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MicroView

A QUARTERLY UPDATE ON DEVELOPMENT FINANCE OUTREACH IN AFGHANISTAN

ISSUE 2: QUARTER 3 (JUL-SEP 2013)



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OVERVIEW

	Quarter		Change	
	2013-Q3	2013-Q2	Unit	%
Number of Clients	337,402	326,968	10,434	3.19%
Number of Active Savers	225,307	220,043	5,264	2.39%
Number of Active Borrowers	163,634	156,203	7,431	4.76%
Amount of Savings (AFN million)	1,159	1,158	0.840	0.07%
Gross Loan Portfolio (AFN million)	8,318	7,729	589	7.62%
PAR>30 days (AFN million)	269	87	182	210%
Average Loan Size (AFN)	50,832	49,480	1,352	2.73%
No. of profitable MFIs	4	4		

The sector witnessed a moderate growth in most key indicators during the third quarter of 2013 despite increased security issues across the country.

The Gross Loan Portfolio (GLP) increased by AFN 589 million which shows 7.62% growth. The GLP of the sector touched AFN 8.3 billion. The number of active borrowers increased by 7,431 which shows 4.8% growth and the average loan size increased by AFN 1,352 which is 2.7% increase. A total of 35,671 loans with a total amount of AFN 2.5 billion were disbursed.

The number of active savers increased by 5,264 indicating 2.3% growth, while the savings increased by only AFN 0.8 million indicating almost no growth (0.07%).

A 2.1% increase in Portfolio at Risk (PAR30) witnessed by the sector during the quarter, seems to be primarily influenced by insecurity and religious sensitivity against microfinance loans in some districts of Bamyan, Herat and Balkh provinces.

Four institutions; Afghanistan Rural Finance Company (ARFC), First Microfinance Bank (FMFB), Islamic Investment and Finance Cooperatives (IIFC) Group and OXUS Afghanistan remained operationally self-sufficient during the quarter.

The top three microfinance providers by active borrowers continue to be FMFB, FINCA and IIFC Group, as was in the previous quarter. Similarly, the top three microfinance providers by Gross Loan Portfolio continue to be FMFB, IIFC Group and FINCA. FMFB continues to lead the sector by a large margin.

In terms of percentage growth,

- Gross Loan Portfolio: Mutahid, FINCA and HFL were the top three institutions with the growth of 32.77%, 5.81% and 5.22% respectively.
- Number of Borrowers: Mutahid, FINCA and OXUS were the top three institutions with the growth of 33.09%, 7.98% and 7.38% respectively.

Kabul with 32,249, Balkh with 29,854 and Badakhshan with 18,255 are the top three provinces in terms of number of active borrowers while Kabul, Balkh and Herat with AFN 2.2 billion, AFN 1.4 billion and AFN 857 million respectively in terms of Gross Loan Portfolio.

Balkh with 44,060, Kabul with 25,205 and Baghlan with 20,339 are the top three provinces in terms of number of active savers while Kabul, Badakhshan and Balkh with AFN 479 million, AFN 142 million and AFN 123 million respectively in terms of amount of savings.

The sector continues to have more urban borrowers than rural, with most of the portfolio distributed between trade and services sectors, followed by production and agriculture sectors.

KEY INDICATORS

All Development Finance Providers - As of September 2013

Exchange Rate (Sept 2013): AFN/USD = 57.5/1

Institution Name	No. Provinces Covered	No. Branches	No. MF Staff	No. Loan Officers	No. Clients	% of Women Clients	No. Active Borrowers	% of Women Borrowers
FINCA Afghanistan	7	15	316	170	26,292	81%	26,292	81%
Hope For Life	1	1	47	23	3,344	55%	3,344	55%
IIFC Group	15	29	274	61	107,366	19%	23,395	16%
Mutahid DFI	6	8	209	72	4,855	22%	4,855	22%
OXUS Afghanistan	10	13	328	138	9,569	27%	9,569	27%
Sub Total - MFIs		66	1,174	464	151,426	31%	67,455	45%
Afg Rural Finance Co	3	3	32	6	87	2%	87	2%
FMFB Afghanistan	14	35	917	496	131,581	17%	64,795	16%
Sub Total - MFB & FI		38	949	502	131,668	17%	64,882	16%
Aga Khan Foundation	7	11	80	56	39,360	72%	22,470	58%
Afg Women Council	4	8	17	11	2,123	100%	2,123	100%
CARE Afghanistan	1	1	5	3	1,044	100%	1,044	100%
HiH Afghanistan	1	4	61	17	7,200	52%	1,079	33%
Org. of Human Welfare	1	1	22	12	1,566	100%	1,566	100%
Shelter For Life	2	1	8	4	3,015	23%	3,015	23%
Sub Total - CSPIs		26	193	103	54,170	69%	31,297	60%
Grand Total	19	130	2,316	1,069	337,264	32%	163,634	36%

