

Despite the volatile economic and political situation of the country, and the devastating floods in the latter half of 2010, the microfinance sector posted growth of 13% in credit and 40% in savings outreach.

Thus, the sector closed the year serving approximately 2 million active borrowers with an outstanding loan portfolio of PKR 25.5 billion and nearly 3.3 million active savers with collective savings of PKR 11.9 billion. Unfortunately, micro-insurance outreach suffered a decline although most of this loss was due to a change in the coverage policy by one of the largest micro-insurance providers.

New entrants such as BRAC and ASA-P firmly established themselves in 2010 whereas Tameer and PRSP also expanded during the period. The growth in outreach of these institutions shifted the share of different peer groups in terms of credit outreach, with MFIs gaining ground at the expense of MFBs and RSPs. Punjab and Sindh have traditionally been the hub of microfinance activity and this trend continued in 2010, with all of 96 new branches opening in these provinces. In terms of districts, it was encouraging to see MFPs venturing into relatively untapped areas such as Jafarabad and Nasirabad in Balochistan (BRAC) and Batgram and Upper Dir in KP (SRSP). Nonetheless, provinces other than Punjab and Sindh remained largely marginalized and the number of outlets actually fell, mostly in KP, FATA and Balochistan.

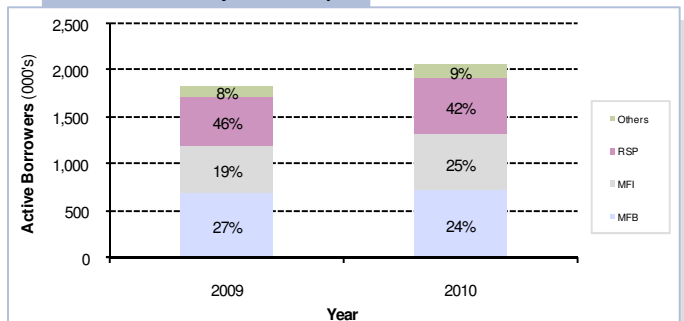
The trend of expansion in urban lending compared to rural growth also continued, with share of urban borrowers increasing from 45% in 2009 to 48% in 2010. Individual borrowing also saw an increase of 2% in share of borrowers, up to 12%. Females constituted 57% of active borrowers, but held 47% of GLP. Average loan sizes increased by 17% compared to last year, with both group and individual loan sizes showing an increase.

Continuing in the trend from last year, savings continued to grow substantially in terms of both savers and value of savings. RSPs showed the highest growth in number of savers, particularly NRSP and PRSP. MFBs contributed the most to increase in value of savings, with TMFB contributing the most, followed by KB and KMFB. Share of female savers within total grew by 4%, up to 42%, and their share in value of savings also increased considerably - by 8%, up to 22%.

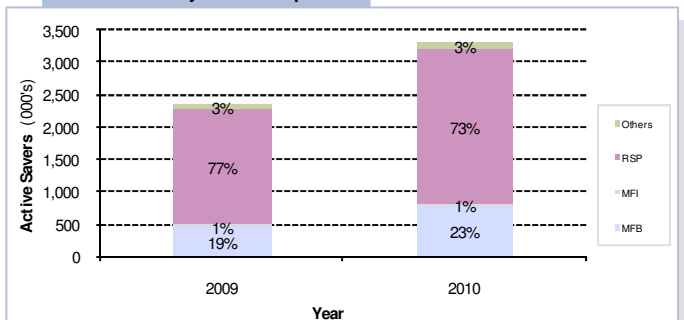
Micro-insurance uptake has grown substantially over the past two years, however, 2010 saw a reversal of this growth, beginning in the second quarter of the year. This was largely due to a change in health insurance policy for clients at NRSP, which extended it to clients' children in 2009, but then withdrew this in mid 2010. Hence, the year also saw a shift back towards credit life as the dominant kind of insurance held by clients in the sector - 43% of policyholders held health insurance this year, compared with 50% in 2009.

	Microcredit		Micro-Savings		Micro-Insurance	
	Active Borrowers	Value (PKR Millions)	Active Savers	Value (PKR Millions)	Policy Holders	Sum Insured (PKR Millions)
2009	1,826,045	21,723	2,351,273	8,554	3,306,639	43,539
2010	2,059,536	25,494	3,295,701	11,863	3,030,563	38,265
Increase (Net)	233,491	3,771	944,428	3,308	-276,076	-5,273
Increase (%)	13	17	40	39	-8	-12

