

**IMLF “IMON”
Report for July-December, 2005**



A word from the CEO of IMLF “IMON”



I am proud to share with you this report, from which you can find out about the achievements and financial results of the International Micro-Loan Fund “IMON”.

IMLF “IMON” is an organization working to alleviate poverty in Tajikistan through the development of small and medium-sized enterprises, providing entrepreneurs access to finance, and promoting a favorable environment for business development in Tajikistan.

I am particularly proud of the fact that this organization, currently employing more than 150 dedicated individuals, started as a public initiative of a small group of people. The simple numbers in this report are based on a great amount of labor by the IMON staff, our donors and partners from international funds and agencies. The support provided by local governments and national authorities, also plays an important part in the implementation of our socially and economically important program.

The development experience in other countries shows that entrepreneurship can become the primary form of providing employment to people, and provide income for a substantial part of the community.

We welcome business ideas and we intend to continue helping people in their most desperate situation, who want to increase their income and improve their living standards through the development of their own business.

In the course of our work, we always look for new milestones, and our goal is to become a sustainable organization providing high quality services, an organization meeting the demands of the developing market, aspiring to serve our country, Tajikistan.

**Sanavbar M. Sharipova,
IMLF “IMON”, CEO**

Establishment of IMLF “IMON”: transformation of a microcredit program

International Micro-Loan Fund “IMON” is a microfinance organization providing financial services to the most vulnerable groups of the population in Tajikistan.

IMLF “IMON” mission is to contribute to poverty alleviation and improvement of the living standards in Tajikistan. The Fund’s activity is aimed at small and medium enterprise development and the creation of new jobs in Tajikistan. The Fund achieves these goals by providing financial services.

The Fund was established by transforming one of the largest microcredit programs in the country, “Microcredit in the Republic of Tajikistan”. This program was initiated in 1999 and operated successfully for six years by the National Association of Business Women of Tajikistan (NABWT) in partnership with Mercy Corps International. By the moment of transformation, the program had about 8,500 clients – entrepreneurs receiving loans in 19 districts and 11 towns of Tajikistan.

To ensure the sustainability of the program and to comply with the newly passed law “On Microfinance Organizations”, the National Association of Business Women of Tajikistan and Mercy Corps decided to transform the program into a specialized financial structure, to deal specifically with the provision of financial services. For this reason, the **International Micro-Loan Fund (IMLF) “IMON” was founded by the National Association of Business Women of Tajikistan and Mercy Corps**, in accordance with the requirements of the Law “On Microfinance Organizations”, which regulated legal and organizational principles of microfinance activities in the Republic of Tajikistan.

In September 2004, NABWT announced a contest for the best name and logo for the newly established organization. The winning entry was “IMON”, which best met the contest criteria. The word “IMON” (meaning “faith” in Tajik) has a deep meaning, is easy to perceive and remember, and also reflects the relation to the founder of this institution. The originality of this name is that both in English and in Russian the word is an abbreviation of the **Institute of Microfinance Organized by NABWT – IMON (Институт Микрофинансирования, Организованный НАДЖТ – ИМОН)**.

The state registration of the International Micro-Loan Fund “IMON” took place on November 23, 2004. On March 15, 2005 the Fund received the Certificate from the National Bank of the Republic of Tajikistan.

The transformation process was performed was successfully completed in June 2005. This was a unique experience for the entire organization, a lesson that will definitely help in the future transformation processes.

“IMON” started operations on July 1, 2005.


International Micro-Loan Fund “IMON” operates through its branches in Sughd Region, Khatlon Region and Central Office.

In accordance with the Charter, IMLF “IMON” performs the following types of activities:

- Issuing microloans;
- Financial micro-lease operations;
- Providing consultancy and information services.

Founders of the Fund

The Fund was founded by the National Association of Business Women of Tajikistan (NABWT) and Mercy Corps International.

 **The National Association of Business Women of Tajikistan (NABWT)** is a non-profit public organization established in 1995 with the mandate of promoting women's economic rights and opportunities in the labor market, assistance in providing women's access to education, and developing their market skills.

