PRINCIPLES OF THE AGA KHAN AGENCY FOR MICROFINANCE (AKAM)

Client-centricity  
AKAM seeks to understand and meet the diverse needs of its clients with adapted, easy-to-use products and a high quality of service. AKAM considers client needs holistically beyond economic or business needs to include health, education, housing, consumption and other areas affecting the quality of life. AKAM entities monitor customer satisfaction through regular engagement to capture feedback and continually improve service.

Transparency  
AKAM promotes open, simple, transparent and regular communication with clients, particularly with regard to product pricing, terms and conditions.

Ethical Pricing  
AKAM entities strive to provide clients with the most affordable and sustainable pricing. AKAM entities continually strive to lower the cost to clients by working to lower their own costs of delivery (operational and funding) and improving operational efficiency.

Sustainability  
AKAM’s mandate is sustainability for all its institutions. For AKAM this means that each entity is focussed on delivering financial and operational sustainability with a view to building long-term patient capital returns to investors and offering institutional resilience, while increasing access and lowering the cost to the end client.

Evidence-based  
AKAM promotes an evidence-based approach to product design and delivery, grounded in research and evaluation; in-depth client needs analysis; and understanding of client preferences and behaviours.

Dignity  
AKAM and its entities are committed to treating clients and staff fairly, with respect and dignity.

Data-driven  
AKAM entities strive to apply data analytics approaches to drive innovation and improve service delivery and outreach.

Support the AKDN

Partnerships  
Typically, when the AKDN refines its development approach in a given area, it looks to partners to help expand the scale. A significant portion of the funding for AKDN activities therefore comes from national governments, multilateral institutions and private sector partners. For more information, visit: akdn.org/partners

Individuals  
Individuals can support the AKDN. For more information, visit: akdn.org/support

Join the conversation

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AKDN Microfinance

For more than 60 years, agencies of the Aga Khan Development Network (AKDN) offered microfinance services through integrated development programmes and self-standing microfinance institutions. These programmes, as well as others, helped start and grow businesses, create jobs, build homes and finance house improvements, purchase seed and livestock, smooth over the impact of unforeseen health costs and make higher education possible. In 2005, they were brought together under the Aga Khan Agency for Microfinance (AKAM). Today, AKAM works with other AKDN agencies and external partners to help create the critical mass of development activity necessary to achieve lasting improvements in the quality of life of the poor. AKAM currently works in the following countries: Afghanistan, Kyrgyz Republic, Pakistan, Tajikistan, Egypt, Syria, Burkina Faso, Côte d’Ivoire, Mali and Madagascar.

Supporting SMEs

To address the difficulty that small- and medium-size enterprises (SMEs) face when attempting to access capital, AKAM supports SMEs that play an important role in creating jobs and stimulating increased economic activity.

AKDN Linkages

Linkages are intended to ensure that any client whose business is successful and whose financial needs progress beyond the microfinance level will continue to have access to appropriate financial services.

Safety for Deposits

AKAM’s focus on deposits aims to fill a critical need of poor and low-income populations by providing them with a safe, convenient place to save while also building a stable deposit base as a long-term, local source of funding.

From AKAM’s founding through 2015 and in collaboration with its partners the AKDN has:

- 3 million loans disbursed
- $2.2 billion in loans disbursed

Social Lending

AKAM’s lending activities include housing, education and health. These loans have a direct impact on the clients as they meet their day-to-day needs, helping smooth financial shocks brought about by civil strife or natural disasters.

Income Generation

Loans for income-generating activities include livestock, planting, trading and production. Loan terms and conditions are designed to reflect the various cash flows from those sectors, and to fit clients’ needs as closely as possible.
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For further information: The Aga Khan Agency for Microfinance, 1-2 Avenue de la Paix, 1202 Geneva, Switzerland. Tel: +41 22 906 7200; E-mail: info@akdn.org

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