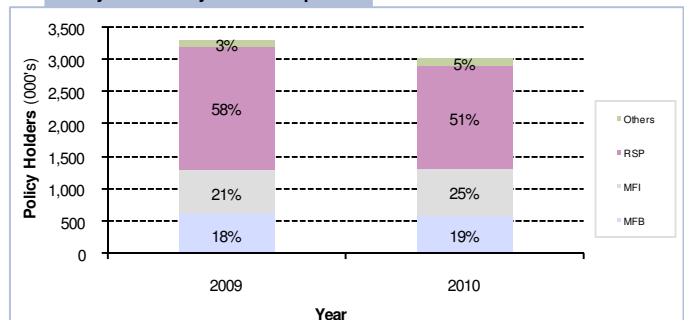
Active Borrowers by Peer Group



Active Savers by Peer Group



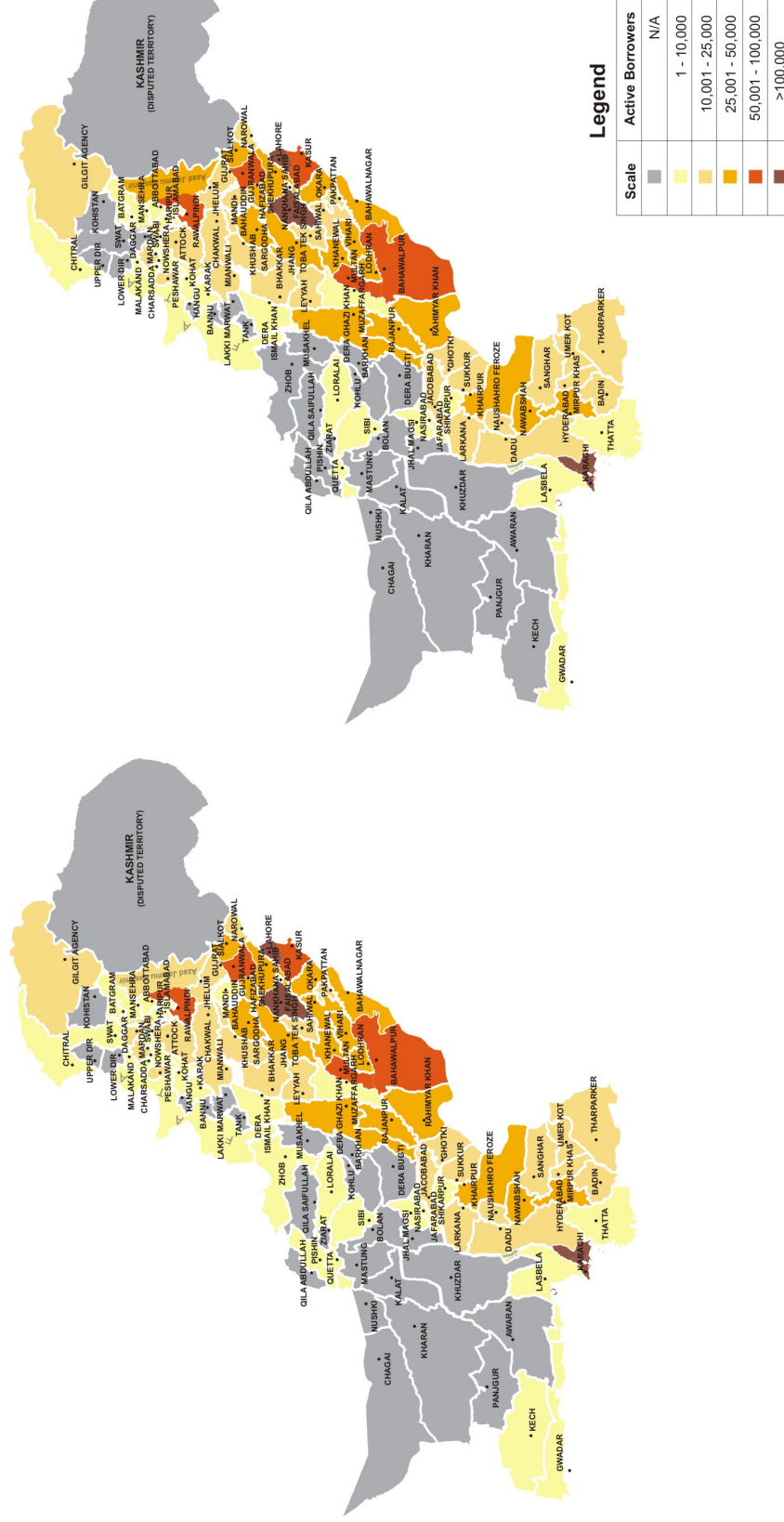
Policy Holders by Peer Group



Distribution of Active Borrowers

2009

2010

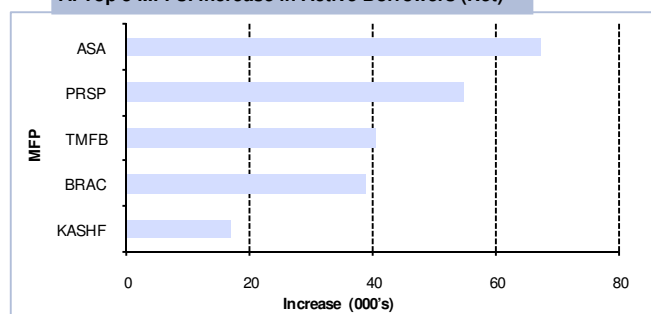


* Geographical boundaries for new districts demarcated in 2004-06 have not been available by Survey of Pakistan. The following districts are therefore, not shown on the map: Sehwan Sharif, Jamshoro (Dadu); Matyari, Tando Allahyar, Tando Muhammad Khan (Hyderabad), Sheddokot (Larkana); Mingora (Swat); Sherani (Zhob)

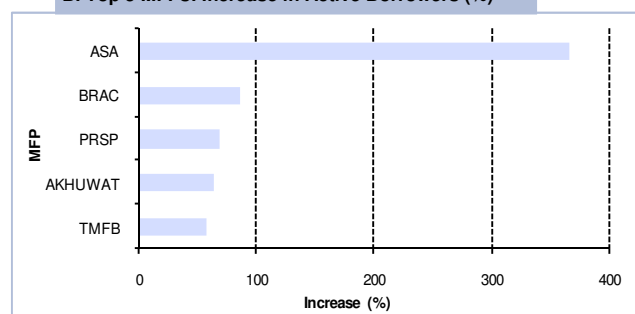
MARKET HIGHLIGHTS (JAN-DEC 2010)

MICROCREDIT

A. Top 5 MFPs: Increase in Active Borrowers (Net)



B. Top 5 MFPs: Increase in Active Borrowers (%)



C. Largest Providers of Microcredit (Active Borrowers)

	MFP	Active Borrowers (31 Dec)	Market Share (% of Active Borrowers)
1	NRSP	432,769	21.0
2	KB	409,177	19.9
3	KASHF	312,146	15.2
4	FMFBL	167,193	8.1
5	PRSP	135,290	6.6

D. Largest Providers of Microcredit (Gross Loan Portfolio)

	MFP	GLP (31 Dec)	Market Share (% of GLP)
1	NRSP	5,544,976,012	21.8
2	KB	4,319,643,220	16.9
3	KASHF	3,303,725,748	13.0
4	TMFB	3,096,044,089	12.1
5	FMFBL	2,554,827,020	10.0

E. MFPs with Largest Geographic Spread

MFP	KB	NRSP	FMFBL	TMFB	KASHF
Geographic Spread (No. of Districts)	74	50	46	30	25

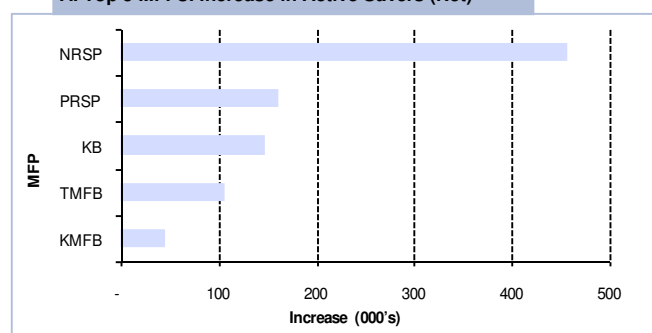
F. Districts with Highest Growth (Net)

	Province	District	Active Borrowers (31 Dec)	Growth (1 Jan to 31 Dec)		Potential Microfinance Market (2007)	Penetration Rate (%)
			A	Net	%	B	(A/B)*100
1	Balochistan	Quetta	9,933	4,069	69.4	174,437	5.7
2		Lasbela	1,335	1,335	0.0	84,637	1.6
3		Jafarabad	3,518	131	3.9	121,911	2.9
1	KP	Kohat	5,995	2,067	52.6	114,908	5.2
2		Mansehra	5,770	1,949	51.0	271,288	2.1
3		Mardan	22,802	1,054	4.8	354,988	6.4
1	Punjab	Lahore	222,800	27,299	14.0	872,760	25.5
2		Gujranwala	94,457	19,305	25.7	735,741	12.8
3		Faisalabad	115,658	15,161	15.1	1,096,924	10.5
1	Sindh	Karachi	125,410	22,108	21.4	1,329,990	9.4
2		Sukkur	23,515	8,906	61.0	213,080	11.0
3		Nawabshah	26,361	8,453	47.2	225,430	11.7
1	AJK	Bagh	5,525	1,385	33.5		
2		Muzaffarabad	9,546	829	9.5		
3		Poonch	3,454	250	7.8		
1	GB	Astore	1,150	(399)	-25.8		
2		Ghanche	2,022	(900)	-30.8		
3		Gilgit	2,458	(1,146)	-31.8		
1	FATA	Bajaur	45	(56)	-55.4		
2		Mohmand	220	(75)	-25.4		
3		--					
1	ICT	Islamabad	2,052	5	0.2	74,750	2.7

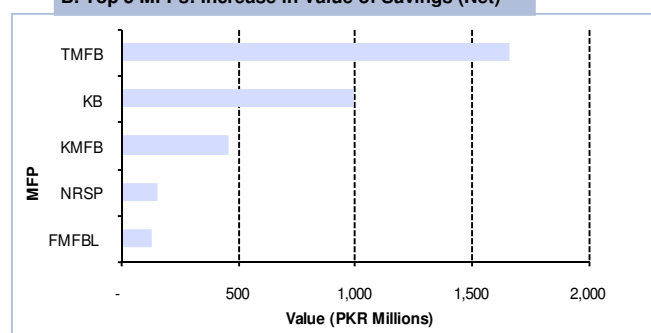
MARKET HIGHLIGHTS (JAN-DEC 2010)

MICRO-SAVINGS

A. Top 5 MFPs: Increase in Active Savers (Net)



B. Top 5 MFPs: Increase in Value of Savings (Net)



C. Largest Providers of Micro-Savings (Active Savers)

	MFP	Active Savers (31 Dec)	Market Share (% of Active Savers)
1	NRSP	1,770,044	53.8
2	PRSP	355,021	10.8
3	TRDP	265,704	8.1
4	TMFB	228,634	6.9
5	FMFBL	227,046	6.9

