD team organized a meeting between PMIC's procurement department and OI to discuss the procurement of tablets and its logistics for the education finance program. Both PMIC and OI have already shortlisted the 3 MFPs and have collected the data as well.

## **Challenge Fund – PMIC & GrowTech:**

First round of Challenge Fund grant under the thematic area “Accelerating Access to Finance and Increasing Income of Small Farmers” was awarded to M/s GROWTECH Services Ltd upon approvals from PMIC's BOD. PMIC and Growtech initiated discussions on the agreement, which is being designed by Compliance and Risk department of PMIC. The agreement is expected to be signed during June 2022, which will be followed by disbursement of first quarter grant funding. Further, PMIC and Growtech have also been in discussion pertaining to monthly and quarterly reporting. Growtech has agreed to provide an access to a dashboard where SDD team will be able to monitor the progress of all the project activities being deployed under the intervention. The on ground activities are expected to start after signing of the agreement between both the entities.

## **Meeting with AGENCE FRANÇAISE DE DÉVELOPPEMENT(AFD) - Financing mission:**

Saqib Siddiqui, Head of Sector Development along with other management team members held a meeting with the Country Director AFD, Mr. Philippe STEINMETZ and their financial expert, Mrs. Annie Tran. Over a lunch meeting AFD explored direct financing opportunities to public entities.

## **Dinner meeting with CEOs of Microfinance Banks:**

CEO and senior management of PMIC met with the CEOs of ASA Pakistan, Pak Oman MFB, Sindh MFB, Advans MFB, SAFWCO Support Foundation, Thardeep Microfinance Foundation, and Union Microfinance Company. During the meeting, the state of affairs of the microfinance sector and especially the impact of challenging economic conditions on the microfinance clients was discussed. The practitioners were of the view that there is a need to further extend loans to the existing and new clients to improve their livelihoods. This is primarily due to the fact that after COVID some of the institutions in the microfinance sector have adopted an extremely risk-averse approach and there are very few options left for the clients. Most of the practitioners work in Sindh and they were of the opinion that the rural markets are currently performing much better than the peri-urban and urban areas





## Client Success Story

### Saima

Ms. Saima belongs to a small town called “Begum Kot” in the vicinity of Lahore. She is married & a mother of 4 children. She started her business of repairing “Energy Savers” commonly used in houses and commercial places. Prior to starting their own business, her husband used to operate rickshaws to earn the livelihood of the family. The income was not enough and they lived hand to mouth. Saima then decided to play her role in enhancing the family income by learning the skill of repair work from her uncle. The new skill gave her the idea of her own business and she laid down the foundation of work in her own home around 10 years ago. She contacted JWS, a borrower of PMIC, and took out a loan of Rs 85,000/- and invested in her business which expanded with time and her hard work.

Initially, the family started a business in their home and soon rented out a separate place for work. This also enabled them to employ workers. Workers for this type of work were not trained hence she started on-the-job training for the willing workers. This also enhanced the quality of products as all the workers have the same orientation and training. She stated that quality of work and reliability of repair made her gain space in the competitive market slowly but steadily.

Over the period of almost ten years, she enhanced her financial capacity to take larger and larger orders from the market and required raw materials. As of now, she has expanded her business setup and employed four (4) people from the community with sales as high as PKR 200,000 per month. The savings and continuous financing from JWS Pakistan proved handy to meet the financing requirements. Through this business, Ms. Saima has been able to provide quality education to her children who are all studying in private schools. She has also started a committee (savings) to achieve her future plans.







## People & Culture

### HR and Admin Activities

#### Quarterly meeting – May 2022

On May 13th first quarterly meeting was held, each department presented department kpis and updates to the team. Fruitful discussion was held to discuss departmental projects and expectations for the coming months.

HR also arranged a Eid lunch for the team and birthdays of employees were also celebrated



#### PMIC HR re initiated international trainings for the employee

5 employees were sent to Dubai for South Asian Financial Inclusion training(S-FIT) hosted by South Asia microfinance network.

#### CEO Club 2022 first meeting held

CEO, head of HR and club members had their first meeting where they discussed regarding club initiatives and expectations from club members. Club members were excited for the initiatives and their idea implementation

## Support staff Training at PMIC Office

Support Staff Training: In collaboration with Growth Trainings, PMIC HR conducted two (2) day workshop for its admin and support staff. This training was held in Urdu for better understanding and to help them learn new skills and to improve their work efficiency. This workshop was designed to help them advance in their current roles.



## Farewell

Khurram Shafi, Manager-Portfolio Management Department, resigned from PMIC. Team bid farewell to their beloved colleague for his contribution and hard work put in for PMIC. PMIC management and team wished him luck for future endeavors.





## Birthday Celebrations

Birthdays were celebrated with a cake cutting ceremony at the office. We wish you all a very Happy birthday.

Ahmed Saleh  
Shabbir Ahmed  
Sara Hassan  
Zainab Ali



## Read of the month

Drawn from CGAP's in-depth qualitative and quantitative research across five countries, this paper's insights focus on the potential for financial services to support platform workers and sellers in leveraging the opportunities and mitigating the risks emerging in platform work.

<https://www.cgap.org/research/publication/how-can-financial-services-support-platform-work-insights-five-emerging>