Institution Name	Gross Loan Portfolio (AFN)	Gross Loan Portfolio (USD)	No. Active Savers	Amount of Savings (AFN)	OSS %	PAR>30 days %
FINCA Afghanistan	742,733,973	13,030,421	-	-	96%	1.4%
Hope For Life	62,676,410	1,099,586	-	-	79%	0.9%
IIFC Group	1,223,887,585	21,471,712	107,366	220,310,150	118%	3.6%
Mutahid DFI	104,442,473	1,832,324	-	-	23%	0.0%
OXUS Afghanistan	486,609,706	8,537,012	-	-	104%	1.1%
Sub Total - MFIs	2,620,350,147	45,971,055	107,366	220,310,150		2.3%
FMFB Afghanistan	4,687,422,057	82,235,475	66,786	863,144,026	116%	2.2%
Afg Rural Finance Co	825,874,331	14,489,023	87	-	105%	12.5%
Sub Total - MFB & FI	5,513,296,388	96,724,498	66,873	863,144,026		3.8%
Aga Khan Foundation	111,448,154	1,955,231	39,360	60,096,789		
Afg Women Council	5,625,950	98,701	2,123	534,996		
CARE Afghanistan	13,120,680	230,187	906	3,685,390		
HiH Afghanistan	7,547,200	132,407	7,200	10,638,210		
Org. of Human Welfare	322,580	5,659	1,566	509,499		
Shelter For Life	46,127,000	809,246	-	-		
Sub Total - CSPIs	184,191,564	3,231,431	51,155	75,464,884		
Grand Total	8,317,838,099	145,926,984	225,394	1,158,919,060		3.2%

MICRO CREDIT

Summary of Micro Credit (All Afghanistan)

	Total	Group	Individual	Male	Female
Number of Active Borrowers					
2013-Q2	156,203	34,195	122,008	100,268	55,935
2013-Q3	163,634	58,193	105,441	104,094	59,540
Gross Loan Portfolio					
2013-Q2	7,728,910,326	391,619,155	7,337,291,171	6,565,789,778	1,163,120,547
2013-Q3	8,317,838,099	431,417,453	7,886,420,646	6,765,366,725	1,552,471,374
Portfolio at Risk > 30 Days					
2013-Q2	87,007,986	-	-	-	-
2013-Q3	269,538,492	-	-	-	-
Average Loan Size					
2013-Q2	49,480	11,453	60,138	65,482	20,794
2013-Q3	50,832	7,414	74,795	64,993	26,074
Number of Loan Disbursed					
2013-Q2	38,338	9,497	28,841	-	-
2013-Q3	35,671	9,397	26,274	-	-
Loan Amount Disbursed					
2013-Q2	2,577,050,957	192,242,905	2,384,808,052	-	-
2013-Q3	2,521,633,906	198,775,970	2,322,857,936	-	-
Number of Branches/Units					
2013-Q2	145	-	-	-	-
2013-Q3	130	-	-	-	-

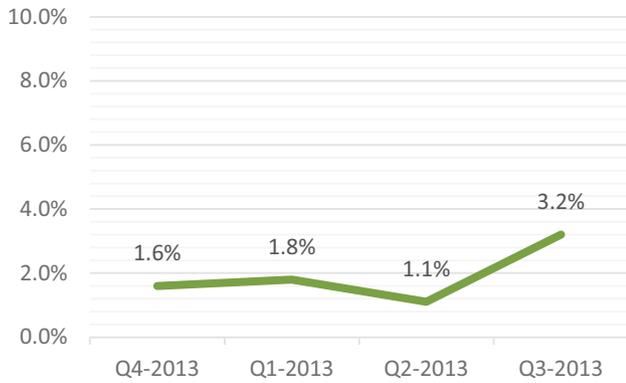
Top 10 Provinces by Number of Active Borrowers

Province	No. Active Borrowers	Growth
Kabul	32,249	8.16 %
Balkh	29,854	3.29 %
Badakhshan	18,255	3.96 %
Baghlan	13,849	4.00 %
Takhar	10,150	13.51 %
Herat	9,219	-3.10 %
Kunduz	8,684	6.21 %
Jowzjan	7,718	8.63 %
Bamyan	7,081	2.08 %
Faryab	5,572	0.63 %

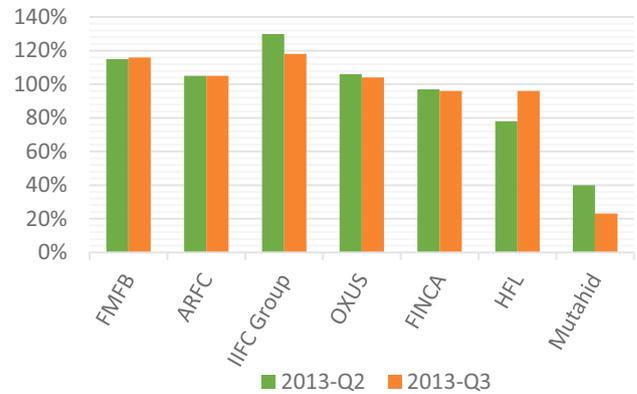
Top 10 Provinces by Gross Loan Portfolio (AFN)

Province	Portfolio Outstanding	Growth
Kabul	2,252,946,939	19.61 %
Balkh	1,430,583,646	0.26 %
Herat	857,931,115	7.17 %
Badakhshan	493,335,038	4.52 %
Kunduz	486,467,342	4.96 %
Baghlan	463,771,944	4.55 %
Jowzjan	405,517,440	4.23 %
Bamyan	325,493,360	-0.29 %
Faryab	321,473,371	-2.03 %
Takhar	265,634,398	2.80 %