D. Districts with Highest Outreach (Active Savers)

	District	Active Savers (31 Dec)	Increase (1 Oct to 31 Dec)	
			Net	%
1	Bahawalpur	308,528	121,641	65.1
2	Bahawalnagar	204,456	98,310	92.6
3	Tharparkar	182,465	18,346	11.2
4	D.G. Khan	120,368	48,870	68.4
5	Bhakkar	119,503	47,595	66.2

MICRO-INSURANCE

A. Largest Providers of Micro-Insurance (Policy Holders)

	MFP	Policy Holders (31 Dec)	Market Share (% of Policy Holders)
1	NRSP	1,413,512	46.6
2	KASHF	624,292	20.6
3	KB	338,068	11.2
4	FMFBL	171,799	5.7
5	TRDP	113,387	3.7

B. Districts with Highest Outreach (Policy Holders)

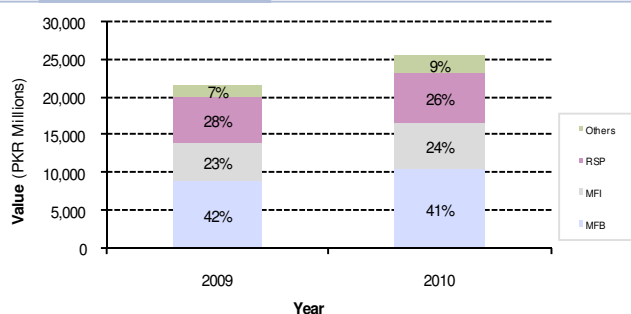
	District	Policy Holders (31 Dec)	Increase (1 Jan to 31 Dec)	
			Net	%
1	Lahore	267,070	17,483	7.0
2	Bahawalpur	196,584	-50,684	-20.5
3	Faisalabad	171,744	9,121	5.6
4	Multan	153,366	-3,816	-2.4
5	Bahawalnagar	124,223	-18,558	-13.0

SUMMARY OF MICROCREDIT PROVISION (All Pakistan)

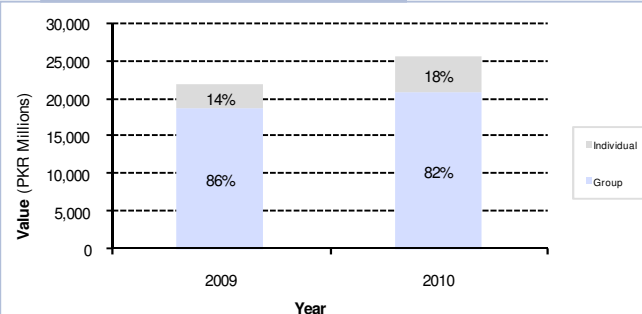
Exchange Rate (Dec 2010): PKR/USD = 85.7/1

		Lending Methodology		Peer Group			
	Total	Group	Individual	MFB	MFI	RSP	Others
Number of Branches/Units							
2009	1,584			425	306	721	132
2010	1,657			405	408	695	149
Active Borrowers							
2009	1,826,045	1,647,094	178,951	703,044	489,390	536,148	97,463
2010	2,059,536	1,818,020	241,516	717,141	594,471	607,765	140,159
Gross Loan Portfolio (PKR Millions)							
2009	21,723	18,679	3,044	9,004	4,961	6,162	1,595
2010	25,494	20,839	4,655	10,528	6,138	6,517	2,311
Average Loan Balance (PKR)							
2009	11,896	11,341	17,008	12,807	10,137	11,494	16,367
2010	12,378	11,463	19,272	14,680	10,325	10,723	16,486
Number of Loans Disbursed							
2009	1,817,225	1,626,072	191,153	789,923	238,370	688,749	100,183
2010	1,951,293	1,693,902	257,391	710,913	423,082	679,653	137,645
Disbursements (PKR Millions)							
2009	28,519	23,977	4,542	12,972	3,485	10,401	1,661
2010	35,874	28,731	7,143	14,325	7,292	11,955	2,301
Average Loan Size (PKR)							
2009	15,694	14,746	23,759	16,422	14,620	15,101	16,578
2010	18,385	16,962	27,750	20,151	17,236	17,590	16,715

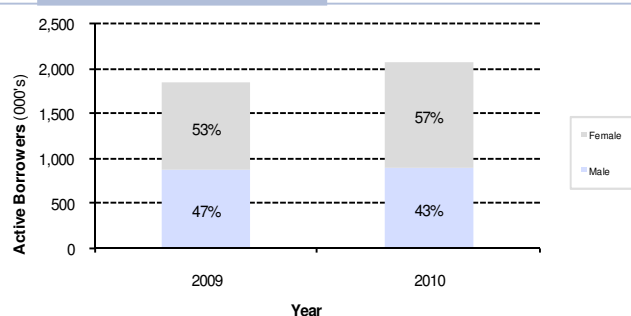
Gross Loan Portfolio



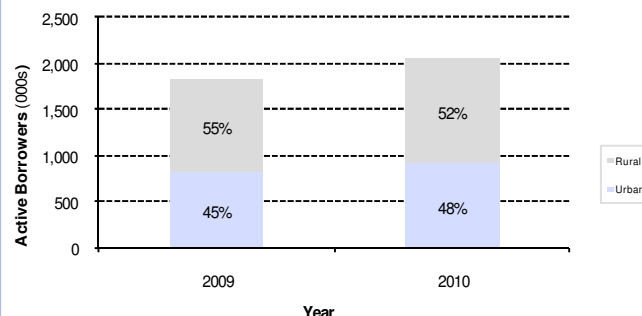
Gross Loan Portfolio by Methodology



Active Borrowers by Gender

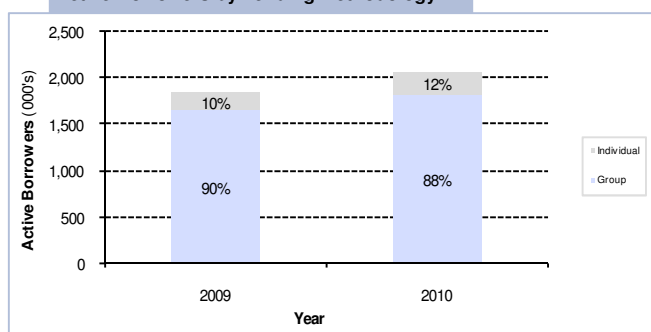


Active Borrowers by Rural/Urban

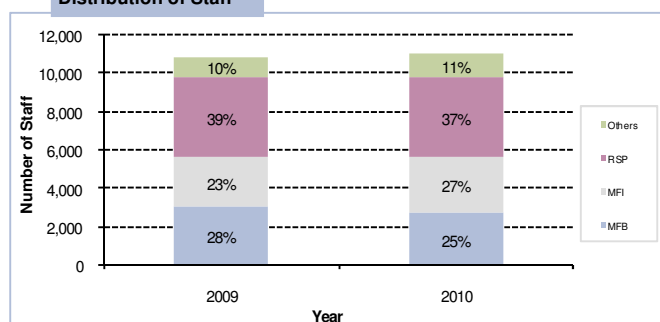


SUMMARY OF MICROCREDIT PROVISION (All Pakistan)

