Pakistan Microfinance Network
Achieving Together

PAKISTAN MICROFINANCE REVIEW 2021

KEY EXTRACTS FROM THE ANNUAL STATE OF THE INDUSTRY REPORT
PAKISTAN MICROFINANCE NETWORK

PMR EDITORIAL BOARD

PMN TEAM

ABBREVIATIONS

API	Application Performing Interface
SECP	Securities and Exchange Commission of Pakistan
SBP	State Bank of Pakistan
PMIC	Pakistan Microfinance Investment Company Ltd
PMRC	Pakistan Mortgage Refinancing Company Ltd
SME	Small and Medium Enterprise
NBMFC	Non-Banking Microfinance Company
MFP	Microfinance Provider
MFI	Microfinance Institution
MFB	Microfinance Bank
KYC	Know Your Customer
CDD	Customer Due Diligence
AML	Anti-Money Laundering
CFT	Counter Terrorist Financing
ICAP	Institute of Chartered Accountants of Pakistan
FLGF	First-Loss Guarantee Facility
PPTFC	Private Placed Term Finance Certificate
MFCG	Microfinance Credit Guarantee
OSS	Operational Self Sufficiency
FSS	Financial Self Sufficiency
PAR	Portfolio at Risk
CAR	Capital Adequacy Ratio
MoF	Ministry of Finance
A2F	Access to Finance
GoP	Government of Pakistan

HIGHLIGHTS

YEAR	2021	2020	2019	2018	2017
Active Borrowers (in millions)	8.0	7.0	7.4	6.7	5.5
Gross Loan Portfolio (PKR billions)	372	319	302	256	196
Active Women Borrowers (in millions)	3.5	3.4	3.8	3.5	2.7
Branches	3,667	3,722	3,802	4,102	3,533
Total Staff	41,384	44,573	46,163	42,048	36,053
Total Assets (PKR billions)	704	617	493	427	330
Deposits (PKR billions)	401	373	266	239	186
Total Debt (PKR billions)	163	117	105	90	74
Total Revenue (PKR billions)	123	111	111	89	66
OSS (percentage)	97	100	97	119	125
FSS (percentage)	95	99	95	109	122
PAR > 30 (percentage)	4.8	3.2	3.9	1.6	0.5

SECTION 1: THE YEAR IN REVIEW

Financial Year 2021 was another challenging year for the economy and the microfinance industry as the recovery from the first and second waves was in progress while the third wave added more obstacles to the road of recovery. Pakistan, like other countries, was threatened by the third wave of the Global Pandemic, Covid-19. However, effective and timely measures led to a V-shaped recovery of the economy.

While the threat of Covid-19 was still prevailing over the head of the global economy, policy makers and regulators in Pakistan were persistent in keeping the policy rate to 7 percent to facilitate economic activities for MFPs and their clients. In addition to this, keeping in mind the Covid-19 impact, regulators provided an extension for one more year to defer and reschedule loans for clients' facing problems in repaying their borrowed credits. Similar extensions were provided in the area of reporting and compliance where the implementation of IFRS 9 was delayed for NBMFCs which otherwise would have added financial and non-financial difficulties for the microfinance sector.

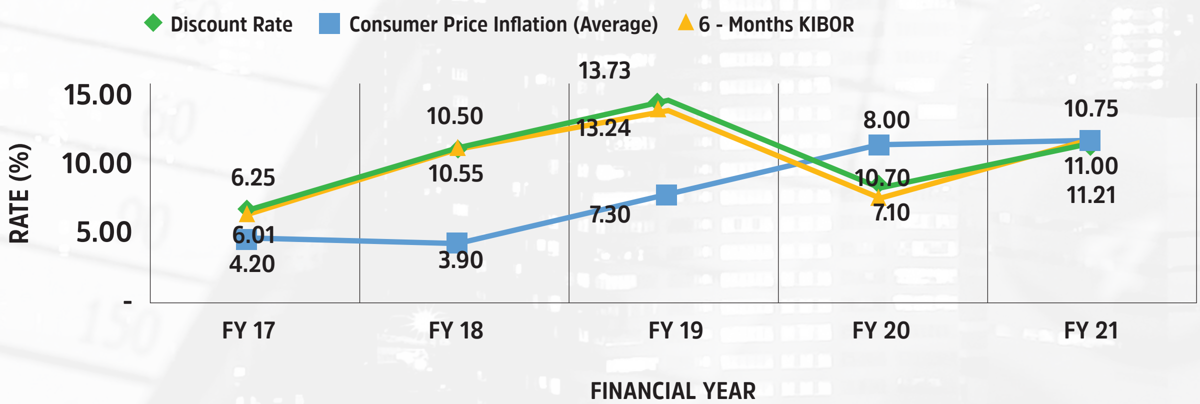
On the other side, the concept of smart lockdown was implemented by the government during the second wave and more efficiently in the third wave which allowed breathing room for MFPs to operate and reach their existing and potential clients as operations were allowed to be resumed under certain SOPs which were very strictly adhered to.

As the crisis proved to be a catalyst for digitization and automation in FY 2020 and several steps were taken on the funding side including setting up guarantee funds and social impact funds, the impact of Covid-19 led to the realization of technology as an important element for the effective and efficient outreach to the clients. Hence, FY 2021 was a transitioning year where the majority MFPs started to integrate into their operations as well.