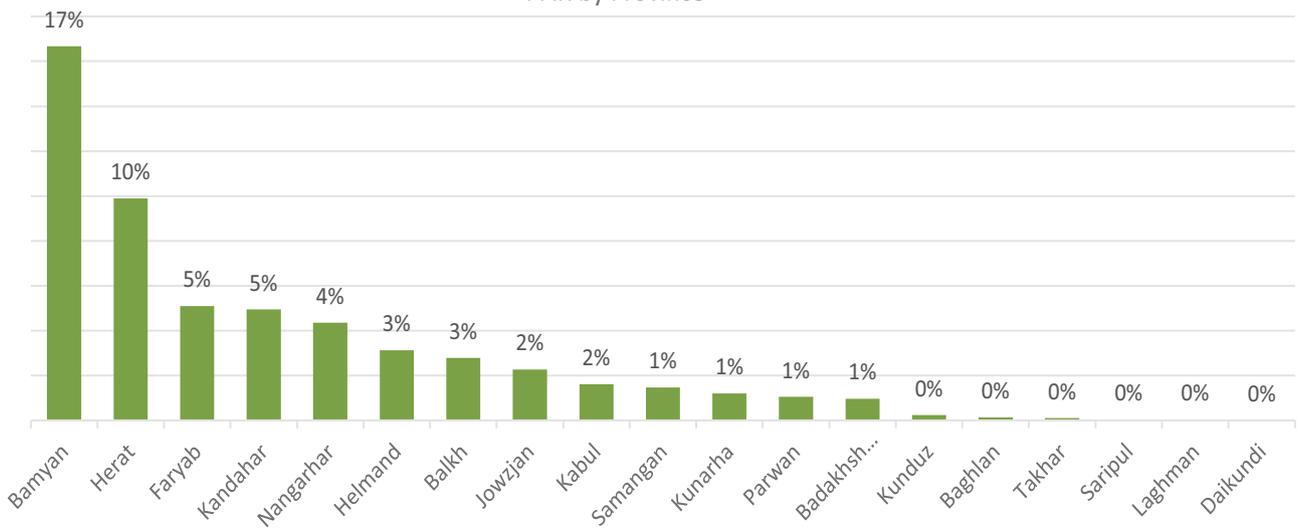
Portfolio At Risk > 30 days



Operational Self Sufficiency



PAR by Province

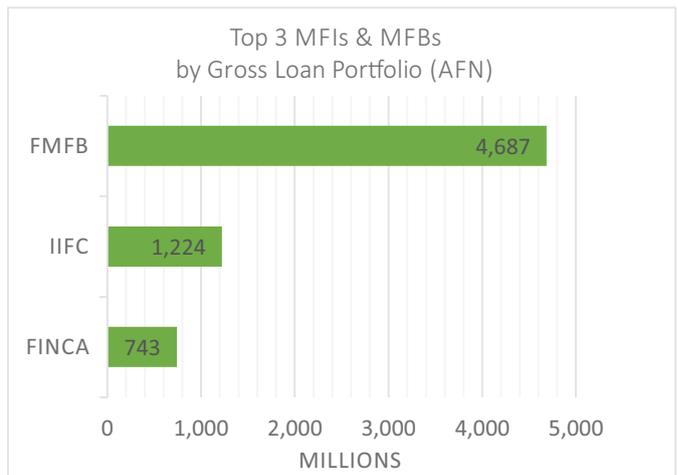
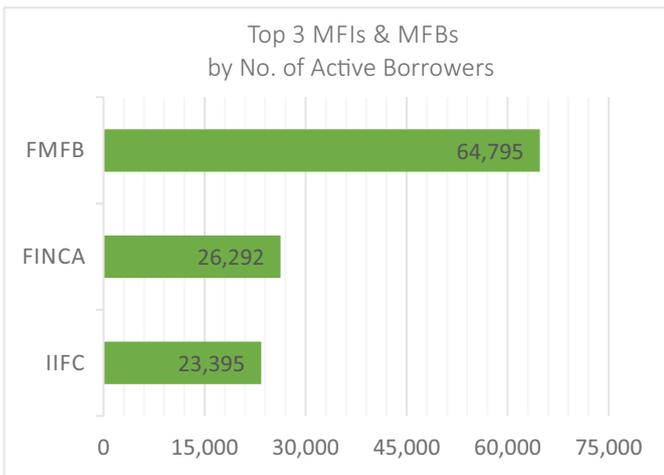