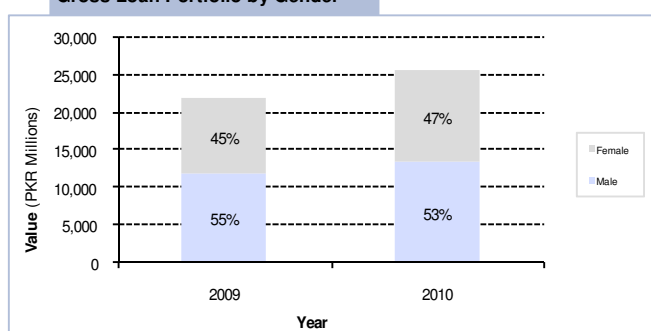
Active Borrowers by Lending Methodology



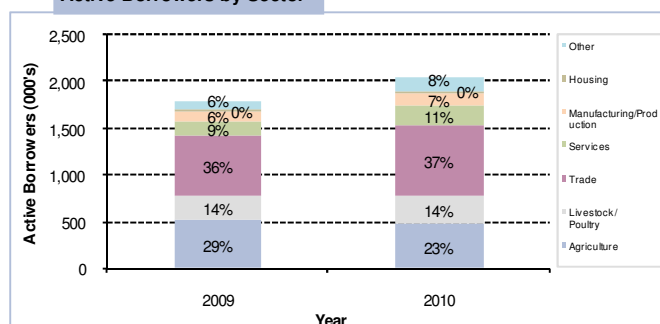
Distribution of Staff



Gross Loan Portfolio by Gender



Active Borrowers by Sector



SUMMARY OF MICRO-SAVINGS PROVISION (All Pakistan)

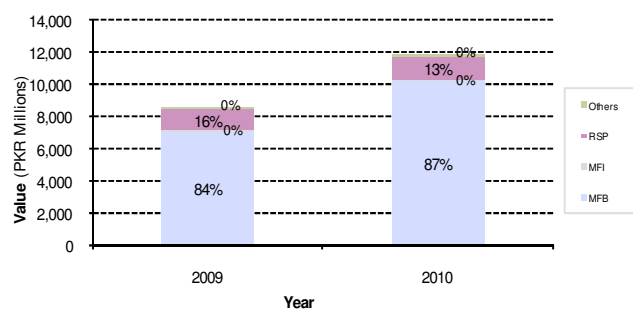
		Saving Methodology		Peer Group			
	Total	Intermediation	Mobilization	MFB	MFI	RSP	Others
Number of Savers							
2009	2,351,273	482,412	1,868,861	452,776	29,636	1,793,485	75,376
2010	3,295,701	561,787	2,515,407	780,294	30,584	2,395,229	89,594
Value of Saving (PKR Millions)							
2009	8,554	7,144	1,410	7,144	5	1,383	22
2010	11,863	10,289	1,574	10,289	7	1,543	24
Average Saving Balance (PKR)							
2009	3,638	14,809	754	15,779	179	771	287
2010	3,599	18,315	626	13,186	216	644	267

Saving Methodology:

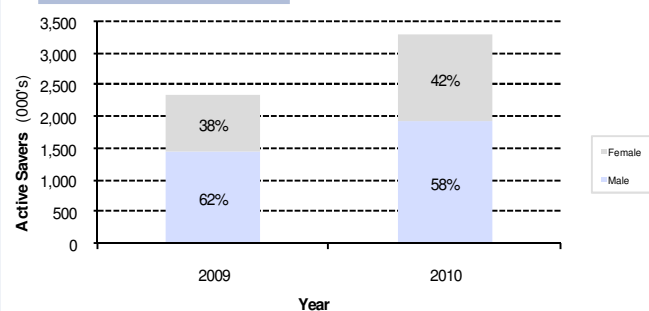
- Intermediation:** Public deposits used to finance an organization's loan portfolio. Only SBP-regulated MFPs (CFIs and MFBs) can accept and intermediate deposits from the general public.
- Mobilization:** MFPs not regulated by SBP (MFIs, NGOs, RSPs) can neither hold nor intermediate deposits from the general public. These organizations do however mobilize savings from their members/clients to place with licensed commercial banks.

SUMMARY OF MICRO-SAVINGS PROVISION (All Pakistan)

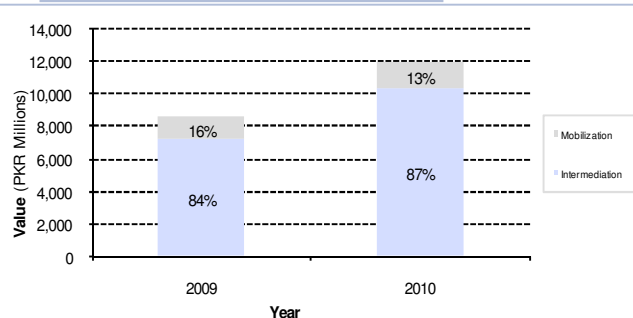
Value of Savings by Peer Group



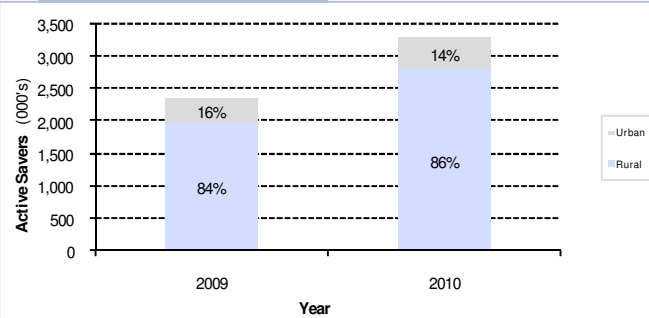
Active Savers by Gender



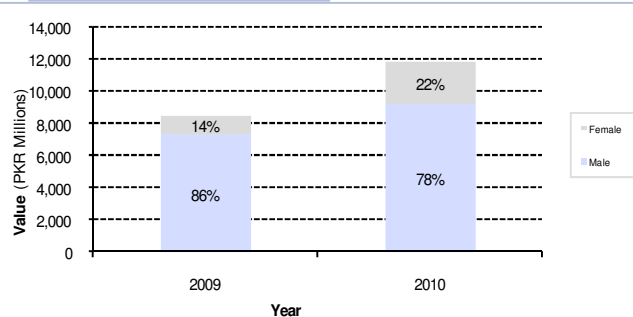
Value of Savings by Saving Methodology



Active Savers by Urban/Rural



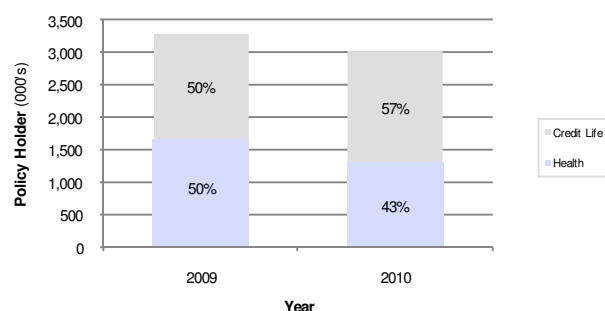
Value of Savings by Gender



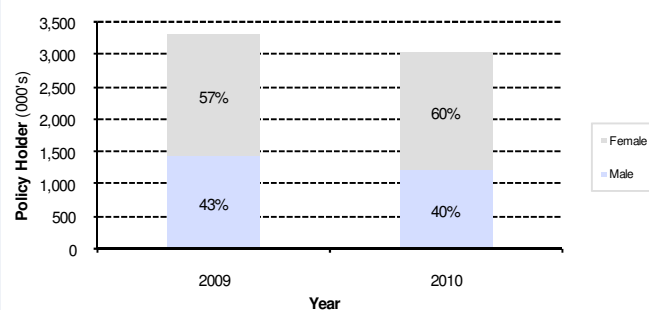
SUMMARY OF MICRO-INSURANCE PROVISION (All Pakistan)

