



# BARKAT

A Shari'ah Compliant and Award Winning Model of  
POVERTY ALLEVIATION





## Poverty alleviation through household level livestock farming as livestock provides pathways out of poverty for poorest people.

On the basis of poverty situation in Pakistan, The NGO World has been executing BARKAT project since 2012 to improve living standard of poor/small farmers through livestock. BARKAT has been proved and awarded, a successful and effective model of poverty alleviation.

TNW provides bulls (calves), cows or goats (as per need) to the selected poor livestock farming families (1 or 2 animals per family depending upon their capacity) by signing a mutual agreement based on specific set of terms and conditions according to the MODARABAH principles of Islamic microfinance. For a specific period, organization provides services like medication, insemination, vaccination and awareness raising while farming family (partner) looks after the animals.

After the agreed period animals are sold and profit is divided between the beneficiary family and implementing organization according to the terms & conditions of



agreement signed. Generally community gets 67% of the total profit. The beneficiary family will use the benefit for its sustainability and it is expected their living standard will be improved while the organization will use the principle amount & profit to target other poor families to uplift them.

BARKAT is successful because of the following features;

- Self-sustainable
- Conventional and well documented initiative
- Compatible with the nature, values and culture of the rural communities
- Adopted as a noble profession and halal business
- Favorable to climate/environment and soil conditions
- Easy access to markets
- Profitability is remarkable
- Livestock-keeping empowers women in particular Livestock is the major capital asset of small holder farmers

The most important characteristic of livestock is that, unlike other agricultural products, they are flexible: they can be moved in response to variable rainfall conditions and can be purchased or sold in response to variable market conditions.

## Shari'ah Certificate





# BARKAT PROCESS



Launching Ceremony



Situation analysis



Social Mobilization



Partner's screening



Community Organization



Field Monitoring



Handing Over



Animal's Tagging



Documentation



Consultation Meeting



Farmer's Training



Awareness Sessions



Group Meeting



Health Services





## BARKAT PROJECT AWARDED as BEST MODEL at GIMF'17

The NGO world won the award for its livestock based Islamic Microfinance (Mudarabah) model project "BARKAT" for poverty alleviation at 7th Global Islamic Microfinance Forum organized in conjunction of "World Halal Summit" in Istanbul -Turkey. The award is a trust on Professionalism, Commitment, Quality and the Innovation of TNW's project and working. Under the Auspices of the Presidency of republic of Turkey, Al-Huda's 7th Global Islamic Microfinance was organized in conjunction of "World Halal Summit" in Istanbul -Turkey, 23-25 November 2017. 40+ speakers from more than 30 countries around the world were guests of honors of the event. H.E Khaled M. Al Aboodi, CEO ICD-IDB, H.E Yousaf Junaid, Consulate General of Pakistan in Instabul, Mr. Ihsan Ovut, Secretary General SMIIC-OIC, Mr. Ali Kurt, Secretary General UNIW and many other renowned experts ho nored during 7th Global Islamic Microfinance Forum organized by AlHuda CIBE in Istanbul Turkey on 24th-25th Nov 17.

## Barkat Project Awarded as Best Model of Rural Finance at 9th GIMF 2019

December 11, 2019, the 9th Global Islamic Micro Finance Forum was organized by Al-Huda (CIBE) at the Governor's House Lahore, Punjab Pakistan. At this memorable occasion Barkat Project Pakistan was Awarded as Best Model of Rural Finance at 9th GIMF 2019. Program was attended by delegates from various countries around the Globe and chaired by Chaudhry Muhammad Sarwar, Governor Punjab.



## BARKAT and Global Goals

BARKAT interventions are smallholder-friendly and support farmers toward attaining UN Sustainable Development Goals. When we count them up, empowering small farmers can help achieve more than half of the 17 Sustainable Development Goals. Empowering small farmers in this creates the motivation to enhance productivity, raise their incomes, and improve their access to humanitarian assistance. BARKAT also leads to more available and acceptable nutritious foods and food security. These outcomes of BARKAT contribute SDG 1 and SDG 2 around poverty alleviation and reducing hunger. Other types of support by BARKAT, such as ensuring that small-scale women farmers have better control over cattle can contribute to gender equality, part of SDG 5. BARKAT Investments in climate-smart agriculture are amenable to small farmers and help adapt to and mitigate climate change, SDG 13.