Several initiatives were undertaken by SECP, SBP and PMIC. PMIC continued to be the main source of commercial debt for the sector. In addition, it did its first transaction under the Social Impact Fund by issuing privately placed bonds. To promote commercial lending to the sector, PMIC launched its first-loss guarantee fund in the year. Keeping in view the focus on the housing sector by the government, several players have entered the affordable housing market and borrowed from the PMRC. The year also saw SBP making a concentrated effort to improve women's access to finance by launching Banking on Equality Policy with targets for the entire financial sector and SECP rolled out a comprehensive set of regulations focusing on governance, risk management, credit risk, and liquidity management for the NBMFCs under the regulatory umbrella of SECP in 2015 which signals more formalization of the NBMFCs by the regulator.

Overall, the recovery of microfinance sector recovery was in line with V shaped recovery of the Pakistan's economy. Though MFPs played their role in in contributing to the recovery at individual capacity, several key players also played their role to provide cushion to withstand the impact of Covid-19 as well as provide a solid ground for the recovery.

Historic Trend in Macroeconomic Indicators



POLICY & REGULATORY ENVIRONMENT

1. Regulatory Relief by SBP to MFBs

Keeping in view the continuation of Covid 19 in FY 2021, SBP provide regulatory relief to the MFBs in December 2021, by issuing a circular. This circular was in continuation to circulars 01, 04, and 07 issued in 2020. To mitigate the adverse effects of Covid 19 on their clients, MFBs deferred/restructured their outstanding loans with them. This circular allowed MFBs to extend relief to the affected clients by relaxing the provisioning and classification of the asset criteria for the deferred and restructured portfolio. This relaxation had been extended till March 31, 2022. The provisioning requirements and asset classification criteria have been relaxed. This relaxation will not only facilitate the clients and reduce the impact of Covid 19 but also, allow MFBs to smoothen future losses due to delinquencies. Similarly, the application of IFRS 9 on MFBs has been declined to minimize the impact of Covid 19.

CATEGORY	DETERMINANT (EXISTING)	DETERMINANT (DRP)
Other Assets Especially Mentioned (OEM)	Loans (principal/mark-up) are overdue for 30 days or more but less than 60 days	Loans (principal/mark-up) are overdue for 60 days or more but less than 90 days
Substandard	Loans (principal/mark-up) are overdue for 60 days or more but less than 90 days	Loans (principal/mark-up) are overdue for 90 days or more but less than 120 days
Doubtful	Loans (principal/mark-up) are overdue for 90 days or more but less than 180 days	Loans (principal/mark-up) are overdue for 120 days or more but less than 210 days
Loss	Loans (principal/mark-up) are overdue for 180 days or more	Loans (principal/mark-up) are overdue for 210 days or more

2. New Regulatory Requirements for NBMFCs

In the year 2021 SECP introduced several new regulatory requirements for NBMFCs. These requirements covered areas of risk management, funding & liquidity management, credit underwriting, and corporate governance.

a) Risk Management

The risk management requirements were applied to NBMFCs having a Gross Loan Portfolio (GLP) of over PKR 500 million. The entities are required to have a comprehensive risk framework duly approved by their boards. Moreover, the risk management framework needs to cover all risks and not just be restricted to credit risk only. In addition, contingency planning for various stress situations needs to be developed and reviewed regularly.

b) Funding and Liquidity Framework

NBMFCs were required to have a funding and liquidity management framework with an aim to have diverse sources of funding to remain sustainable and meet their double bottom-line objective. Through this amendment, NBMFCs have not only been encouraged to diversify their funding sources but also use diverse financial instruments to meet their funding needs. Importantly, a single lender borrower limit has been imposed ranging between 60 percent to 75 percent depending upon their debt-to-equity ratio. While the CAR limit has not been imposed on NBMFCs so far but from these regulatory changes, it appears we are heading toward its imposition in the future. Also, the changes require the creation of a special reserve fund by NBMFCs require where at least 5 percent of the after-tax profits shall be credited and reported as a separate head in the statement of financial position as part of the equity

c) Loan Underwriting Policy

The NBMFCs board shall establish and oversee a loan underwriting policy aligned with its risk governance framework, its risk tolerances and limits, and its overall risk appetite and strategy, and the policy shall be reviewed by the board periodically. Entities shall have written manuals and policies about the screening, approval, monitoring, and collection of loans. In addition, NBMFCs have been asked to develop know-your-customer (KYC), Customer Due Diligence (CDD), and AML/CFT policies.

d) Code of Corporate Governance

Code of corporate governance for NBMFCs has been introduced which prescribes having independent and women directors on the board, disclosures on conflict of interest, directors training, and frequency of meetings. Sub-committees of the board dealing with Audit, Human Resources & Remuneration, and risk management need to be formed. Special emphasis has been made on having an internal audit function for the NBMFCs. Moreover, external auditors for NBMFCs should be appointed having satisfactory ratings on the Quality Control Review program of ICAP.