		Type		Peer Group			
	Total	Health	Credit Life	MFB	MFI	RSP	Others
Number of Policy Holders							
2009	3,306,639	1,654,524	1,652,115	607,056	700,125	1,906,859	92,599
2010	3,030,563	1,293,633	1,736,930	586,005	751,131	1,555,214	138,213
Sum Insured (PKR Millions)							
2009	43,539			8,005	3,897	30,573	1,063
2010	38,265			7,494	4,232	24,978	1,562

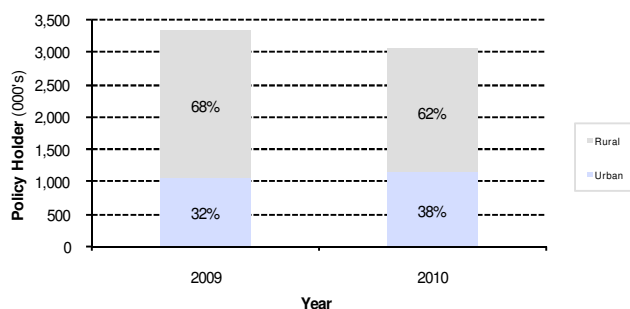
Policy Holders by Type



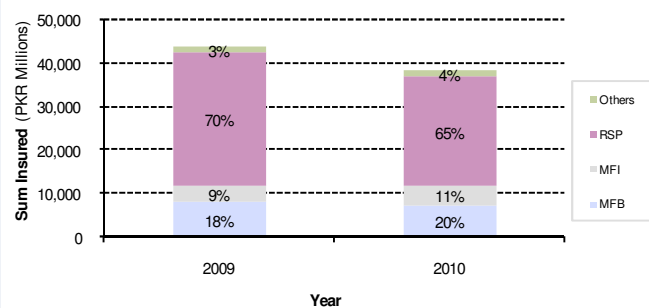
Policy Holders by Gender



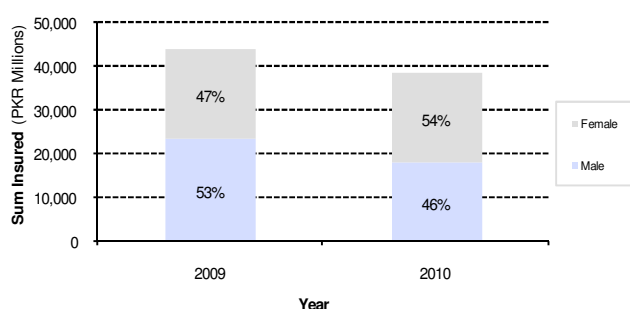
Policy Holders by Urban/Rural



Sum Insured by Peer Group



Sum Insured by Gender



OUTREACH (District Level)

BALUCHISTAN

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Awaran									26,054
Barkhan									31,881
Bolan									66,423
Chagai ¹									54,814
Dera Bugti									43,770
Gwadar	FMFBL , KB, NRSP, POMFB								
	5	-	1,116	5,639,824	10,437	2,215,014	501	4,161,667	55,537
Jafarabad	BRAC, KB								
	4	-	3,518	45,517,643	-	-	3,643	47,073,927	121,911
Jhal Magsi									29,887
Kalat									53,884
Kech (Turbat)	NRSP								
	1	-	-	-	64,935	9,732,087	-	-	92,271
Kharan									47,948
Khuzdar									104,104
Kohlu									26,910
Lasbela	BRAC								
	4	-	1,335	9,920,190	-	-	1,679	16,790,000	84,637
Loralai									76,879
Mastung									41,317
Musakhel									27,545
Nasirabad	BRAC, KB								
	2	-	2,287	24,992,880	-	-	2,189	24,269,050	75,783
Nushki ²									-
Panjgur									51,074
Pishin									100,179
Qila Abdullah									115,112
Qila Saifullah									44,345
Quetta	BRAC, FMFBL , KB								
	9	-	9,933	59,059,119	4,885	30,843,434	6,066	52,036,301	174,437
Sherani ³									-
Sibi	KB								
	1	-	1,633	9,494,107	-	-	260	1,609,861	48,944
Washuk									-
Zhob ⁴									53,848
Ziarat									7,268
Total	26	-	19,822	154,623,763	80,257	42,790,535	14,338	145,940,806	1,656,762

OUTREACH (District Level)

KHYBER-PAKHTUNKHWA

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Abbottabad	KB, KMFB, SDF, SRSP, TMFB								
	5	-	6,592	45,519,059	13,727	12,043,120	6,212	43,456,675	180,672
Bannu									
									167,380
Batgram	SDF, SRSP								
	2	-	501	4,516,630	48	106,575	-	-	58,257
Buner (Daggar)									
									133,171
Charsadda	BRAC, KB, NRSP								
	4	-	4,280	28,898,218	12,926	1,264,925	4,415	36,470,145	271,736
Chitral	FMFBL								
	5	-	7,542	146,765,454	20,864	446,145,675	7,542	146,765,454	84,846
D.I. Khan	KB								
	1	-	3,721	44,972,674	3,669	20,553,484	3,085	42,444,084	221,328
Hangu									
									64,648
Haripur	KB, KMFB, SDF, SRSP								
	4	-	5,729	56,328,733	34,466	28,871,191	4,746	46,597,173	103,830
Karak	SRSP								
	1	-	623	4,687,404	86	58,464	-	-	102,174
Kohat	KB, SRSP								
	2	-	5,995	35,791,084	23	10,000	3,010	22,826,286	114,908
Kohistan									
									73,374
Lakki Marwat									
									107,505
Lower Dir									
									176,660
Malakand	KB, NRSP								
	2	-	540	4,152,887	20,272	2,564,023	275	2,720,327	106,429
Mansehra	KB, KMFB, POMFB, SDF								
	4	-	5,770	52,028,598	23,757	39,285,296	5,092	42,542,325	271,288
Mardan	KB, NRSP, SRSP								
	14	-	22,802	222,862,119	27,896	5,394,508	4,054	38,823,502	354,988
Mingora ⁵	KB								
	1	-	466	1,931,439	-	-	-	-	-
Nowshera	AKHUWAT, BRAC, KB, NRSP, SRSP								
	10	-	9,057	66,321,139	8,672	38,275,968	9,034	83,317,832	201,208
Peshawar	BRAC, KB, NRSP, SRSP								
	9	-	9,745	54,966,015	6,695	37,352,328	6,308	50,954,806	451,548
Shangla									
									116,366
Swabi	KB, NRSP, SWWS								
	6	-	6,143	60,934,406	26,933	3,971,240	3,109	34,831,409	230,073
Swat ⁶	NRSP								
	1	-	-	-	6,488	770,115	-	-	286,555
Tank									
									62,446
Upper Dir	SRSP								
	1	-	247	2,136,154	60	102,281	-	-	142,427
Total	72	-	89,753	832,812,013	206,582	636,769,193	56,882	591,750,018	4,083,817

OUTREACH (District Level)