Today NABWT is a major non-profit organization working in the area of poverty alleviation in Tajikistan through support and development of small and medium enterprises, providing entrepreneurs access to education and finance, promoting favorable environment for the business development in Tajikistan.

NABWT is the founder of such organizations as the Public Association "Gulruhsor" Crisis Center – providing help to victims of violence, Public Association "Junior Achievement – Tajikistan" – teaching young people the basics of economics, and International Micro-Loan Fund "IMON".



Mercy Corps is an international non-profit support and development organization, with offices in Portland, Seattle, Washington and Edinburgh. MC operates in more than 80 countries of the world. Mercy Corps started operations in Tajikistan in 1995. Mercy Corps also operations microfinance programs all over the world.

Board of Trustees

The Board of Trustees is a corporate body, charged with protecting the interests of the Founders by directing and safeguarding the management of the assets of IMON. The Board of Trustees is the supreme authority at IMON, and is composed of the following individuals:

Jim White is Mercy Corps Program Director in Portland. Mr. White is in charge of all Mercy Corps projects in Central Asia, Southern Asia and Middle East. Mr. White is a senior manager with 14 years of experience in humanitarian relief, development and fund-raising initiatives. He has specialized skills in the introduction of agricultural development, poverty alleviation and democracy programming in transitioning and developing economies.

Kathleen Graham –Self-employed on project basis as consultant, mediator, writer and professor. Focus on economic, legal and political participation of under-represented populations, and public policy and legal processes influencing that participation.

Pamela Eser – Mercy Corps Director for Small Entrepreneurship and Economic Development. Seasoned finance specialist with 18 years experience in the private sector and international microfinance and economic development arenas. Microenterprise specialist with a focus on microfinance institution capacity building, training, fundraising (including commercial sources of funds), localization, institutional assessments, business/strategic planning and Board development

Nabijon Yuldashev – Doctor of Economics, General Director of private enterprise Khuroson, Ltd., Business development specialist with focus on private investment, business planning and financial management.