Conclusion

These amendments in the regulations are among the most comprehensive issued by SECP since the non-bank microfinance entities were brought under the regulatory umbrella in 2015. It is reflective of the fact that entities are expanding and growing and there is a need to formalize their risk management, credit underwriting standards, and corporate governance. All these steps are essential for NBMFCs to scale up their operations

INDUSTRY INITIATIVES

1. Developments at Pakistan Microfinance Investment Company (PMIC)

Covid-19, with its multiple waves, had continued to make headlines and pose challenges for the microfinance sector of Pakistan during the year 2021. The economic turmoil also badly impacted the end clients as well as the Microfinance Providers in the country. In the face of these challenges, the Pakistan Microfinance Investment Company – PMIC had continued to play a leading role as an apex for the microfinance sector and extended unwavering support to its borrowers (MFPs) as well as the overall microfinance sector

a) Credit Disbursement

During the year, the credit disbursements from PMIC to borrowing institutions were utilized to serve around 720,000 microfinance clients, of which 85% were women. 65% of the portfolio at year-end was outstanding in rural areas, which is in line with PMIC's objective to serve those in marginalized areas and enhance development outcomes. PMIC's model of financing is in line with its vision to enhance employment and income-generating opportunities as almost 31% of the portfolio was dedicated to trade/manufacturing and production purposes, while exposures in agriculture and livestock aggregated at 33%. Loans to the services sector stood at 17% at year-end while 3.2% of the portfolio was deployed in Education, Renewable Energy, Housing, and Consumer loans.

b) Entity Rating

PMIC was able to maintain the entity rating at "AA/A-1+" and successfully raised funds from commercial banks during 2021, closing the year at Rs. 11.3 billion of commercial borrowings. PMIC, as the lead advisor and arranger, completed PKR 3.5 billion Privately Placed Term Finance Certificate (PPTFC) transaction - under its Social Impact Fund - for U Microfinance Bank. Furthermore, PMIC introduced its "First Loss Guarantee Facility" ("FLGF") to incentivize commercial funding into the microfinance sector. With the eclipse of the PPAF PRISM facility and SBP's Microfinance Credit Guarantee (MFCG) under the Financial Inclusion Program, a need was felt for such a guarantee facility to assist mid-tier entities to borrow commercially.

c) KfW Renewable Energy Initiative

PMIC KfW Renewable Energy Initiative – PRIME had also continued to provide financing for access to solar home solutions to clients residing in off-grid and poor grid areas of Pakistan. PMIC had also launched a digital application-based livestock microinsurance pilot in collaboration with Asia Insurance and three MFIs. Opportunity International and PMIC also agreed to scale up the initiative to improve the quality of education in the country by financing low-cost private schools and building the capacity of school teachers in pedagogical skills and owners in school management.

d) Challenge Fund – "Accelerating Access to Finance and Increasing Income of Small Farmers "

PMIC launched its first-ever Challenge Fund-CF under the thematic area of "Accelerating Access to Finance and Increasing Income of Small Farmers". At a time, when lending to the Agri sector is decreasing in the microfinance sector this challenge fund, can arrest this decrease and introduce new products to promote lending to this segment. Further, PMIC successfully launched its "New Institutional Development Fund", with more lenient eligibility criteria to attract PMIC financing to support new entrants in the microfinance sector. With a potential market of over 40 million clients and active microfinance providers being around 40, new entrants can accelerate financial inclusion in the economy.

2. Microfinance Industry and Affordable Housing

In order to address the challenge of the chronic housing shortage in the country and secondly, to boost the economy given the importance of the construction industry, an ambitious housing subsidy program was launched by the government of Pakistan under the banner of "Mere Ghar Mera Pakistan" and creation of Naya Pakistan Housing & Development Authority (NAPHDA). SBP followed this up by giving indicative housing targets for commercial banks. The emphasis on low-cost housing came at a time when microfinance entities in Pakistan were looking towards diversifying their asset bases. Tier 0 housing loans were created keeping in view the MFBs with a limit of PKR 2 million. Microfinance players built up their capacities and introduced housing loan products for the clientage. To refinance the loans keeping in view their longer tenors, refinance lines from Pakistan Mortgage Refinance Company (PMRC) were obtained. Up to 12 lines amounting to PKR 5.15 billion were disbursed to MFBs and NBMFCs

3. Banking on Equality

Women in Pakistan are disproportionately underserved by the financial system of Pakistan. To achieve greater financial inclusion, it is pertinent to include men and women equally. Women represent 49% of the Pakistani population and the country cannot grow economically without them. According to the World Bank's global demand side survey Findex, as of 2021, 21% of adults have a formal financial account, increasing from 13% in 2014. Whereas, female accounts have increased to 13.5% from 7% in 2017.

The State Bank of Pakistan (SBP) has proposed policies identifying five pillars that will promote institutional diversity, product diversification and development capability, customer acquisition, and facilitation by emphasizing the provision of facilities to women. The SBP has further stressed the importance of the collection of disaggregated data for the distinction and identification of the imbalance in the inclusion of both sexes in the financial sector.

