



Akhuwat and the Role of Islamic Finance in Supporting Microenterprises and SME's against COVID-19

September 9th 2021

Introduction



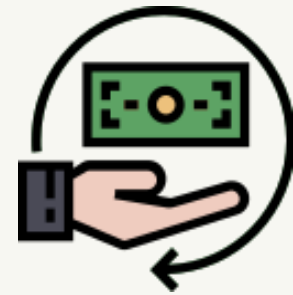
Our Vision

A poverty-free society built on the principles of compassion and equity

Our Mission

To alleviate poverty by empowering socially and economically marginalised segments of the society through interest-free microfinance and education.

Programs & Progress of Akhuwat



Akhuwat Islamic Microfinance (AIM)

- PKR 147 Billion (US\$ 879 M) disbursed in interest-free loans
- 4.9 Million interest-free loans disbursed



Akhuwat KhwajaSira Support Program (AKSP)

- Income Support - PKR 94 million disbursed as stipend



Akhuwat Education Services (AES)

- Network of 300+ schools and 4 colleges
- Pakistan's first fee-free university in Kasur



Akhuwat Health Services (AHS)

- Health camps and health awareness programs



Akhuwat Clothes Bank (ACB)

- Distributed 2.5 million clothes to low-income families



Akhuwat Food Bank (AFB)

- Distribution of ration bags and meals to the underprivileged

Challenges



- Reaching bottom of pyramid - The poorest of the poor
- Reducing the cost Efficiency)
- Group Lending Only
- Riba Based Lending
- Shift from domain of NGO to banks - business/industry
- Impact - Is it really making a difference and reducing poverty?

Innovations by Akhuwat



Interest-Free Loans



Use of Religious Places



Volunteerism



Transforming borrowers
into donors



Non Discrimination



COVID-19 Relief Efforts



Over 132,417 Ration bags distributed in 144 cities



PKR 488 Million disbursed in interest-free loans



Free COVID-19 testing services for the deserving and poor



5,703 number of grants disbursed amounting to PKR 15.2 Million



234,311 meals distributed in 78 cities



Support to 18 hospitals where facilities are inadequate

International Recognition and Evidence of Success - I



- **Life Time Achievement Award**, presented by Abu Dhabi Islamic Bank and Thomson Reuters for Akhuwat's contribution to Islamic Finance (2014)
- **35th Human Rights Award** presented by Human Rights Society of Pakistan in recognition of Akhuwat's contribution to preserving and ensuring human rights of minorities (2015)
- **Commonwealth's 31st Point of Light Award** presented by Queen Elizabeth II in recognition of Akhuwat's services for poverty alleviation and restoring human dignity in Pakistan (2018)

International Recognition and Evidence of Success - II



Islamic Economics Application Award at the 6th Islamic Economics Workshop in Turkey for developing underprivileged communities in Pakistan (2018)

The Ramon Magsaysay Award for Akhuwat's innovative model of providing interest-free microfinance to the poor (2021)