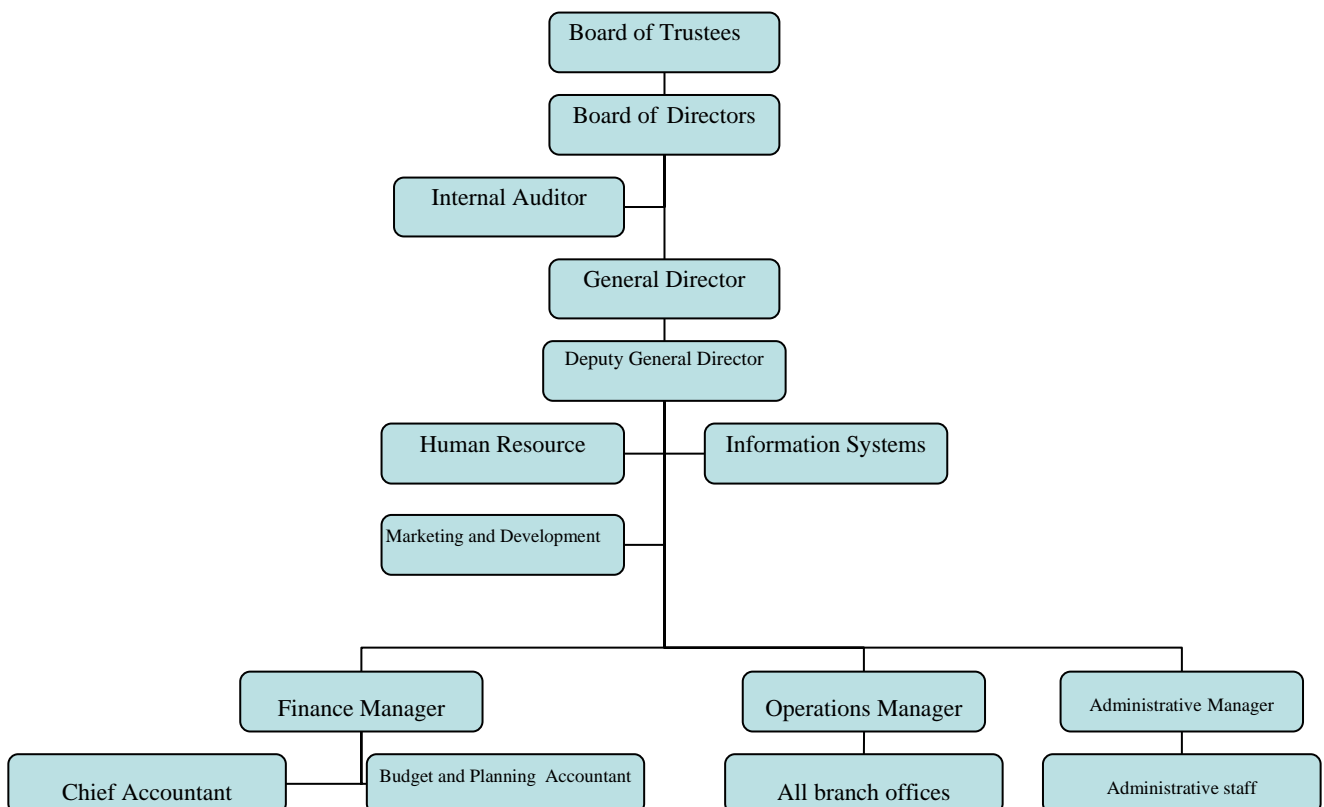
Board of Directors



There are five experienced and professional directors on the Board of Directors. The Board Chairman is Gary Burniske who has been the Country Director for Mercy Corps for three years and has more than 20 years international experience in natural resource management and community development. James Anderson has 26 years experience in banking of which 15 years was with a commercial international bank and more than seven years working with financial institutions in Central Asia and Mongolia. Jerry Quigley is a director of

Mennonite Economic Development Associates (MEDA) with 22 years of experience in business development, health care, and administration. Nazimova Muhabat has 38 years experience in factory management and public administration in the Sugd region. She is now working as a gender specialist for UNIFEM. Ayubjon Yussoufov is a mathematician and economist and lectures at Tajik State University. He has also been a director of a small private sector business and has participated in several international programs and workshops in business development.

IMLF “IMON” Organizational Structure



Services and Products

Currently, the Fund offers **the following lending products:**

- Individual micro-loans;
- Group micro-loans;
- Agricultural loans;
- Micro-lease – financial lease on equipment and machinery;

Micro-loan amount – from 120 Somoni to 30,000 Somoni.

Micro-loan terms – from 2 months to 24 months.

Area of service provision:

- Production;
- Trade;
- Services;
- Animal husbandry;
- Agriculture.

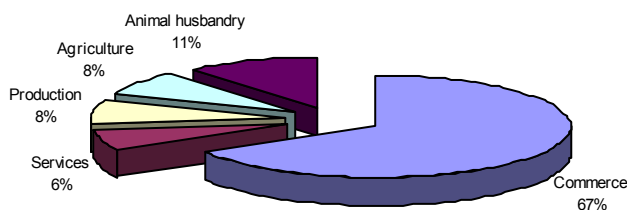
Lending objectives:

- Building operations capital;
- Purchasing equipment;
- Business expansion (opening additional outlets);
- Lawn-and-garden business development;
- Raising cattle and sheep.

Clients

The Fund's clients are the economically active part of the population of the country: mainly, entrepreneurs engaged in small and medium-sized businesses, working in such areas of the economy as trade, production, agriculture, services, etc.

Client breakdown as of Dec. 31, 2005



As of end of 2005, IMLF "IMON" had 10,222 active clients, 60% of which are women. 54% of the total number of the clients are from rural areas.