PUNJAB

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Attock	KASHF, KB, KMFB, NRSP, POMFB								
	38	-	20,239	192,394,106	54,209	104,700,690	64,355	1,117,214,678	262,870
Bahawalpur	AKHUWAT, FMFBL , KASHF, KB, NRSP, TMFB								
	37	-	72,393	1,211,555,113	308,528	356,250,167	196,584	3,397,383,940	461,777
Bhakkar	KB, NRSP								
	28	-	21,147	266,967,971	119,503	63,938,822	63,883	1,149,211,890	252,453
Bahawalnagar	AKHUWAT, ASA, KB, NRSP								
	13	-	41,394	715,181,117	204,456	204,910,923	124,223	2,227,522,356	427,843
Chakwal	KB, KMFB, NRSP, POMFB								
	33	-	12,024	126,263,597	49,872	123,451,451	34,665	623,376,581	219,565
D.G. Khan	AKHUWAT, FMFBL , KB, NRSP, PRSP, TMFB								
	22	-	27,133	435,901,243	120,368	175,358,730	49,011	841,803,319	419,252
Faisalabad	AKHUWAT, ASA, ASASAH, CWCD, FMFBL , KASHF, KB, KMFB, NRSP, PRSP, RCDS, TMFB								
	92	-	115,658	1,079,091,740	88,411	149,569,719	171,744	1,353,009,622	1,096,924
Gujranwala ⁷	ASA, ASASAH, CWCD, FMFBL , JWS, KASHF, KB, KMFB, NRSP, OCT, OPD, PRSP, TMFB								
	69	-	94,457	1,224,310,901	41,569	119,172,545	104,499	887,746,636	735,741
Gujrat	AKHUWAT, BRAC, KASHF, KB, KMFB, NRSP, PRSP, TMFB								
	21	-	29,484	312,141,431	16,008	98,129,509	29,544	244,080,934	446,630
Hafizabad	KASHF, KB, PRSP, TMFB								
	7	-	14,768	227,548,126	5,365	7,349,958	17,336	127,976,419	231,170
Jhang	AKHUWAT, FMFBL , KASHF, KB, KMFB, NRSP, PRSP, TMFB								
	35	-	30,691	351,012,357	30,286	42,138,014	36,996	287,257,310	626,546
Jhelum	KB, NRSP								
	25	-	13,353	132,396,663	21,287	18,744,394	1,827	11,957,755	170,498
Kasur	AKHUWAT, ASA, ASASAH, CSC, CWCD, DAMEN, FMFBL , KASHF, KB, KMFB, OLP, PRSP, RCDS, TMFB								
	37	-	62,960	705,881,335	25,549	61,815,704	76,486	594,308,191	586,427
Khanewal	AKHUWAT, ASASAH, CWCD, KASHF, KB, KMFB, NRSP, PRSP								
	16	-	30,991	365,801,822	30,971	80,561,895	60,361	752,180,454	432,948
Khushab	KASHF, KB, NRSP								
	33	-	18,692	178,049,783	106,836	68,486,558	60,624	1,043,173,482	235,163
Lahore	AKHUWAT, ASA, ASASAH, BRAC, CSC, CWCD, DAMEN, FMFBL , KASHF, KB, KMFB, NRSP, OCT, OLP, PRSP, TMFB								
	155	-	222,800	2,520,675,546	73,126	370,773,806	267,070	2,172,444,373	872,760
Leyyah	FMFBL , KB, PRSP								
	8	-	17,030	213,395,995	50,923	76,994,038	14,277	232,258,502	263,251
Lodhran	AKHUWAT, FMFBL , KASHF, KB, NRSP, TMFB								
	10	-	28,573	518,268,952	53,513	159,356,959	82,986	1,471,050,287	261,693
Mandi Bahauddin	KASHF, KB, PRSP								
	6	-	14,307	75,753,030	3,653	688,027	9,026	70,836,363	298,371
Mianwali	KB, NRSP								
	29	-	16,678	141,949,043	43,673	5,352,800	54,959	997,883,546	252,413
Multan	AKHUWAT, ASASAH, BRAC, CWCD, FMFBL , KASHF, KB, KMFB, NRSP, PRSP, TMFB								
	69	-	93,521	1,012,469,185	59,829	460,697,683	153,366	1,899,169,774	689,339
Muzaffargarh	BRAC, KB, PRSP								
	4	-	8,566	102,552,239	75,570	43,886,347	7,356	104,220,445	570,580
Nankana Sahib ⁸	CWCD, DAMEN, RCDS								
	9	-	8,270	613,565,963	-	-	223	2,007,436	-
Narowal	KB, NRDP, OCT, OLP, PRSP								
	8	-	20,911	229,755,759	10,042	3,964,097	6,757	126,833,965	268,902
Okara	ASASAH, DAMEN, FMFBL , KASHF, KB, OLP, PRSP, TMFB								
	17	-	31,288	404,766,445	23,617	23,572,279	30,591	299,887,889	509,842
Pakpattan	ASASAH, FMFBL , KASHF, KB, NRSP, PRSP, TMFB								
	11	-	23,738	310,301,903	33,111	79,174,813	44,234	693,624,104	281,988
Rahimyar Khan	FMFBL , KASHF, KB, NRSP, TMFB								
	30	-	40,162	577,037,999	47,077	251,523,004	80,272	1,152,239,871	585,705

OUTREACH (District Level)

PUNJAB

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Rajanpur	AKHUWAT, KB, NRSP, OCT, PRSP								
	17	-	26,707	425,410,136	77,210	161,220,280	56,959	1,000,711,583	260,436
Rawalpindi ⁹	AKHUWAT, BRAC, FMFBL, KASHF, KB, KMFB, NRSP, OCT, POMFB, TMFB								
	75	-	58,396	507,013,155	101,421	505,512,445	108,543	1,325,410,384	327,457
Sahiwal	AKHUWAT, ASASAH, BRAC, CWCD, FMFBL, KASHF, KB, KMFB, NRSP, PRSP, TMFB								
	30	-	52,830	550,143,947	36,021	69,519,592	80,735	1,047,196,940	395,468
Sargodha	AKHUWAT, FMFBL, KASHF, KB, KMFB, NRSP, PRSP, TMFB								
	31	-	47,708	492,290,625	43,897	41,783,093	98,031	1,306,164,635	671,679
Sheikhupura	AKHUWAT, ASA, CWCD, DAMEN, KASHF, KB, OLP, PRSP, RCDS								
	24	-	35,741	657,609,764	3,893	3,009,241	34,207	293,386,177	831,522
Sialkot	ASA, BRAC, JWS, KASHF, KB, KMFB, NRSP, PRSP, TMFB								
	39	-	38,975	394,122,875	22,081	64,843,148	36,167	344,120,049	501,997
Toba Tek Singh	KASHF, KB, NRSP, PRSP								
	7	-	21,898	290,298,234	53,761	51,854,969	44,859	656,482,592	309,316
Vihari	ASASAH, FMFBL, KASHF, KB, NRSP								
	15	-	28,334	374,014,299	43,218	78,797,936	60,803	904,270,622	475,398
Total	1,100	-	1,441,817	17,935,892,400	2,078,854	4,127,103,635	2,363,560	30,758,403,104	15,233,924

SINDH

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Badin	ASA, FMFBL , KB, NRSP, OCT, POMFB								
	15	-	11,661	170,735,847	62,062	86,163,760	16,292	291,247,718	294,781
Dadu ¹⁰	FMFBL , KB, TRDP								
	20	-	15,635	158,481,240	40,634	60,934,462	23,530	72,507,876	447,305
Ghotki	ASA, FMFBL , KB, OCT								
	6	-	13,145	212,349,290	13,351	38,595,725	10,937	191,474,897	248,442
Hyderabad ¹¹	ASA, BRAC, FMFBL , KB, KMFB, NRSP, OCT, POMFB, SAFWCO, TMFB								
	41	1	44,693	548,587,987	35,851	314,291,969	69,488	1,156,659,167	517,652
Jacobabad	FMFBL , KB								
	4	-	12,566	166,173,730	5,447	44,571,113	7,009	107,002,987	361,146
Jamshoro ¹²	BRAC, TRDP								
	3	-	1,639	12,194,841	5,631	8,473,480	4,999	20,752,176	-
Karachi ¹³	ASA, BRAC, FMFBL , KASHF, KB, KMFB, NRSP, OCT, OLP, POMFB, TMFB								
	102	-	125,410	1,589,345,879	110,998	4,782,700,500	104,610	867,748,461	1,329,990
Khairpur ¹⁴	ASA, FMFBL , KB, OCT, TMFB, TRDP								
	21	-	29,859	441,279,623	9,266	89,112,782	14,786	275,502,409	401,853
Larkana	ASA, FMFBL , KB								
	9	-	17,169	222,940,513	19,047	51,996,202	15,475	207,189,765	534,891
Matyari ¹⁵	ASA, FMFBL , NRSP, OCT, SAFWCO, TMFB								
	10	1	17,248	272,708,674	22,701	37,489,535	30,276	498,504,753	-
Mirpur Khas ¹⁶	ASA, FMFBL , KB, NRSP, POMFB, TMFB, TRDP								
	22	-	20,958	271,187,390	54,626	47,557,749	22,805	290,949,255	210,494
Naushahro Feroze	ASA, FMFBL , KB, OCT								
	7	-	14,871	195,726,080	2,239	20,268,421	5,507	110,366,348	266,462
Nawabshah	ASA, FMFBL , KB, NRSP, OCT, SAFWCO, TMFB								
	17	1	26,361	362,319,385	12,584	27,032,178	24,167	308,776,822	225,430
Sanghar	ASA, FMFBL , KB, OCT, SAFWCO								
	16	1	29,539	332,127,067	1,019	7,359,577	19,954	87,358,988	354,133