To promote the role of women in the workforce it is very important to address the internal gender imbalance. Women in top leadership roles at financial organizations will assist policymakers in developing women-friendly policies with practical knowledge from within the field. Currently, 13% of the banking staff and 1% of the branchless banking agents are women. We can improve gender diversity by increasing the number of women champions at customer touchpoints. These women champions will have to take gender sensitivity training apart from being well versed with the bank products and government and SBP schemes to assist women entrepreneurs and customers. The SBP aims to implement such resources in at least 75% of the touchpoints. It will also be ensured that female labor force participation is increased to 20% by 2024 to further promote the agenda of gender diversity. Although it is mandatory for the institutions to have at least one woman on their board, there are gaps in implementation. Therefore, through this policy, the importance and implementation will be reiterated

To focus on gender-inclusive design, it is imperative to have dedicated teams working on gender-segmented product design by keeping in mind the importance of the existing social norms and marketing the products accordingly. To promote these products, financial institutions will collaborate with organizations and trade bodies. This will help them in achieving their set targets for savings and credit products for women. Furthermore, creating a separate tab for women's financial services on the FI's website will also increase the reach of the desired products among potential women customers.

The dearth of gender-disaggregated data further impedes the development of informed policies and actions for reducing the financial gender gap. Under this policy, SBP will instruct financial institutions to collect and report gender-disaggregated data focusing on the dissemination of products and services to women. Additionally, SBP will also have in-house research done on gender and thus develop tools for impact assessment in reducing the gender gap.

The fifth pillar of the policy initiative comprises setting up a policy forum on gender and finance. The forum will not only discuss the drivers and barriers to women's financial inclusion but will also act as a catalyst for internalizing gender mainstreaming within the organizations. This forum will be chaired by Governor SBP and include members from Banks, DFIs, MFBs, SECP, women's chamber of commerce, civil society, private sector, gender leaders, etc. Annual conferences will also be held in this regard for knowledge sharing and supporting women's financial inclusion.

SECTION 2: FINANCIAL PERFORMANCE REVIEW

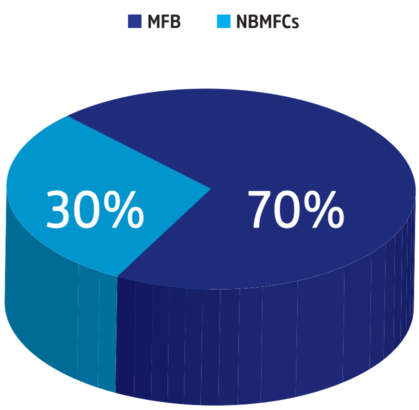
This section provides a detailed analysis of the financial performance of the Microfinance sector of Pakistan in the fiscal year 2021. The performance has been evaluated at three different levels: industry-wise, across peer groups, and institution-wise. 88 financial metrics derived from the reporting organization's audited financial statements provide support for the study. The indicators are compared across time – horizontal – and regions to develop a reliable and fair assessment of the sector.

A total of 33 MFPs submitted their audited financial statements for PMR 2021. For a complete list of reporting organizations refer to Annex B.

Industry players have been categorized into two groups for benchmarking and comparison purposes: Microfinance Banks (MFBs) and Non-Bank Microfinance Companies (NBMFCs).

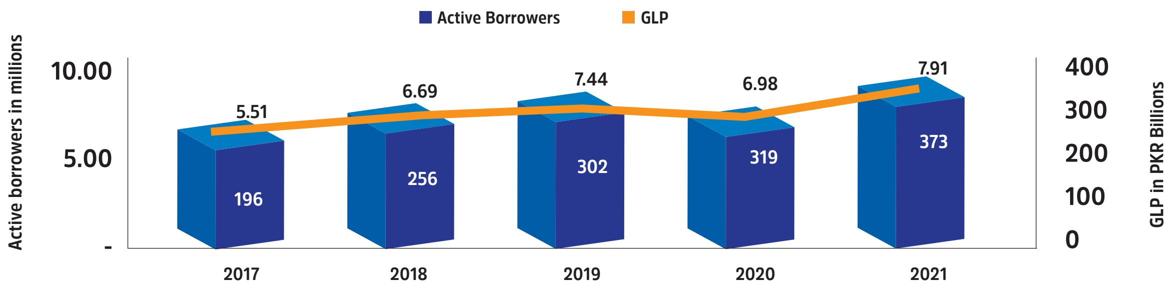
DISTRIBUTION OF MFPS BY PEER GROUPS

Distribution of MFPs by peer groups



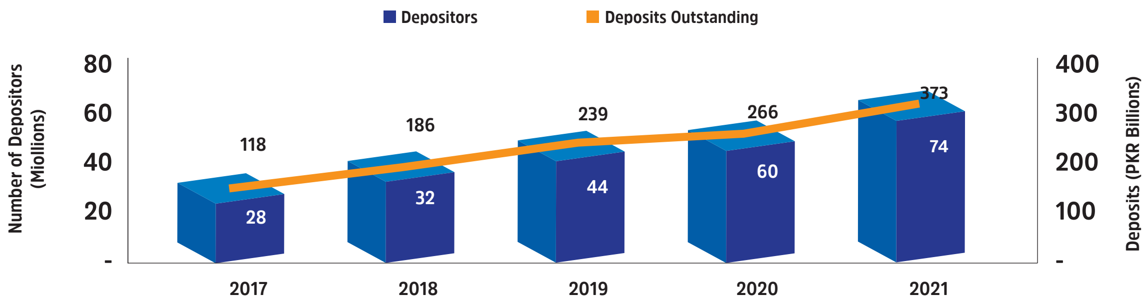
Growth in Number of Active Borrowers and GLP

