

Is there a functioning debt collection system? If so, how well does it work?

- There are microfinance guidelines released by the government
- Before lending: come to your house to determine your creditworthiness (field officers) → after being approved the same field officers go from door to door to do the collecting on a monthly basis
- For Islamic banks interest rates aren't allowed: however in the microfinance sector there is no Islamic banking

How widespread is the information on creditworthiness (in Germany, e.g., we have the Schufa for this)?

- Poverty scorecard
- Credit information bureau (CIB) is connected with the microfinance institutions (national identity card number is the identification for the database)
- Efforts for more reporting to CIB

How widespread is microcredit in Pakistan? Do simple citizens who could benefit from it know about the concept?

- Microfinance is known nationally
- 80% of people should know about it → rest is too cut off most of "normal" life

Legal framework: Am I allowed to lend money at all? For example, do I have to register a business to do this, or is it regulated by the government?

- Sector is regulated by the government
- Non-banking finance certificate is needed for lending
- Partnering with MFI is recommended (which might also help with the volume of credits we can give out)

How do you assess the general security of the country if we operate in Pakistan and offer cheap microloans through advertising measures (for data collection). Consequently, meeting borrowers face to face and explaining the system to them?

- Free movement across the countries won't work: specific areas even need permission from government which then provides human protection (police escort)
- Danger for foreigners > danger for Pakistani

If you know what the "Poverty Scorecard" is, do you know whether it is used in Pakistan?

- Yes, they do use it
- Standardized scorecard → determines score of which poverty strand you fall in → determines your creditworthiness

Do you generally consider Pakistan to be a suitable country for our project (personal assessment)?

- Pro:
 - o Very vibrant microfinance country
 - o Smartphone penetration and technological competence regarding smartphone usage