## BARKAT Interest Free Loan Scheme to Sustain Small Businesses

*Launched in Support of National Poverty Graduation Initiative*

Interest free or charity based micro-finance models have gained popularity, special in Islamic countries where the concept of interest free Islamic finance products appeals to the public such as in Pakistan, India, Bangladesh, Bosnia, and Herzegovina and some African countries.

Under BARKAT Loan, 15 borrowers were identified and given cheques of PKR 30 thousands each after completing the process, trying to visible reduction in poverty. BARKAT model entails a zero interest. It uses the value of social collateral whereby members of a group act as collateral for each other, decreasing the risk of default.

We have coupled this scheme with BARKAT Mudarabah Model that covers all administrative and service expenses.

### Eligibility Criteria of Borrowers

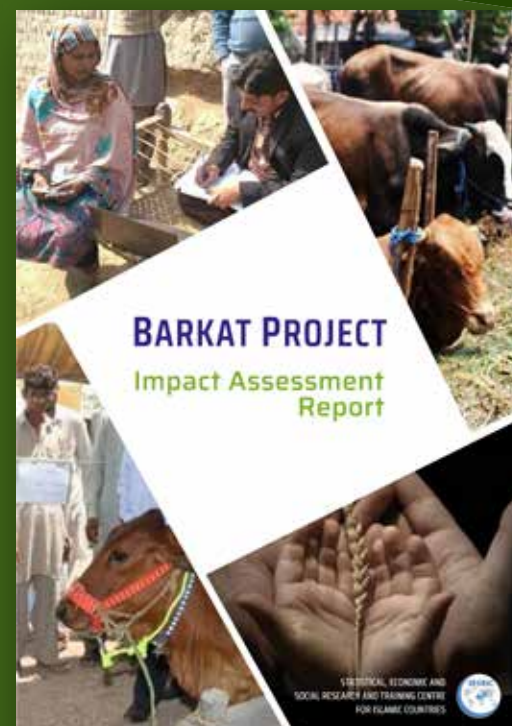
- Age been 18 to 60 years
- Individuals from households on Score of 0-40 on Poverty Score Card
- Valid National Identity Card (CNIC)
- Resident of targeted union council of the district
- Economically viable business plan



## SESRIC REPORT about BARKAT

The Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC), a subsidiary organ of the Organization of Islamic Cooperation (OIC) has launched the report of their research on our Barkat Project” titled. ” BARKAT PROJECT IMPACT ASSESSMENT REPORT 2017 “.

Report concludes that...”It can be concluded that the Barkat Project is a successful project in the field of poverty alleviation and income diversity. It could be an example for the government and non-governmental organizations working in the sector of poverty alleviation and capacity building. In addition, special courses can be offered for the university students living in the selected area with a view to develop a system and properly utilize the cow dung in order to produce biogas for household consumption”.



**SESRIC reported that  
“BARKAT PROJECT”  
is a successful  
intervention in the field of  
poverty alleviation**

# The NGO World Foundation

## MISSION

Live for others

## VISION

To build the world we want to see by effective networking, promoting collaborations and creating models of social good

Concept



The NGO World Foundation has been established in 2009 as an organization clustering the Non-Governmental Organizations and their representatives willing to join hands in the field of social welfare, sustainable development and strengthening cooperation links within the sector. Since that we are involved in the number of projects aimed at strengthening networking, capacity building, awareness raising, humanitarian support, community development and promoting the collaboration between the NGOs.