Active Borrwers & Gross Loan Portfolio



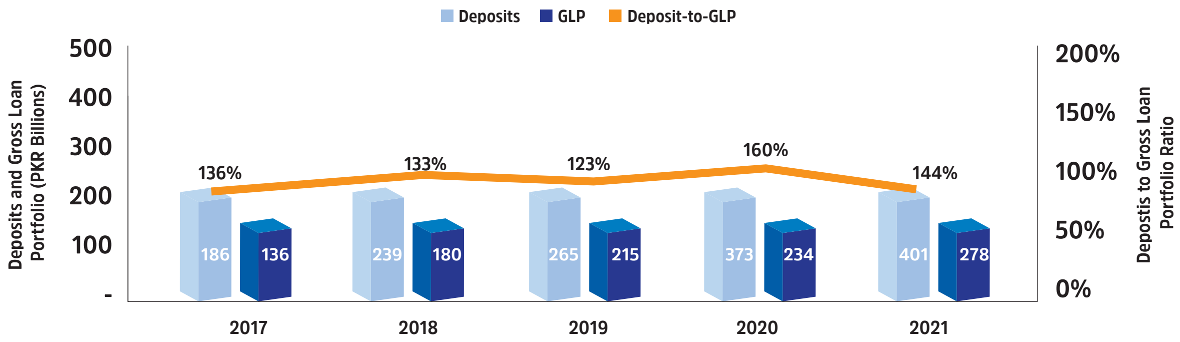
Number of Depositors & Deposits Outstanding