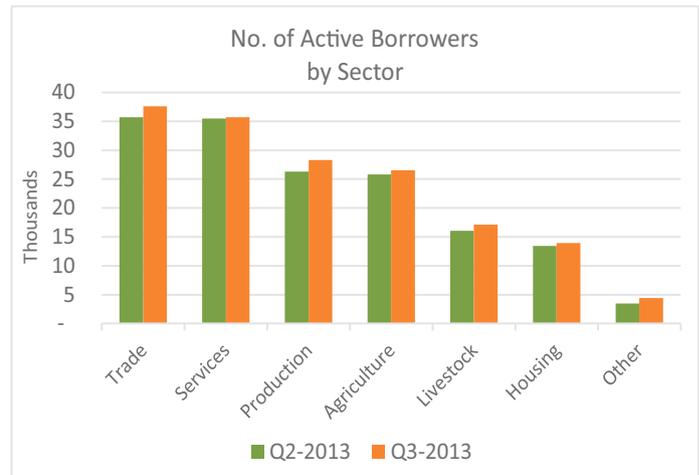
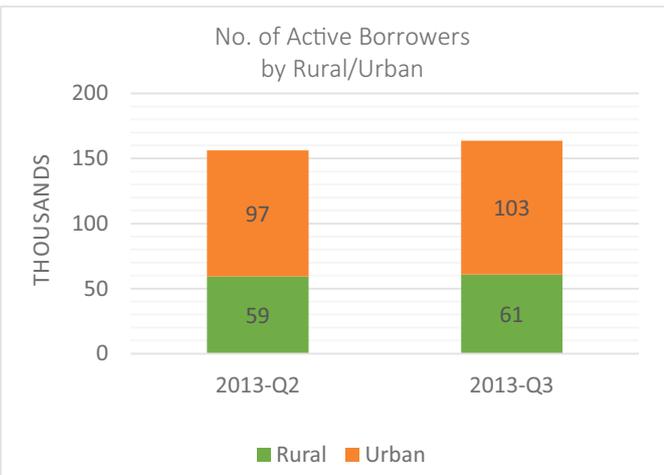
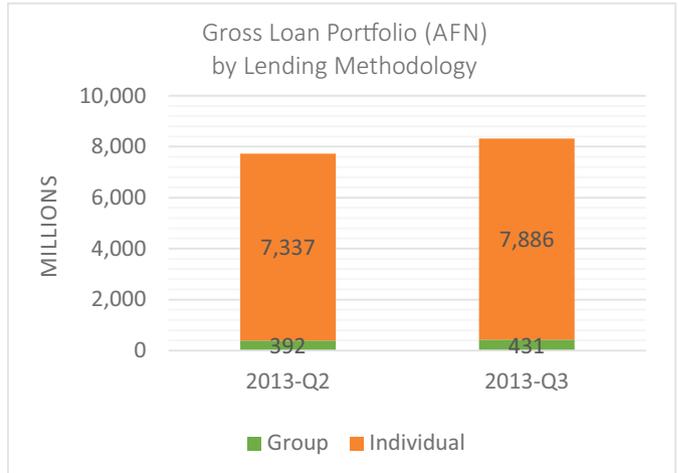
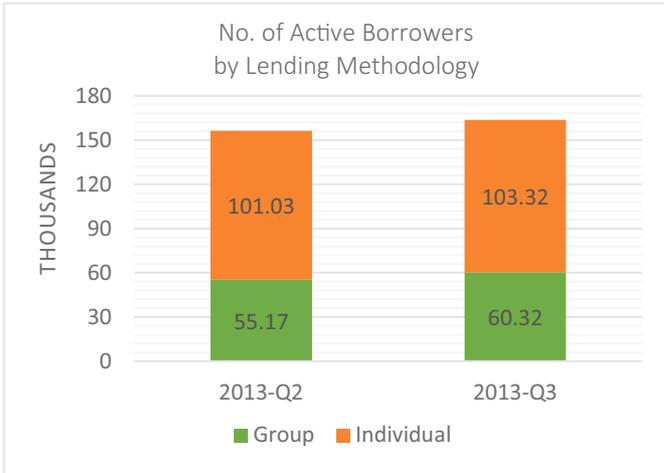