By receiving micro-loans, clients do not only develop their businesses and improve their economic status, but also learn the culture of borrowing and build their credit histories.

Staff

As of end of 2005, IMLF “IMON” staff consisted of 153 people, including 62 loan experts.

Most of the staff have a higher economic education, and a number of employees have passed external training.

There is a good corporate spirit in the organization, relations between the management and employees are favorable, and the staff are stimulated with a special bonus system. Internal training system is available for new employees.

The Fund owes its success to the fact that it could surround itself with bright, strong, independent and opinionated people, who can listen, motivate and support one another.

“IMON” Fund is eager to invest in human resources, since this is the resource that pays back. In six months of 2005, “IMON” employees attended the following trainings:

- “Training for business trainers” organized by MBM Group in Tashkent;
- “Liquidity and efficient interest rate management in MFOs” in Bishkek, organized by MFC;
- “Business planning and financial modeling for MFOs” in Tbilisi, organized by MFC;
- “Financial analysis for MFOs” in Almaty, organized by MFC;
- “Loan analysis training” in Kurgantube, organized by IMLF “IMON”;
- “Impact assessment and MFO market research” in Almaty, organized by MFC;
- “Training for MFO loan specialists” in Dushanbe, organized by MFC;
- “Professional and personal development” in Dushanbe, organized by AMFOT;
- “Loan portfolio management” in Dushanbe, organized by MFC.

Partners

IMLF “IMON” cooperates with many international organizations and financial institutions. This partnership lasts many years and helps productive operation of the Fund. The following organizations are among our partners:

- Mercy Corps – **MC**;
- Mennonite Economic Development Associates – **MEDA**;
- European Bank for Reconstruction and Development – **EBRD**;
- Asian Development Bank – **ADB**;
- Canadian International Development Agency – **CIDA**;
- Swedish International Development Agency – **SIDA**;
- United Nations Children’s Fund – **UNICEF**;
- German Agro Action – Deutsche Welthungerhilfe;
- Polish Microfinance Center – **MFC**;
- Central Asian Microfinance Alliance – **CAMFA**;
- European Union – **EU**;
- Eurasia Foundation.

I. General performance indicators (profitability, quality, efficiency) as of December 31, 2005

<u>Indicators</u>	<u>As of December 31, 2005</u>
Active portfolio as of end of period	\$3,782,687.14;
Repayment Rate	98%
Risk Coverage Ratio	3,54%
Portfolio at Risk (> 30 days)	0,71%
Portfolio growth from July 1, 2005 to December 31, 2005	+60%
Number of active clients	10,222
Borrowers per loan officer (GLP)	205
Borrowers per loan officer (ILP)	37
Number of new clients	3657
Operating Expense Ratio	27%
Operational Self Sufficiency	158%
Financial Self Sufficiency	101%
Yield on Gross Loan Portfolio	51%

II. Regions of activity

IMLF "IMON" operates through three branches in the following towns and districts:



Sughd Region branch: Khujand, Chkalovsk, Kayrakkum; Istaravshan, Kanibadam, Isfara, Jabbor Rasulov, Penjikent, Spitamen, Bobojon Gafurov districts.

Central branch: Dushanbe; Vahdat, Tursunzade, Ghissar, Rudaki, Kofarnigan districts.

Khatlon Region branch: Kurgantube, Shaartuz; Kolkhozabad, Jilikul, Bokhtar, Vakhsh, Sarband, Pyanj, Kumsangir districts.

III. Important events in the life of the organization



First commercial loan from EBRD

On November 18, 2004, the United Nations proclaimed 2005 the International Year of Microcredit, with the objective of providing support to efforts aimed at making financial services available to people with low level of income.

The main goal was to provide wider access to lending, savings accumulation, insurance, money transfer and other financial services for impoverished and low-income households, which will allow them to get closer to a better-

off life and a prosperous future.

During this Year, the European Bank for Reconstruction and Development (EBRD) became more active in providing credit facilities to banks for performing microcredit programs.