The NGO World Foundation (abbreviated as TNW Foundation) is registered under The Societies Registration Act, 1860 (Act XXI of 1860) and from Pakistan with different accreditations including;

- ISO certified for Quality Management System Standards 9001:2015.
- Evaluated and Certified by PCP (Pakistan Center for Philanthropy)
- TAX exempted organization from FBR (Bar Code: 100000052611963).
- Signed MOU with Economic Affairs Division (EAD) Government of Pakistan as an organization accepting the foreign funding.

TNWF join hands with public sector organizations, government functionaries, INGOs, UN and other key aid agencies besides drawing its strength from communities active involvement in need driven development process & community based interventions etc.

The organisation's work can be categorised in following four areas;

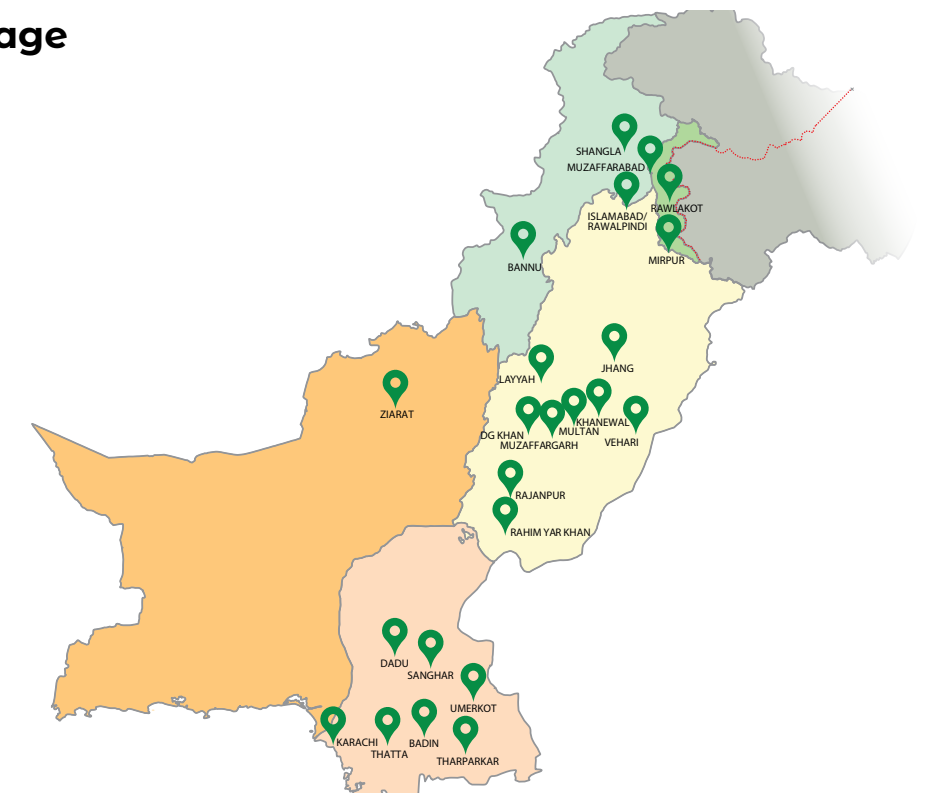
1. Networking and Capacity Development initiatives for Impact

2. Programs and Projects for Sustainable Development
3. Relief and Rehabilitation of Disaster Hit Communities
4. Acts of Kindness and Social Support



Since its establishment, TNWF took various initiatives of social good and succeeded in developing innovative community development programs. These tested model programs can be replicated in changing the lives of poor and disadvantaged segments of the society.

## Geographical Coverage







## Join hands with TNW Foundation to expand or collaborate to replicate the BARKAT Model.

Since the multifaceted perks range from a deep sense of cultural identity to dignified and sustainable poverty alleviation, there is an overwhelming demand for expansion in the scope of the project beyond District Khanewal.

BARKAT was initiated as a pilot project in four union councils of district Khanewal (Punjab). As a step forward TNW aims to expand and facilitate other developmental actors (NGOs, Financial institutes, RSPNs) to replicate the BARKAT model in their respective target areas.

The viable gains can easily be multiplied in collaboration with the Government, NGOs and other developmental institutions.