OUTREACH (District Level)

SINDH

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Sehwan Sharif									-
Shehdad Kot	TMFB								
	1	-	635	8,697,152	-	-	586	5,495,242	-
Shikarpur	ASA, KB								
	2	-	3,397	39,334,272	-	-	2,965	34,789,289	237,633
Sukkur	ASA, BRAC, FMFBL, KB, TMFB								
	20	-	23,515	324,078,658	8,149	38,056,436	19,777	258,043,987	213,080
Tando Allahyar ¹⁷	ASA, BRAC, FMFBL, KB, NRSP, POMFB, TMFB								
	10	-	11,488	199,751,801	18,344	44,368,725	13,772	244,828,719	-
Tando Jam	FMFBL, TMFB								
	2	-	1,644	38,599,591	2,065	22,521,182	1,471	31,016,033	-
Tando Muhammad Khan	FMFBL, KB, NRSP, POMFB, TMFB								
	5	-	7,564	135,313,783	9,838	50,257,590	13,381	247,795,430	-
Tharparkar	ASA, FMFBL, KB, TRDP								
	30	-	14,196	141,632,103	182,465	125,587,616	52,236	80,362,723	283,491
Thatta	ASA, FMFBL, KB, NRSP								
	21	-	7,340	106,089,775	29,347	136,397,039	7,222	132,213,222	245,046
Umer Kot	ASA, FMFBL, OCT, TRDP								
	17	-	18,299	183,049,459	43,687	77,230,043	42,957	49,814,259	185,966
Total	401	4	468,832	6,132,704,140	689,351	6,110,966,084	524,203	5,570,400,526	6,357,795

AZAD JAMMU AND KASHMIR (AJK)

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market ¹⁸
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Bagh	KB, NRSP, OCT								
	3	-	5,525	39,540,431	28,475	15,086,966	11,313	178,268,965	-
Bhimber									-
Kotli	NRSP								
	12	-	5,690	45,183,931	34,257	6,190,774	23,898	443,820,000	-
Mirpur									-
Muzaffarabad	FMFBL, KB, NRSP, SDF								
	10	-	9,546	78,255,344	68,814	19,042,618	11,473	157,234,455	-
Neelum									-
Poonch	KB, NRSP								
	3	-	3,454	28,309,006	34,303	24,897,940	4,152	40,524,844	-
Sudhnati	NRSP								
	2	-	255	1,571,372	10,481	1,896,859	1,071	19,890,000	-
Total	30	-	24,470	192,860,084	176,330	67,115,157	51,907	839,738,264	-

OUTREACH (District Level)

GILGIT-BALTISTAN (GB)

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market ¹⁹
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Astore	FMFBL								
	1	-	1,150	14,374,718	2,602	31,275,194	1,150	14,374,718	-
Diamer									-
Ghanche	FMFBL								
	2	-	2,022	32,101,041	4,568	134,749,524	2,022	32,101,041	-
Ghizer	FMFBL								
	5	-	3,632	67,264,107	15,615	142,556,966	3,632	67,264,107	-
Gilgit	FMFBL								
	4	-	2,458	53,324,230	18,666	423,356,977	2,458	53,324,230	-
Skardu	FMFBL								
	3	-	3,263	59,250,672	8,576	137,204,594	3,263	59,250,672	-
Total	15	-	12,525	226,314,768	50,027	869,143,255	12,525	226,314,768	-

FEDERALLY ADMINSTRATED TRIBAL AREAS (FATA)

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market ²⁰
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Bajaur	KB								
	1	-	45	177,878	-	-	-	-	-
Khyber									-
Kurram									
									-
Mohmand	KB								
	1	-	220	803,877	-	-	-	-	-
North Waziristan									
									-
Orakzai									-
South Waziristan									
									-
Total	2	-	265	981,755	-	-	-	-	-

ISLAMABAD CAPITAL TERRITORY (ICT)

District	Number of Branches/Units		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)	
Islamabad	NRSP, POMFB								
	7	-	2,052	17,414,075	14,300	8,716,800	7,148	132,756,000	74,750

OUTREACH (ALL PAKISTAN)

Province	Offices		Microcredit		Micro-Savings		Micro-Insurance		Potential Microfinance Market	Penetration Rate (%)
	Fixed	Mobile	Active Borrowers	Gross Loan Portfolio (PKR)	Active Savers	Value of Savings (PKR)	Policy Holders	Sum Insured (PKR)		
Balochistan	26	-	19,822	154,623,763	80,257	42,790,535	14,338	145,940,806	1,656,762	1.20
KP	72	-	89,753	832,812,013	206,582	636,769,193	56,882	591,750,018	4,083,817	2.20
Punjab	1,100	-	1,441,817	17,935,892,400	2,078,854	4,127,103,635	2,363,560	30,758,403,104	15,233,924	9.46
Sindh	401	4	468,832	6,132,704,140	689,351	6,110,966,084	524,203	5,570,400,526	6,357,795	7.37
AJK	30	-	24,470	192,860,084	176,330	67,115,157	51,907	839,738,264	-	-
GB	15	-	12,525	226,314,768	50,027	869,143,255	12,525	226,314,768	-	-
FATA	2	-	265	981,755	-	-	-	-	-	-
ICT	7	-	2,052	17,414,075	14,300	8,716,800	7,148	132,756,000	74,750	2.75
Grand Total	1,653	4	2,059,536	25,493,602,998	3,295,701	11,862,604,659	3,030,563	38,265,303,486	27,407,048	7.51

OTHER NEWS ITEMS

NRSP Bank to commence nation-wide operations

The SBP has allowed NRSP Microfinance Bank to commence business as a nation-wide microfinance bank, making it the sixth microfinance bank with a national license. Initially, NRSP operations in 13 districts are being transformed into NRSP Microfinance Bank, with a total network of 38 branches in these districts. Earlier, the central bank had issued a license to the bank.

ADB approves Microfinance Risk Participation Program

In its first large scale private sector microfinance initiative, the Asian Development Bank (ADB) has approved a Microfinance Risk Participation Program (MRPP). Under the program, the ADB will partner with financial institutions supporting microfinance providers in a number of countries, including Pakistan. The aim is to encourage these financial institutions to lend to microfinance institutions by sharing the default risk on underlying loans by up to 50 percent.

SBP revises minimum capital requirement for MFBs

In BSD Circular No. 07 of 2010, the SBP raised the minimum capital requirement (MCR) for MFBs by 200 percent for all MFBs, allowing existing MFBs to raise their minimum paid up capital in a phased manner over the next three years. The prescribed minimum MCR varies for MFBs operating at the district, region, province and national levels.