No. of Active Borrowers by Gender



Gross Loan Portfolio (AFN) by Gender





MICRO SAVINGS

Summary of Micro Savings (All Afghanistan)

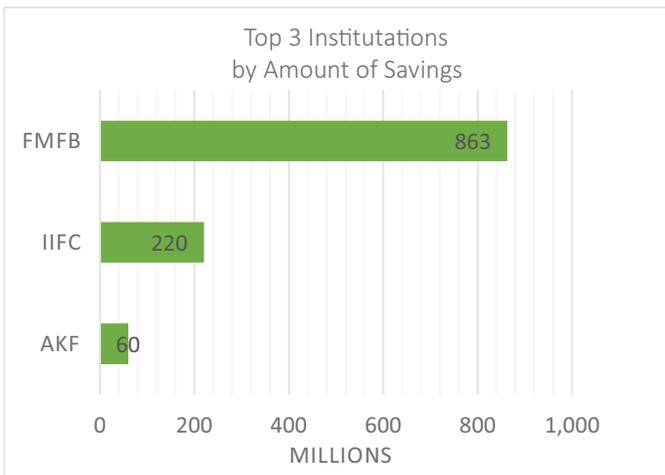
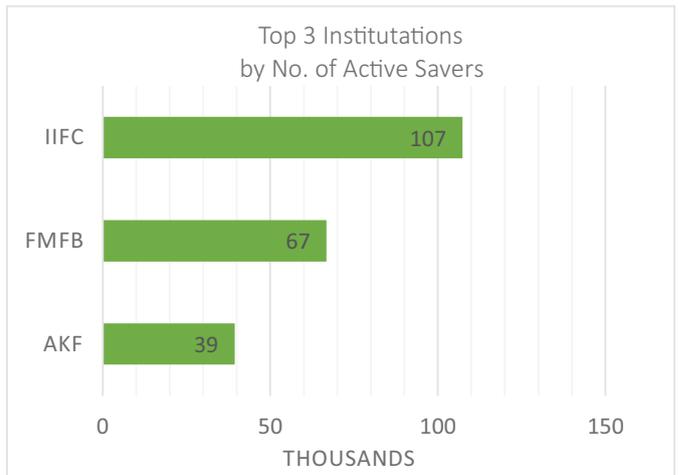
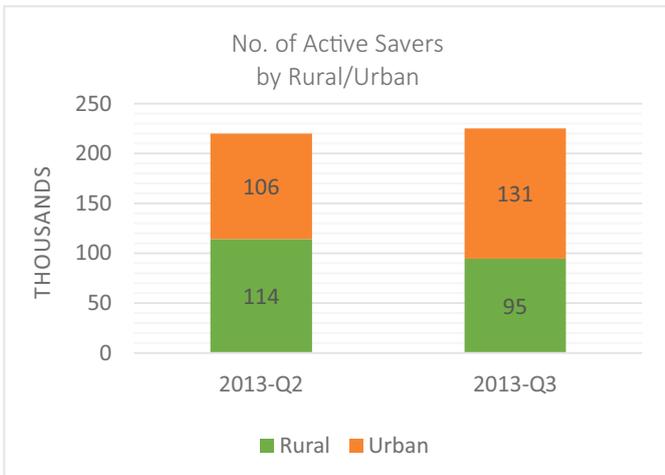
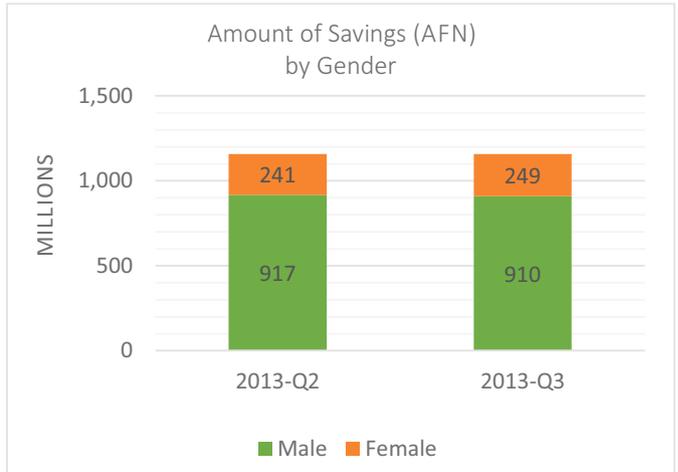
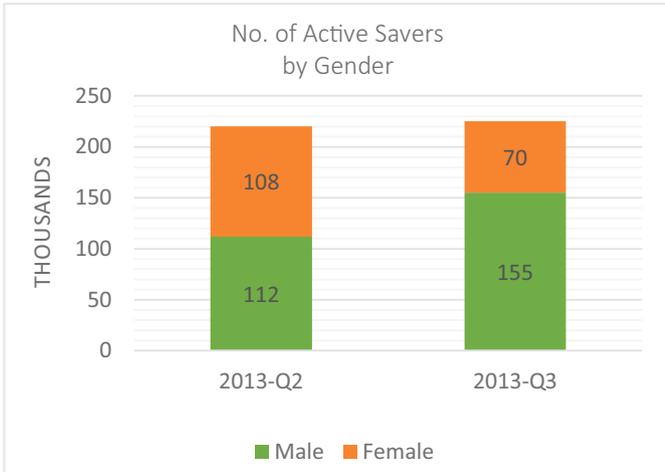
	Total	Male	Female	Rural	Urban
Number of Active Savers					
2013-Q2	220,043	111,848	108,195	114,264	105,779
2013-Q3	225,307	155,123	70,184	94,675	130,632
Amount of Savings					
2013-Q2	1,158,078,385	917,469,496	240,608,889	-	-
2013-Q3	1,158,919,060	910,056,329	248,862,731	-	-
Average Saving Size					
2013-Q2	5,263	8,203	2,224	-	-
2013-Q3	5,144	5,867	3,546	-	-