As part of the pilot financing, EBRD decided to provide credit facilities for non-banking institutions as well. The newly established International Micro-Loan Fund “IMON” was one of the institutions honored. It is worth noting that for EBRD, this was the first loan to a non-banking institution in the CIS countries, as well as the first commercial loan for “IMON”.

The credit agreement was signed during the International Conference for Banking Sector Development in Central Asia, which took place in Dushanbe with participation of the President of the Republic of Tajikistan, Mr. Emomali Sharipovich Rakhmonov.

CGAP Transparency Award

In 2005 IMON has been awarded a Merit Award for achieving a high level of disclosure standards in CGAP Financial Transparency Award. This achievement has earned IMON a certificate of merit which will be presented to IMON in a plaque by a CGAP representative. In addition, IMON will be listed on the CGAP website and in the 2005 competition report. The participation in this competition is a significant contribution to the development of the microfinance sector’s reporting standards, and CGAP was honored to recognize IMON’s achievement.

Conducting research and introducing a new lending product for the agricultural lending program

Between August 10 and 18, IMLF “IMON” conducted a marketing research in Sughd Region, in partnership with the Mennonite Economic Development Associates (MEDA). The main goal of the research was to improve the agricultural products storage facilities for the farmers in Sughd Region under the outreach of the Project “Development of Agriculture in Northern Tajikistan”.

This project has identified that by selling their products during the season, when prices are at their lowest, the farmers minimize their revenue. IMON staff wanted to see if financial support could change the situation for the better, i.e. what are the farmers’ needs for loans to improve storage systems.

At the end of the project, a new lending product was designed. The project provides for disbursement of parallel loans to active clients – farmers, to organize storage of agricultural products. This product was successfully trialed in the Sughd Region branch and is currently considered for application to other regions.

Activity expansion – Pyanj, Kumsangir

Starting September 2005, residents of Pyanj and Kumsangir districts received an opportunity to use financial services of IMLF “IMON”. Opening of the new field offices was conditioned by expansion of coverage area and increasing the number of clients, and thus the need to provide the residents of these districts access to lending funds.

It should be noted that IMON is the first and only microfinance organization working in these two districts. IMON hopes that its activities in these districts, as well as in other parts of the country, will promote development of entrepreneurship and improved living standards for rural residents.

Changes in lending product parameters

In November, a decision was made to revise the lending product parameters in all branches. This decision came as a result of operations planning and was linked to increased competition in the microfinance services market. As a result, interest rates were lowered in Central and Khatlon Region branches and in some field offices in Sughd Region branch. Also, grace period was introduced in group lending products and maximum duration for micro-loans was extended.

To reduce the risks associated with exchange rate fluctuation, it was decided to introduce an indexed product bound to US dollar exchange rate in the Individual Lending Program.

Another change in the lending product parameters was extending the maximum financing term to nine months in Group Lending Program and 24 months in Individual Lending Program.

Strategic planning – SWOT-analysis with support from ADB



In October 2005, a seminar was conducted in all branches of IMLF “IMON”. The topic of the seminar was strategic planning for IMLF “IMON” for the next three years.

Seminars on strategic and operational planning have become a tradition in this organization. Since 2000, planning and strategy definition for the organization are performed every two years. 2005 strategic planning is the first for IMLF “IMON”. The employees have determined the goals and directions of activity

for the Fund. Many new directions, changes and amendments to the existing policies and procedures were proposed, to improve the services provided.

On October 24, 2005, an Asian Development Bank consultant, together with IMON management, conducted a seminar on SWOT analysis. The seminar was conducted on the basis of plans produced during October seminars in the field offices. All proposals received during the strategic planning process were discussed by the management and many of them became part of the business plan for the organization for the next five years.

Introducing a separate CREDITS database in Istaravshan office

In December 2005, the management decided to transform the Istaravshan field office into a separate branch, due to growth of its portfolio and the increased number of clients in this office. One of the events planned as part of this transformation was the implementation of a separate CREDITS database. A loan manager was appointed and a database operator hired for the Istaravshan office. Transformation of the Istaravshan office into a separate branch is expected to be completed within the next six months. This procedure can be used for transforming other field offices into branches in the future.