The full circular can be viewed at:
<http://sbp.org.pk/bsrsvd/2010/C7.htm>

SBP revises PR regarding records retention

Adding to its Prudential Regulation No. 17 for MFBs, the State Bank in MFD Circular 01 of 2010 has revised the minimum requirements for identification and transactions record maintenance for MFBs to a period of at least five years following termination of business relationship or completion of transaction.

To view the full circular, please visit:
<http://sbp.org.pk/mfd/2011/C1.htm>

Seventh Citi-PPAF Micro-entrepreneurship Awards 2010

As part of the on-going collaboration between Citi Foundation and the PPAF, the seventh Citi-PPAF Micro-entrepreneurship Awards were held in Islamabad on February 22, 2011. Awards were distributed for six categories of micro-entrepreneurs; two national awards, one each for male and female, and four province-wise awards to honor the best micro-entrepreneurs in each category. Representatives from Citi, PPAF and the broader microfinance sector were present on the occasion.

PMN Roundtable on 'Headline Risk – Implications of the Indian MF Crisis' held

A roundtable was held by the PMN in Islamabad on March 3, 2011 to discuss the reasons behind and implication of the Indian microfinance crisis in Andhra Pradesh. Sanjay Sinha, Executive Director M-CRIL (based in Gurgaon, India) lead the discussion and offered insight into the recent crisis, after which a panel and an open-house discussion session followed. The event saw strong participation from across Pakistan's microfinance sector, with the majority of practitioners and other stakeholders present.

END NOTES

- ¹ Chagai district was divided into two districts (Nushki and Chagai) in 2005. The potential microfinance market estimate for Chagai is therefore an overestimation (aggregate of potential markets for Nushki and Chagai).
- ² Population data for Nushki district is not available. Nushki was carved out of Chagai district in 2005. Thus, the potential microfinance market estimate for Chagai is an aggregate of the potential market for Chagai and Nushki.
- ³ Population data for Sherani district is not available. Sherani was carved out of Zhob district in 2005.
- ⁴ Zhob was divided into two districts (Zhob and Sherani) in 2005. The potential microfinance market estimate for Zhob is therefore an overestimation (aggregate of potential markets for Zhob and Sherani).
- ⁵ Population data for Mingora district is not available. Mingora was carved out of Swat district in 2005. Thus, the potential microfinance market estimate for the district of Swat is an aggregate of the potential market for Mingora and Swat.
- ⁶ Swat district was divided into two districts (Swat and Mingora) in 2005. The potential market estimate for Swat is therefore an overestimation (aggregate of potential markets for Mingora and Swat). The estimate is based on 1998 DCR population data available for Swat.
- ⁷ OPP does not provide retail microcredit services in Gujranwala and Khushab. It wholesales funds to partner organizations: Mehran Education Welfare Society, and Soan Valley Development Program, respectively.
- ⁸ Population data for the district of Nankana Sahib is not available. The district was carved out of Sheikhpura district in 2005. Thus, the estimate for the district of Sheikhpura is an aggregate of the potential market for Sheikhpura and Nankana Sahib (based on 1998 DCR population data available for Sheikhpura).
- ⁹ OPP does not provide retail microcredit services in Rawalpindi. It wholesales funds to a partner organization: Alfalah Development Organization.
- ¹⁰ OPP does not provide retail microcredit services in Dadu. It wholesales funds to a partner organization: Soofi Shah Inayat Shaheed Sanghat.
- ¹¹ Hyderabad district was divided into four districts in 2006. These are Hyderabad, Matyari, Tando Muhammad Khan, and Tando Allahyar. Thus, the potential microfinance market estimate for Hyderabad is an aggregate of all four resulting districts (based on 1998 DCR population data available for Hyderabad).
- ¹² Population data for Jamshoro district is not available. The district is new and was carved out of Dadu district in 2006. Thus, the estimate for Dadu also includes the estimate for the recently created Jamshoro district.
- ¹³ The market estimate for Karachi is the aggregate of four districts namely, Central, West, East, and South.
- ¹⁴ OPP does not provide retail microcredit services in Khairpur. It wholesales funds to partner organizations: Khajji Cooperative Society, Goth Seenghar, and Marvi Rural Development Organization.
- ¹⁵ Population data for Matyari district is not available. The district was carved out of Hyderabad district in 2006. Thus, the estimate for Hyderabad also includes the estimate for the recently created Matyari district.
- ¹⁶ OPP does not provide retail microcredit services in Mirpur Khas, Nawabshah, Naushahro Feroze, Thatta and Umer Kot. It wholesales funds to a number of partner organizations: Sindh Rural Partner Organization; Shah Sachal Sami Welfare Association; Village Welfare Society; Sindh Community Development Organization; Ghulam Qadir Group; and Shama Roshan Social Welfare Development Organization, respectively.
- ¹⁷ Population data for districts Tando Allahyar and Tando Muhammad Khan is not available. The districts were carved out of Hyderabad district in 2006. Thus, the microfinance market estimate for Hyderabad is an aggregate of the potential markets in the recently created Tando Allahyar, Matyari and Tando Muhammad Khan districts.
- ¹⁸ Due to unavailability of population data for the Azad Jammu and Kashmir (AJK) districts, the potential microfinance market could not be estimated.
- ¹⁹ Due to unavailability of population data for the Federally Administered Northern Areas (FANA) the potential microfinance market could not be estimated.
- ²⁰ Due to unavailability of population data for the Federally Administered Tribal Areas (FATA), the potential microfinance market could not be estimated.

REPORTING ORGANIZATIONS

Category	MFP	Reporting Period	
		Year	Year
		2009	2010
MFB Micro finance Bank licensed and prudentially regulated by the State Bank of Pakistan to exclusively service micro finance market	Kashf Microfinance Bank (KMFB)	✓	✓
	Khushhali Bank (KB)	✓	✓
	Network MicroFinance Bank Ltd. (NMFB)	✓	×
	Pak-Oman Microfinance Bank Ltd. (POMFB)	✓	✓
	Tameer Microfinance Bank Ltd. (TMFB)	✓	✓
	The First MicroFinanceBank Ltd. (FMFB)	✓	✓
MFI Micro finance institution providing specialized micro finance services	Akhuwat	✓	✓
	ASA -- Pakistan	✓	✓
	Asasah	✓	✓
	Centre for Women Cooperative Development (CWCD)	✓	✓
	Community Support Concern (CSC)	✓	✓
	Development Action for Mobilization and Emancipation (DAMEN)	✓	✓
	Kashf Foundation	✓	✓
	Orangi Charitable Trust (OCT)	✓	✓
	Sindh Agricultural and Forestry Workers' Coordinating Organization (SAFWCO)	✓	✓
	National Rural Support Programme (NRSP)	✓	✓
RSP Rural support programme running micro-finance operation as part of multi-dimensional rural development programme	Punjab Rural Support Programme (PRSP)	✓	✓
	Sarhad Rural Support Programme (SRSP)	✓	✓
	Thardeep Rural Development Programme (TRDP)	✓	✓
	BRAC -- Pakistan	✓	✓
Others	Jinnah Welfare Society (JWS)	✓	✓
	Narowal Rural Development Programme (NRDP)	✓	✓
	Organization for Participatory Development (OPD)	✓	✓
	Rural Community Development Society (RCDS)	✓	✓
	Sungi Development Foundation (SDF)	✓	✓
	Swabi Women's Welfare Society (SWWS)	×	✓
	ORIX Leasing Pakistan Ltd. (OLP)	✓	✓

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Design & Layout: Pakistan Microfinance Network

Printed at: The Mass Company Printers

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