Top 10 Provinces by Number of Active Savers

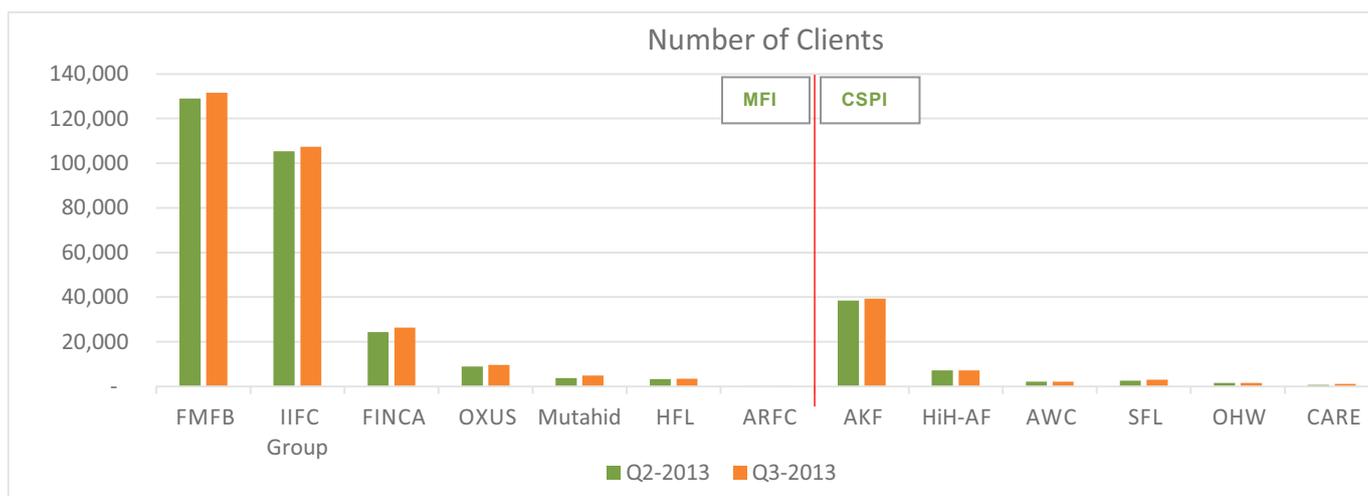
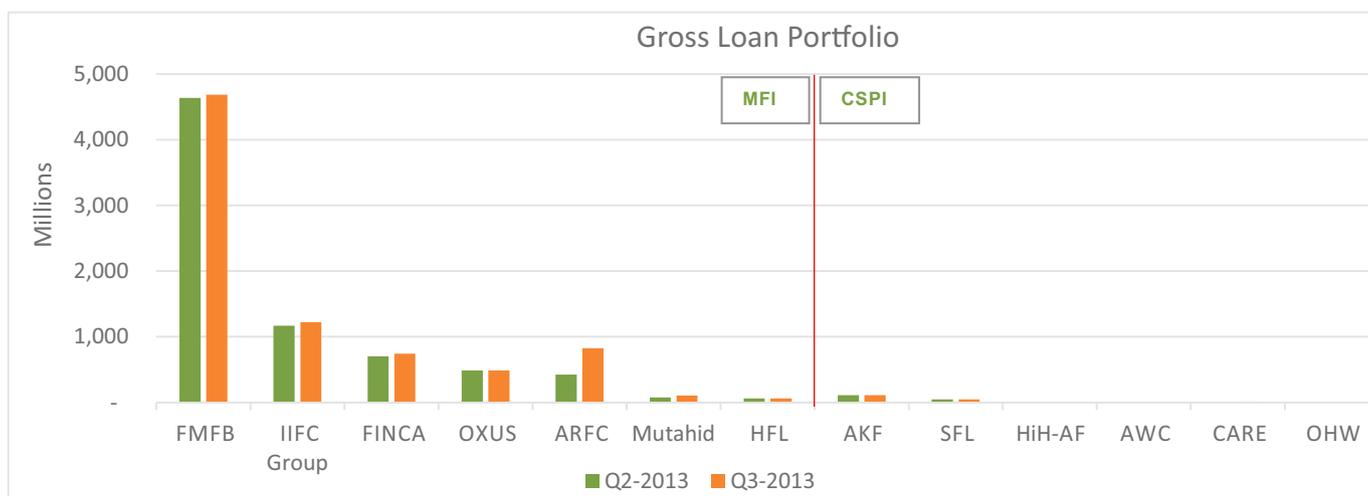
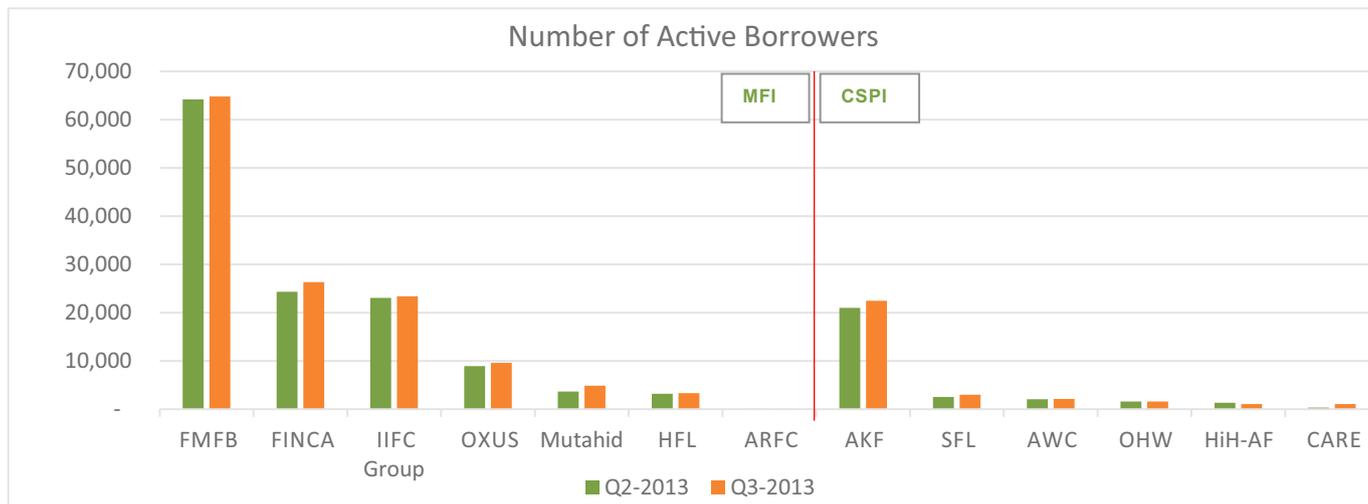
Province	No. of Active Savers	Growth
Balkh	44,060	2.44 %
Kabul	25,205	4.14 %
Baghlan	20,339	2.31 %
Jowzjan	17,603	3.43 %
Badakhshan	16,490	4.32 %
Nangarhar	15,147	3.87 %
Helmand	14,240	1.59 %
Takhar	13,894	1.22 %
Samangan	9,852	1.82 %
Faryab	9,217	2.80 %

Top 10 Provinces by Amount of Savings (AFN)