Strengthening marketing strategy and creating a marketing department

After completion of operational planning of the organization, it was discovered that improvement of the Fund's marketing activity was necessary for further organizational development. As recommended by the ADB consultant, a marketing and development department was organized at the HQ level and a manager for this department was hired.

The manager of the marketing department was trained and attended training "Impact assessment and MFO market research" organized by the Polish Microfinance Center.

As of today, this department has made substantial steps: renewed all booklets for the organization, designed and presented advertising materials (pocket and wall calendars), placed billboards in the center of project cities, and designed advertising videos for the organization which are aired on local and regional TV stations. In the nearest future it is planned that the organization will have its own web-site.

Introducing a new employee motivation system

To strengthen the employee motivation, a new motivation system was designed and implemented in September 2005. This system rewards both qualitative and quantitative performance indicators. The new bonus system is different from the old one, as it stimulates not only operating personnel, but also administrative and technical employees.

Conducting an annual meeting of IMLF "IMON" and honoring the best officers of the year

In January, annual meetings were conducted in each branch of the organization. The results of the second half of 2005 were summarized, with Head Office representatives in attendance, and the best achievements of the branches in general, as well as the most distinguished employees were emphasized. Out of 62 loan experts, the following were specially mentioned:

- 1) Khusnia Yakubova – the biggest number of active clients (356), the biggest active portfolio in the Group Lending Program (\$129,732.60), active involvement of new clients into the program (64 new clients in six months);
- 2) Misriyo Ahmadbekova – the largest number of new clients in Group Lending Program in a high competition area (Khujand) – 163 clients, active portfolio (\$44,755.22), average annual portfolio at risk – 0.00%;
- 3) Nargis Tuychieva – the biggest active portfolio in Individual Lending Program (\$308,738.35), the largest number of new clients attracted – 35 persons, average annual portfolio at risk – 0.00%;
- 4) Aslam Shodiev – the biggest number of new clients in Group Lending Program (183 clients), active portfolio (\$55,073.18), average annual portfolio at risk – 0.00%;
- 5) Bahrinisso Bokieva – the biggest number of clients in Group Lending Program (367 clients), active portfolio – \$119,289, actively attracted new clients into the program (113 new clients during the year);
- 6) Robiya Asrorova – the biggest number of new clients attracted in the Individual Lending Program (38 people), active portfolio – \$292,683.

All these employees were awarded honorary certificates in the corresponding nominations and given bonuses. This is the kind of people "IMON" is proud of and considers its greatest treasure.

IV. IMLF “IMON” Project Activity



Project “Development of Agriculture in Northern Tajikistan”

(with support from Canadian International Development Agency – CIDA)

Project goal – to assist economic development of rural families in four districts of Sughd Region by providing technical assistance, increasing education level, providing loans for agriculture and organizing small and medium-sized business enterprises for processing agricultural products.

The project is implemented by the Mennonite Economic Development Associates (MEDA) in partnership with Canadian International Development Agency (CIDA).

The program is aimed at improving economic standing of rural families through:

- Providing access to traditional and innovative knowledge;
- Introducing modern technology and improving service quality;
- Improving farmers’ ability to work together and community mobilization for further development.

Geographic coverage of the project: Bobojon Gafurov, Isfara and Istaravshan districts of Sughd Region.

Project achievements as of December 31, 2005:

- Number of clients – 1275 farmers;
- Amount of loans issued – US \$931,689.10;
- Number of entrepreneurs attending training courses – over 110.



Project “Entrepreneurship for improvement of economic resources for the vulnerable population in the South-West of Khatlon Region of Tajikistan”

(in partnership with Mercy Corps and with support European Union)

Project Goal – to improve life quality and economic welfare in six needy districts in the South-West of Khatlon Region by way of community capacity building for sustainable business, increasing agricultural yield and improving health conditions.

