

Microfinance Investment Support Facility for Afghanistan



October 2013

Since 2010, hundreds of the poorest women in Afghanistan's rural provinces, long been marginalized, have been participating in a long-term financial graduation program implemented by MISFA and funded by IFAD.



Full financial inclusion is a state in which all people, who can use them have access to a full suite of quality financial services, provided at affordable prices, in a convenient manner, and with dignity for the clients. Financial services reach everyone who can use them, including disabled, poor, and rural populations.

– Center for Financial Inclusion

MISFA Beyond 2013: Focus on Leadership and Financial Inclusion

MISFA will continue working toward its vision of developing a viable and inclusive financial sector in Afghanistan. MISFA is the Afghan organization in the best position to play a significant leadership role to move toward the financial inclusion agenda in ways beyond wholesale lending to MFIs.

MISFA's new Strategic Plan is developed around two key guiding principles:

- **Leadership:** The development of strong leadership principles and capacity are the foundation for providing innovative access to financial programs; and
- **Financial Inclusion:** The deepening of MISFA's core business to expand access-to-finance services throughout Afghanistan; and develop

activities that will complement and maximize outreach in the market to reach underserved target populations.

Leadership and **Financial Inclusion** as guiding principles embody the gains and lessons learned by MISFA over the years. And by setting strategic objectives anchored on these guiding principles for the next three years, MISFA is charting a course for the sector toward sustainability, longevity and alignment with the broader agenda of the Government of Afghanistan and the international community.

STRATEGIC OBJECTIVES

1. **Strategic objectives for strong sector leadership:**
 - 1.1 Maintain MISFA's credibility as a leading institution;

- 1.2 Develop strategic alliances and partnerships with key organizations in financial sector;
- 1.3 Strengthen advocacy function to promote inclusive development finance sector; and
- 1.4 Establish concrete capacity development mechanism to promote Afghan leadership within MISFA and across the sector

2. Strategic objectives to expand financial inclusion:

Develop a viable and inclusive financial sector for the poor and under-served by supporting a range of innovations, products and services with a focus on the financial and social betterment of clients.

2.1 **Core Business:** Continue supporting the

creation of stronger and more effective microfinance institutions (MFIs), including its own new subsidiary Mutaahid;

2.2 **Research and Development:** Implement R&D function to conduct market-driven sector research on new products, innovations, and investigate new ways to use technology for greater efficiency in serving clients;

2.3 **Knowledge Management:** Develop a knowledge-based resource center within MISFA to document lessons learned, implement the credit registry and social performance management initiatives, and provide access to sector knowledge.

MISFA Guiding Principles and Strategic Objectives



This is MISFA's e-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.