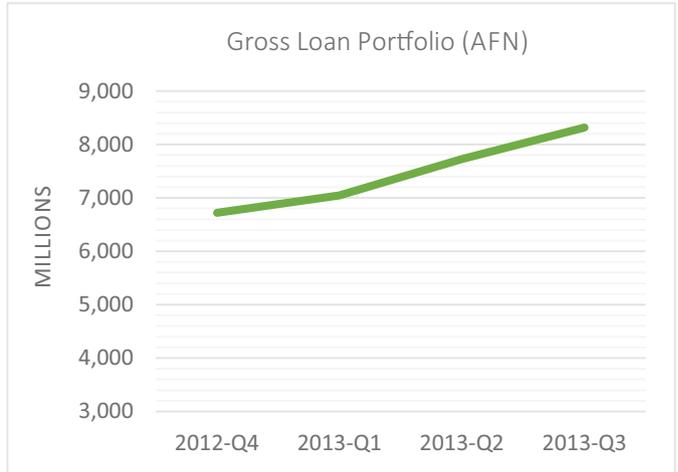
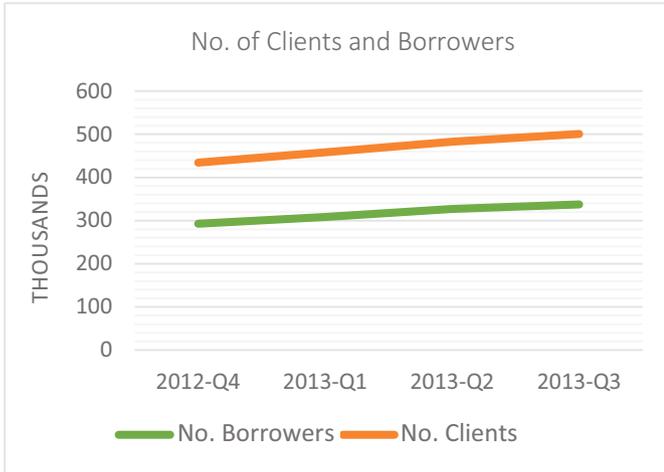
Province	Amount of Savings	Growth
Kabul	479,173,291	-4.61 %
Badakhshan	142,472,828	8.14 %
Balkh	123,518,382	-3.77 %
Baghlan	117,987,357	7.66 %
Kunduz	41,953,068	1.58 %
Bamyan	37,736,275	10.25 %
Takhar	37,024,209	9.98 %
Jowzjan	36,602,564	1.67 %
Helmand	27,852,950	8.56 %
Faryab	26,720,052	-3.90 %



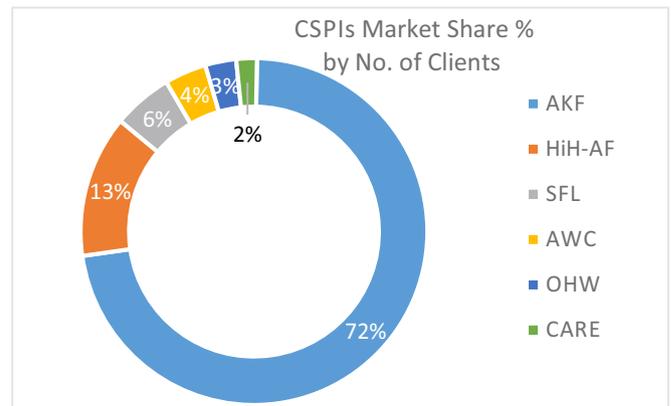
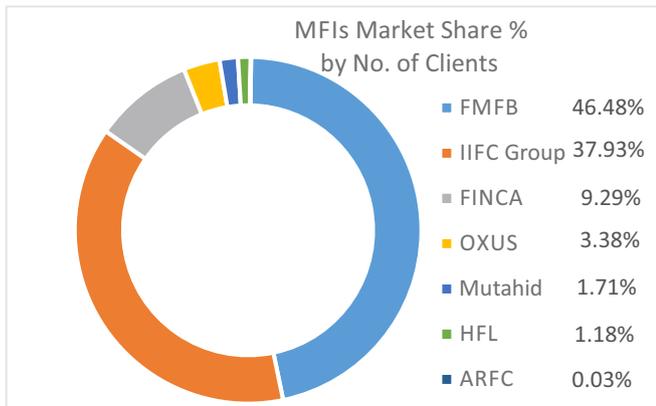
INDICATORS - Micro Credit



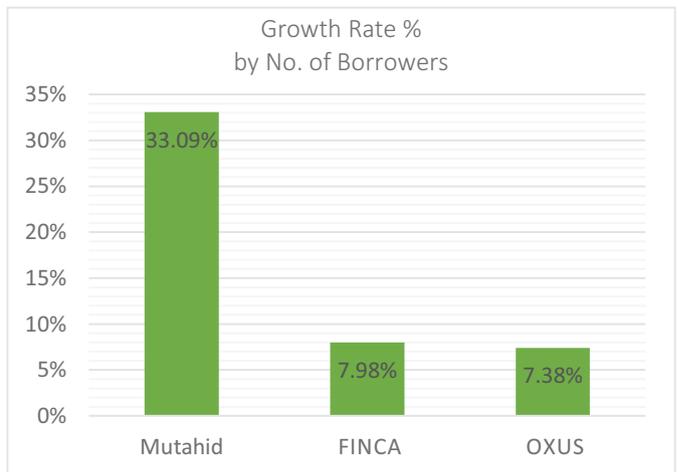
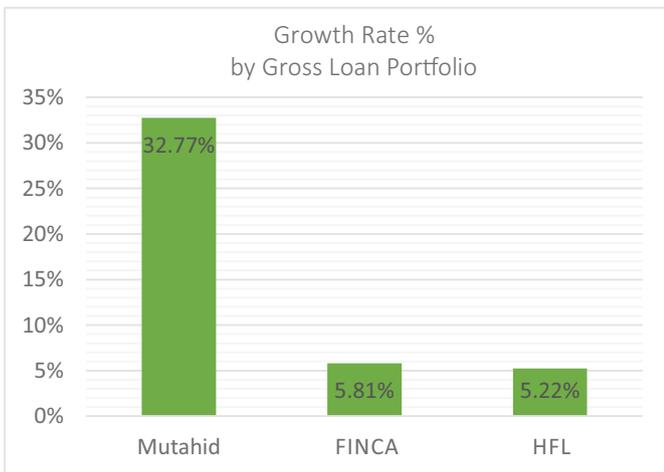
Sector Trend