Number of Depositors & Deposits Outstanding



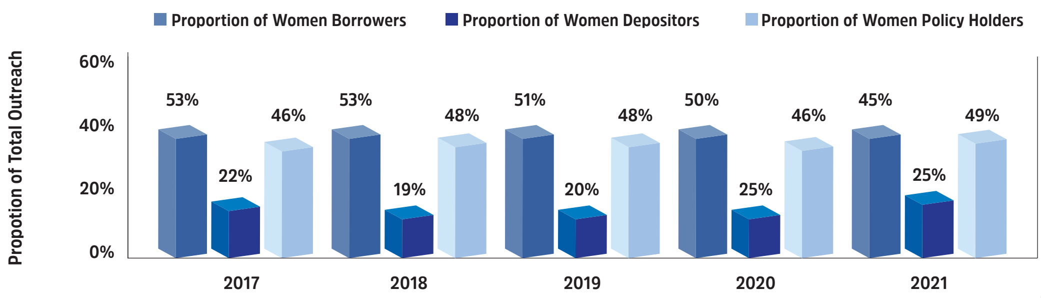
Deposit-To-GLP Relation

Deposits to Gross Loan Portfolio



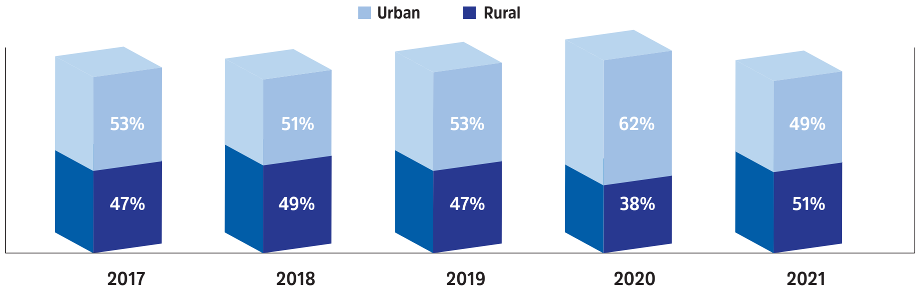
Outreach to Women

Outreach to Women: MicroCredit, MicroSavings & MicroInsurance

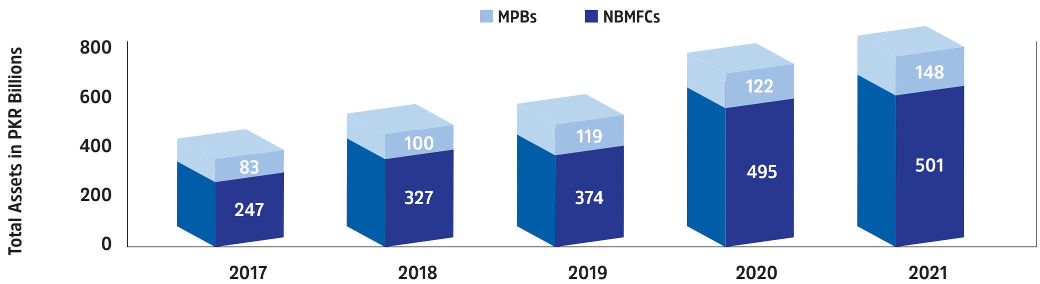


Active Borrowers by Urban/Rural Areas

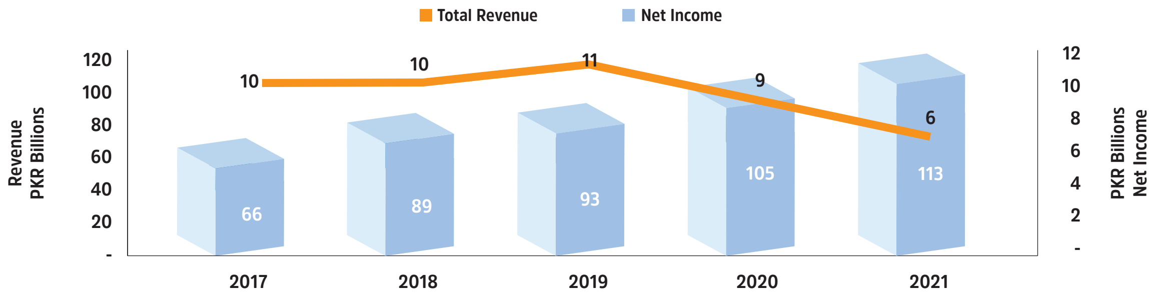
Active borrowers by Urban / Rural areas



Total Asset Base of the Sector



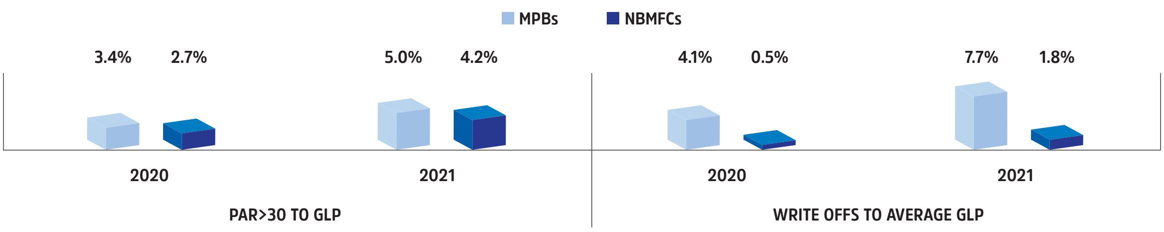
Total Revenue & Net Income



*2019 & 2020 does not depict the impact of Telenor Microfinance Bank on the sector

PAR > 30 days to GLP and Write offs to average GLP

Active borrowers by Urban / Rural areas



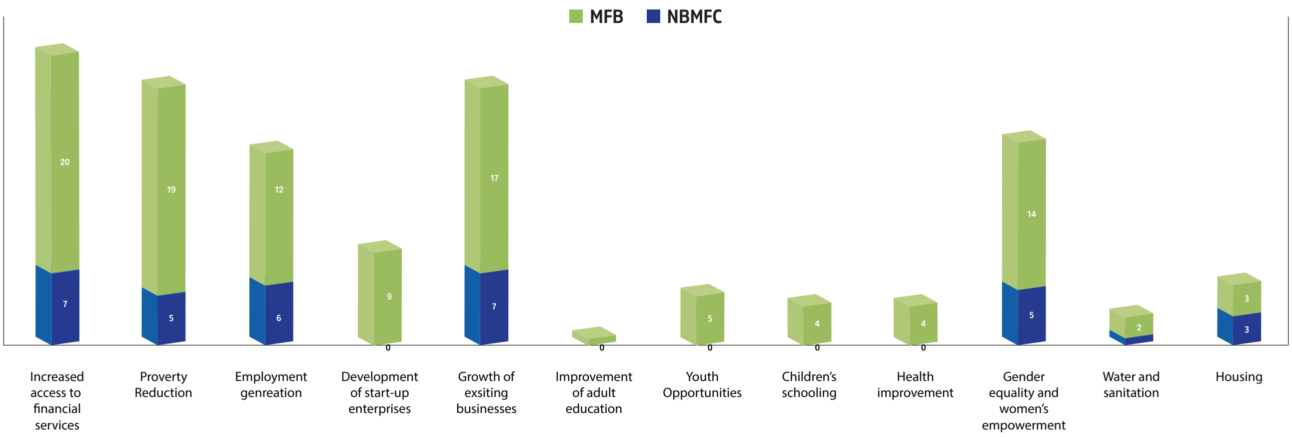
SECTION 3:
SOCIAL PERFORMANCE REVIEW

The goal of Pakistan's microfinance industry has been to increase the population's marginalized groups' access to economic opportunities and progress. The industry has remained committed to meeting the unique requirements of its customers, which includes integrating Social Performance Management into its procedures, practices, and operations with an emphasis on steady financial inclusion. A microfinance institution's social performance management demonstrates how successfully it achieves the social objectives mentioned in its purpose and vision. As a result, social performance is measured using a variety of variables, such as the target market, governance principles, client safety, the goods and services provided, and environmental protection laws.