Project Objectives:

- 1) Stimulating micro-business development in rural areas by improving capacity of community members to react to changes in social and economic conditions;
- 2) Establishing favorable environment for start-ups and existing rural micro-enterprises by organizing business incubators and providing access to loans;
- 3) Increasing agricultural production by means of improved usage of resources.

Geographic coverage of the project: Jilikul, Kabodien, Pyanj districts, Nosiri Khisrav district and Shaartuz, Khatlon Region.

Project achievements as of December 31, 2005:

- Number of clients – 48;
- Amount of loans issued – US \$16,781.54.

Project “Micro-business opportunities for impoverished families in Tajikistan”



(with support by Swedish International Development Agency – SIDA)

Project goal – Increasing the income of impoverished families through development of small business in Sughd Region and Khatlon Region of Tajikistan, contributing to UNICEF program for support of families with the aim of de-institutionalization and prevention of children ending up in boarding schools.

Provision of education courses: as part of the project business training was provided on the basics of entrepreneurship, marketing, business planning, as well as vocational training for baking, sewing elite curtains, hairdressing, and bead working.

Geographic coverage of the project: Bobojon Gafurov district, Kanibadam, Isfara, Spitamen, Khujand in Sughd Region; Bokhtar, Vakhsh, Jilikul, Kolkhozabad, Sarband, Kurgantube in Khatlon Region.

This project was successfully completed in October 2005.

Final achievements of the Project:

- 20 two-day business training sessions were conducted with the topic “Basics of Entrepreneurship and Sources of Funding”, which were attended by 426 people.
- 12 four-day business training sessions were conducted with the topic “Business Planning and Aspects of Lending”, attended by 263 people.
- 21 vocational training session was conducted with the following topics: confectionery baking using German technology, hairdressing, sewing elite curtains, beadworking. The courses were attended by 458 people.
- 2035 families from within the target group of the Project were financed, to a total amount of \$317,120.13.



Introducing microcredit as part of the Project “Food Safety Program in Zeravshan Valley”

(with support by European Union – EU)

As part of the Project “Food Safety Program in Zeravshan Valley”, financed by European Union (EU), TJK 1031-03, and implemented by German Agro Action, microcredit was implemented in Tajikistan in 2004 in five target villages in Penjikent district.

In partnership with German Agro Action, “IMON” implemented microcredit for small business development opportunities through community development funds in five target villages in Penjikent district.

The goal of the program was to alleviate poverty by developing micro-business and creating new jobs. The primary target group is women. Loans are also issued to individuals or initiative groups interested in obtaining a loan for small business start-up.

Geographic coverage of the project: Kuktosh, Sufien, Kumok, Toshmunor, Chorvodor villages in Penjikent district of Sughd Region.

This project was successfully completed in December 2005.

Final achievements of the Project:

- Number of clients – 133 persons;
- Active loan portfolio – US \$24,773.07
- Number of entrepreneurs attending education courses – over 175 persons.

V. Clients' success stories

1000th group in Group Lending Program

In November 2005, a certificate was solemnly presented in the Central Office of IMLF "IMON" to the 1000th group, named "Gulizor". This seemingly minor event left a deep mark in the hearts of the group members. With deep excitement they were listening to the welcome words of the Fund's director. After outlining the mission of IMLF "IMON" and briefly talking about the Group Lending Program, he expressed certainty in the future cooperation of this group with the Fund. Manager of the Operations Department, Zaynab Akbarova, wished "Gulizor" to successfully continue the tradition started by other groups, of repaying all loans on time and doing everything possible for successful further development of the Group Lending Program.

Members of "Gulizor" group Kurbonmurod Rakhimov, Gulizor Ismatova, Kiyomuddin Ismatov and Jamoliddin Oraev have substantial experience of entrepreneurial activities (between three and twelve years). Three of them are engaged in buying and selling manufactured goods (fabrics, clothes and shoes), one sells foodstuffs. Each started with street trading. Currently all of them have kiosks at the "Panjsher" market. The clients' turnover capital is between two and three thousand Somoni. The loan received on November 30, 2005, allowed them to expand their businesses and get additional revenue. All members of this group are ready to sacrifice all their time to achieve success in business. Business likes persistent and purposeful people, and they are just the kind.