Market Share



Top 3 Fast Growing MFIs



MICROFINANCE OUTREACH

SN	Province	Number of Institutions Operating	Number of Branches	Number of Active Borrowers	Gross Loan Portfolio (AFN)	Number of Active Savers	Amount of Savings (AFN)
1	Badakhshan	5	21	18,255	493,335,038	16,490	142,472,828
	City Districts	5	5	4,280	196,039,773	5,339	114,918,960
	Other	2	16	13,975	297,295,265	11,151	27,553,868
2	Baghlan	4	8	13,849	463,771,944	20,339	117,987,357
	City Districts	4	4	7,733	359,122,764	13,093	106,785,110
	Other	3	4	6,116	104,649,180	7,246	11,202,246
3	Balkh	7	19	29,854	1,430,583,646	44,060	123,518,382
	City Districts	7	9	17,533	962,874,410	26,028	86,766,324
	Other	4	10	12,321	467,709,235	18,032	36,752,058
4	Bamyan	4	10	7,081	325,493,360	8,755	37,736,275
	City Districts	3	3	1,424	103,281,232	2,365	24,600,181
	Other	3	7	5,657	222,212,127	6,390	13,136,095
5	Daykundi	1	2	77	337,000	1,442	675,725
	City Districts	1	1	50	289,000	760	464,780
	Other	1	1	27	48,000	682	210,945
6	Faryab	3	6	5,572	321,473,371	9,217	26,720,052
	City Districts	3	3	3,121	186,205,975	3,820	6,431,056
	Other	2	3	2,451	135,267,396	5,397	20,288,996
7	Helmand	1	3	3,309	206,429,203	14,240	27,852,950
	City Districts	1	1	1,971	80,611,610	8,751	13,617,150
	Other	1	2	1,338	125,817,593	5,489	14,235,800
8	Herat	5	8	9,219	857,931,115	4,303	17,863,401
	City Districts	5	8	8,308	812,509,388	4,303	17,863,401
	Other	1	0	911	45,421,727	0	0
9	Jowzjan	13	4	7,718	405,517,440	17,603	36,602,564
	City Districts	3	3	5,833	299,035,074	9,285	21,892,334
	Other	13	1	1,885	106,482,366	8,318	14,710,230
10	Kabul	13	22	32,249	2,252,946,939	25,205	479,173,291
	City Districts	9	22	31,651	2,245,885,685	24,541	477,592,081
	Other	13	0	598	7,061,254	664	1,581,210
11	Kandahar	4	6	3,825	94,781,238	8,770	14,393,645
	City Districts	4	5	2,996	36,234,523	6,997	5,384,678
	Other	1	1	829	58,546,715	1,773	9,008,966
12	Kunarha	1	2	586	30,399,626	2,684	6,305,350
	City Districts	1	1	122	15,130,856	1,065	607,331
	Other	1	1	464	15,268,770	1,619	5,698,019
13	Kunduz	6	5	8,684	486,467,342	6,656	41,953,068
	City Districts	5	4	5,570	344,817,982	6,656	41,953,068
	Other	3	1	3,114	141,649,359	0	0

14	Laghman	1	2	392	20,971,371	4,408	4,406,100
	City Districts	1	1	223	11,451,982	3,338	2,865,136
	Other	1	1	169	9,519,389	1,070	1,540,964
15	Nangarhar	13	6	1,594	83,844,641	15,147	19,876,115
	City Districts	3	4	893	38,914,199	6,166	15,272,206
	Other	13	2	701	44,930,442	8,981	4,603,909
16	Parwan	5	7	4,981	235,779,990	2,157	6,400,424
	City Districts	5	6	3,767	168,048,204	2,157	6,400,424
	Other	1	1	1,214	67,731,785	0	0
17	Samangan	3	3	3,399	180,795,305	9,852	16,998,887
	City Districts	3	3	2,735	138,265,724	9,091	14,773,359
	Other	2	0	664	42,529,581	761	2,225,528
18	Saripul	1	1	2,840	161,345,131	85	958,436
	City Districts	1	1	1,485	80,968,125	85	958,436
	Other	1	0	1,355	80,377,006	0	0
19	Takhar	5	10	10,150	265,634,398	13,894	37,024,209
	City Districts	5	5	2,586	147,140,405	3,778	28,236,081
	Other	3	5	7,564	118,493,993	10,116	8,788,128
Total		13	130	163,634	8,317,838,099	225,307	1,158,919,060

End Notes

- Microfinance services are currently not available in 15 of the 34 provinces; Badghees, Farah, Ghazni, Ghor, Kapisa, Khost, Logar, Nimruz, Nuristan, Paktika, Paktia, Panjshir, Urozgan, Wardak, Zabul.
- OHW data is as of 2nd quarter of 2013.

Reporting Organizations

Institutions	Reporting Period	
	2013-Q2	2013-Q3
MFB - The First Micro finance Bank	Yes	Yes
FI - Afghanistan Rural Finance Company	Yes	Yes
MFI - FINCA Afghanistan	Yes	Yes
MFI - Hope For Life Micro Finance Company	Yes	Yes
MFI - IIFC Group	Yes	Yes
MFI - MUTAHID Development Finance Institution	Yes	Yes
MFI - OXUS Afghanistan	Yes	Yes
CSPI - Afghanistan Women Council	Yes	Yes
CSPI - Aga Khan Foundation Afghanistan	Yes	Yes
CSPI - CARE International in Afghanistan	Yes	Yes
CSPI - Hand in Hand Afghanistan	Yes	Yes
CSPI - Organization of Human Welfare	Yes	No
CSPI - Shelter For Life	Yes	Yes

Afghanistan Microfinance Association

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