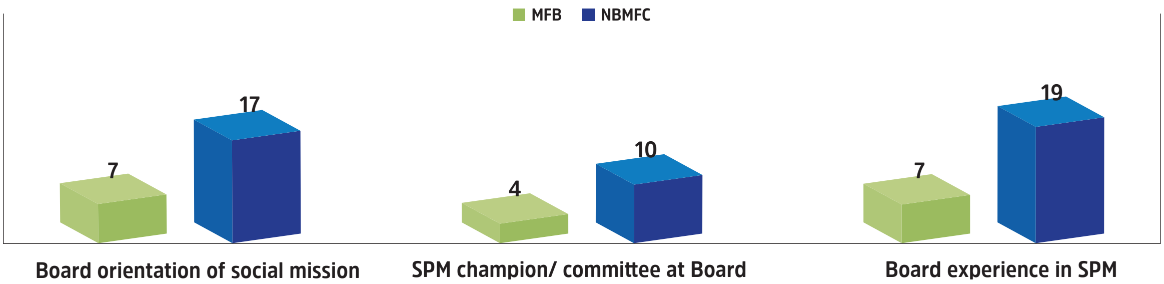
Without taking into account social and developmental sectors that need improvement, increasing access to financial services is unsustainable. Microfinance Institutions (MFIs) have prioritized these areas, as shown by their participation in a range of social and development initiatives, such as expanding access to financial services, fostering the growth of new and existing businesses, reducing poverty, creating jobs, and advancing gender equality. These efforts not only support the microfinance industry, but MFIs also utilize them to monitor their success in attaining their own social and development objectives. As a result, the development of social performance indicators is carefully monitored to manage the bottom line on both the financial and social fronts.

The next section will present an overview of the key social performance indicators used for monitoring by the microfinance sector in Pakistan. In this section, the industry trends across various Social Performance (SP) indicators like social goals, poverty targets, governance & HR, diversity in financial and non-financial service provision, client protection and environmental protection will be analyzed.

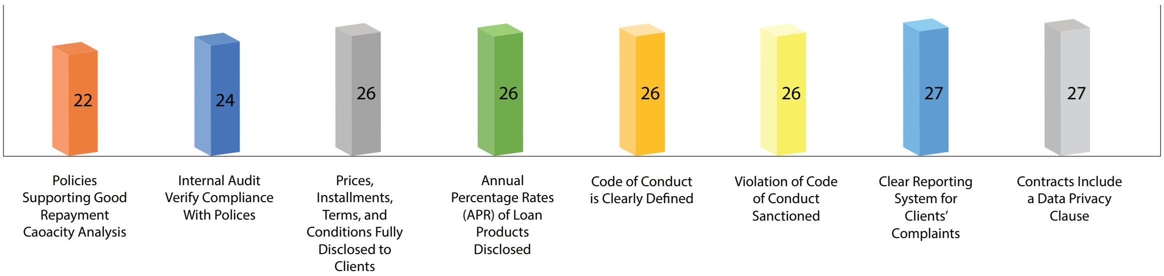
Develoment Goals



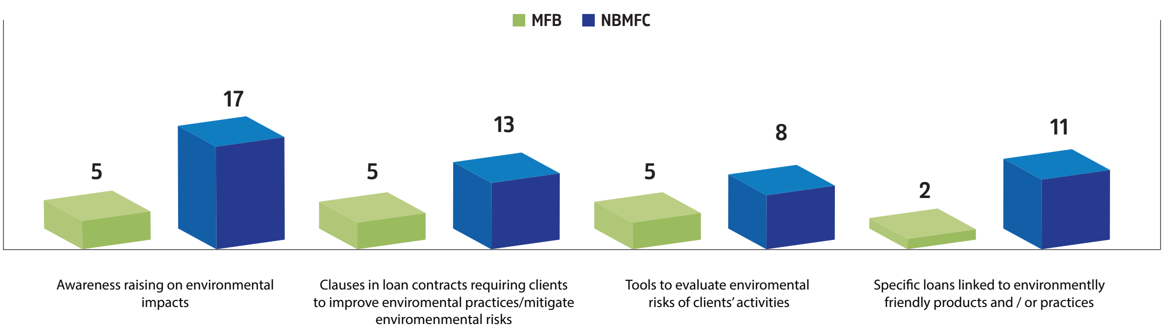
Board Commitment to Social Performance Management



Client Protection Indicators



Environmental Policies in Place



SECTION 4: THE WAY FORWARD

Challenges

Microfinance in Post Covid-19 Era

Covid-19 brought many restrictions for the businesses to operate in a traditional manner. Normal life and the economy were disrupted and microfinance industry was no exception. Although, Policymakers and regulators remained cognizant of the challenges brought up by the pandemic and brought up several relief packages for microfinance industry to withstand the obstacles during Covid-19 pandemic, some of them had an adverse impact in post Covid-19 Era. Deferred and rescheduled loans going up to a year had an unintentional consequence of affecting the credit discipline among the clientage. The relief was misperceived as write-offs resulting in delinquencies for players. With the moratoria and payment holidays ending, practitioners have been forced to write off delinquent loans which have reduced profitability and even hit the capital adequacy of some of the players. At a time when microfinance players are needed to play an instrumental role in rebuilding the economy, the losses incurred have resulted in diverting their focus toward their sustainability. For microfinance players to grow and expand their outreach especially mid-sized and smaller entities require liquidity which can be in form of either direct funding lines or guarantee funds allowing them to borrow commercially at favorable terms. Funds for such facilities can be generated through multilateral or government and may be routed through the national apex.