An Individual Lending Program client's success story



"Accountant-Auditor".

This story is about one of many successful entrepreneurs – Rahmatjon Mamadjanov, a client of the Individual Lending Program at IMLF "IMON", who improved his economic and social standing thanks to the microcredit program. Rahmatjon Mamadjanov was born in 1962 and is a resident of Kolkhozabad district. In 1984 he entered the Cooperative Technical School and after graduating – the Cooperative Institute with the major

"Accountant-Auditor".

The civil unrest of 1992 forced Rahmatjon and his family to move to Gafurov. Once in the new town, Rahmatjon and his wife Malohat started thinking of how they could make their living and raise the children. They started traveling to Kyrgyzstan, bringing back clothes to be sold at the local markets. Then they switched to bringing food from Tashkent. After accumulating some small capital, they had an idea to bake and sell pasties. For this purpose, they rented small premises near "Farovon" market in Gafurov. This was a true family business: Rahmatjon, his wife Malohat and their underage son Tohir were working dawn to dusk with no days off. The taste and quality of their pasties attracted more and more customers. Soon they faced the need for some extra hands, so they hired six workers. Malohat says they produced up to 4,000 pasties a day. Rahmatjon decided to expand the line of products. Meat pies, chebureks and dumplings were added to pasties. The demand for their products was high, but the Mamadjanovs were short on raw materials and labor. Then, in June 2002, Rahmatjon applied to the microcredit program and shortly received a \$1,500 loan. He used these funds to purchase additional materials and hire 14 additional employees. With the second loan of \$1,500 the entrepreneur purchased a refrigerator and five cows. After this, he started selling soft drinks and ice cream alongside with pasties and other hot

meals. Eventually, Rahmatjon bought a BMW car and two refrigerated displays. After getting another loan, Rahmatjon repaired his facility and bought some more cattle.

Rahmatjon and Malohat are grateful to IMLF “IMON” for financial support at the times of need. In the future Rahmatjon plans to continue cooperation with IMLF “IMON” and dreams of opening an additional facility, where his students will work, and to open a computer hall, managed by his son.

A Group Lending Program client’s success story



Husni Ahunpachaeva, 46, is a member of the “Loik” group, educated to sell industrial goods.

“After the collapse of the USSR, all state-owned shops became privatized, and like all others working in the service sector, I lost my job and had to start my own business”, says Husni.

Husni started her business with 200 dollars. She was bringing goods from Tashkent and sold it in two markets: Panshambe and Kayrakkum. She came to our organization to expand her business, which at the time was located at 18 Khojentskaya St.

“I was happy to learn that Masuda Khakimovna, my good acquaintance, was working in this organization. She listened to me very carefully and told me about the Group Lending Program. I liked the goal of the program and its mission, so I started looking for reliable entrepreneurs. With the group formed, I came back to a loan officer. During four meetings, she explained all the program conditions in detail. I was elected to chair the group, which was named “Umed”, each group member received their first loan. On October 19, 2000, I received 160 Somoni. I worked in that group for two cycles. After the second round, the group broke up and I moved to another, newly formed group”.

Husni Ahunpachaeva joined a new group, “Loik”, where she was also elected the chair. Many things have changed in her life during the five years she has been using microcredit services. She got many customers and expanded the line of goods. She says she likes working in a group, because all group members are very accurate and friendly, ready to support one another in difficult situations; In other words, because there is mutual understanding and mutual support in the group.

Khuani Ahunpachaeva is happy with the way our organization works and the service she receives from our employees, and she wishes much success in the development of our organization. She was an active participant of the trainings conducted by the organization’s employees for the Group Lending Program clients and is asking us to continue providing education services.