Funding Landscape for the Microfinance Industry

NBMFCs continued to rely on the national apex PMIC, international lenders, and local commercial banks to meet their funding needs. Borrowing was capped from PMIC due to single-borrower limits imposed by SECP which pushed NBMFCs to borrow from commercial and international lenders. International borrowing though expensive but convenient remains popular with NBMFCs. Lending from commercial banks remained a challenge with continued low uptake in private-sector credit, concerns about NBMFCs governance, internal controls, and MIS, and a low level of understanding of industry dynamics.

Opportunities

Nano Lending in Pakistan

Alternative lending solutions are growing in emerging markets with large financially excluded populations. Digital credit offerings are growing in these markets at a rapid pace. They offer fully automated short-term loans to the consumers which provide them access to liquidity. Nano lending or nano loans, therefore, means very nominal loans in monetary amounts. A step towards financial inclusivity, the scheme aims to offer small, collateral-free loans to marginalized individuals who do not have the wherewithal or the inclination to get themselves attached to a bank account. While numbers for nano loans are hard to come by but in the country where 30 percent of the population has access to the internet via smartphones and only 2 percent have access to formal financial services. With a supportive ecosystem including a payments system, credit bureaus, and unique ID, growth in nano lending is natural.

Digital Banking in Pakistan

Digital banking offers a cost-effective solution to promote financial inclusion in a country like Pakistan where access to finance is quite low. It can be used to provide credit to unserved segments, reduce intermediary costs, encourage innovation, and improve customer experience. Keeping the above in view, SBP has launched licensing and regulatory framework for digital banks in Pakistan. Initially, SBP plans to offer two types of licenses namely Digital Retail Bank (DRB) and Digital Full Bank (DFB). DRB will be focused on retail clientage whereas DFB can not only meet the requirements of retail clients but also serve business and corporate clients. As per reports up to 20 applications have been received for digital banking licenses under the framework whereas SBP plans to initially issue 5 licenses. Applicants include conventional and Islamic banks, fintech and telcos, and international players.

A2F in Pakistan can be accelerated through the introduction of digital banking like in other countries across the region and the globe. The new licensing regime offers opportunities to existing banks to convert into digital players, EMI and fintech to scale up and global players in the field to bring their experience to the country. However, it must be kept in mind that becoming a digital bank requires a special mindset and innovative culture to make an impact and succeed in its mission.

Open Banking

The conventional banking industry can be revolutionized by open banking. Open banking utilizes the Application Programming Interface (APIs) to securely share financial data with other financial institutions. Use of open banking APIs has facilitated the users in easily switching between one bank's checking account service to another bank's service. Open banking's secure APIs give access to the third-party to access customer's data and use it to provide consolidated information in different forms. Customer's transaction data can be used to identify a tailored financial product and services for them.

Lenders will also be able to get a clearer picture of customer's financial situation and risk level thus allowing them to offer loans in profitable terms. Similarly, customer's will also be able to see the accurate picture of their finances before applying for a debt. Small businesses can also benefit by saving time through online accounting and aid companies in fraud detection by monitoring customer accounts and identifying problems sooner. Technology-focused lending aggregators like Funding Xchange reduce the loan origination timeline by automating and standardizing the way applications are qualified, submitted, and processed.

The company uses open-banking transaction data to better evaluate an SME's eligibility and affordability against the appetite of lenders in its marketplace and is accessible by banks, lenders, lessors, and brokers. Approximately one-third solutions are being targeted towards SMEs. State Bank of Pakistan (SBP) has been working on open banking in Pakistan. The working plan has been designed using World Bank's assistance and will soon be materialized. Open banking will change how customers interact with banks and other financial services in Pakistan. It aims to bring digital financial tools to more people, thus also increasing the financial inclusion in the country. Prosper Technologies provides a cloud platform that allows users to, only with their explicit consent, easily share their financial data with the business of their choice. Using open banking, small loans and credit can also be provided to customers (people and businesses) who didn't have access to these services in the past. Lenders require credit histories and up-to-date information that can be stead fasted through open banking. It can show that these entities are creditworthy through different aspects

Funding Landscape for the Microfinance Industry

Keeping in view the funding challenges of Microfinance sector, previous government's launch of the Kamyab Pakistan Program (KPP), ensured a steady stream of financing for the microfinance industry with the GOP guaranteeing 100 percent exposure of the commercial banks on the retail players. Initially, 5 entities received funds from leading commercial banks before the scheme was discontinued due to the change in the administration. However, this showed that wholesale guarantees offered to commercial banks either by SBP or MoF can ensure a steady stream of funds to the sector and promote A2F at the bottom of the pyramid.

Similarly, keeping in view the stress on the housing sector in the last few years, the microfinance sector was also encouraged to enter the low-cost housing segment by the policymakers and regulators with a Tier 0 category specially created for them. Being a new segment, the microfinance sector began gearing to serve the segment and introduce it as a new asset class in their loan offerings to clients. Several capacity-building initiatives were carried out by PMRC, PMN, and the entities themselves. PMRC not only extended mortgage refinancing lines to MFBs but also to a couple of NBMFCs to promote affordable housing. Combined with interest rate and operating cost subsidy being borne by the GOP, the scheme received a good response. Unfortunately, due to GOP's financial difficulties the scheme is currently on hold, however, going forward affordable housing will remain an area of focus for microfinance players.