

Success Stories



Microfinance Clients in Afghanistan

Funded By:

Islamic loan product helps small entrepreneur gain trust of whole sellers

Noor Ahmad, 37 years old, married, lives with his mother, wife, three daughters and three sons in district 4 of Kunduz province. His wife is a schoolteacher, three of his children are studying at school, and his eldest son is helping Noor Ahmad in the business.

Noor Ahmad has a grocery shop in front of his house. His initial capital was AFN 80,000, but with this amount, the items in his store he can offer to customers were limited and there was clear demand for expansion but he needed capital. His father-in-law told him about FINCA Afghanistan's financial services, which included Sharia-compliant ones.

Noor Ahmad received AFN 30,000 in Murabeha loan from FINCA Afghanistan and invested the amount in the shop. He purchased more goods according to what his customers demanded.

After repaying the first loan, he applied for a second one for AFN 30,000. He used the money to purchase a tricycle and start another small, seasonal business of selling ice during the summer. Given the high temperatures in Kunduz at this time of the year, there is high demand for ice.

Noor Ahmad received his third and fourth cycles of loan for AFN 100,000 and AFN 150,000 respectively. These two loans supported his risky decision of selling his shop asset and investing in a new business venture: a flourmill. He first purchased a diesel machine and later on changed the diesel machine to a more efficient electric machine to reduce fuel expense as well as pollution.

Noor Ahmad said that the last two loans for the flourmill gave him the confidence in himself; that he is trusted by FINCA to take such a risk because they believed he could establish a stable business based on his long history with them. His monthly income increased from AFN 15,000 to AFN 35,000.

Previously he wasn't able to afford paying the education expenses of his children, or do basic repair or paint work in his home. Nowadays, he has the capacity to secure his children's education. He has continually been improving his family home, extending it with an additional three rooms and buying furniture for them. Thus far, he has savings of around AFN 90,000.

” There was a time several years ago that I will never forget, when I was requesting a whole seller of wheat to let me buy a bag on credit. He rejected my request; he assumed right away that I would be unable to pay,” recalled Noor Ahmad. “Nowadays, I can get bags of wheat with one phone call and no cash up front. Whole sellers know me and my business now and they trust me.”

In the future Noor Ahmad is keen to get further loans to purchase two more machines for the mill, and to hire four additional personnel.



A woman head of household finds fortune in her passion for beauty

Noor Zia Ibrahimi, 40 years old, lives with her husband, four sons, and one daughter in the Char Qala area of Kabul city. Her eldest daughter is married and living with her husband.

Her youngest daughter and son are students in school, one of her older sons has migrated to Germany, another one is working in the military, and the other one runs a salon for men.

When Noor Zia started her business, she began with a small beauty parlor in the Kolola Poshta area of Kabul. Her initial capital was AFN 30,000. She was encouraged by a Loan Officer from Mutahid to take a loan to expand the business. Mutahid approved her first loan of AFN 30,000, which she used to procure the necessary equipment for her beauty parlor to be able to offer more services.

Her Kolola Poshta parlor thrived after the expansion and that's when Noor Zia realized she has the pulse for the business of beauty and wellbeing. She took out a second loan of AFN 50,000 to move her Kolola Poshta salon to Shar-e-Naw, the part of Kabul where the middle-income and wealthy reside.

After repayment of the second loan, Noor Zia applied for a third cycle from Mutahid worth AFN 70,000. This time, she invested it in her husband's small grocery shop. She purchased more items for the shop based on client demand to increase his income.

Noor Zia took out her fourth cycle of loan worth AFN 100,000, to open a new salon for men in the Taimani area of Kabul for her older son to run.

Meanwhile, she continued to expand her own beauty parlor for women, training five girls in the business and eventually hiring them as employees. Although her monthly household expense increased by AFN 10,000, her expansions enabled her to raise her monthly income, from AFN 40,000 to AFN 120,000. Before the loan she was not able to save money, but with the income increasing by AFN 80,000, she has managed to set aside savings of around AFN 480,000 (USD 7,000) in her bank account.

Noor Zia has bigger plans for the future. She plans to open a fitness club for women in the same area of her beauty salon, to hopefully market the health and fitness service to her existing clientele. In line with this, she also plans to increase the number of her employees to eight so to give her a good chance to compete in the market.

In recognition of her business acumen and her inspiring story, Noor Zia received an award from the Afghanistan Microfinance Association (AMA) in April 2014 for being one of the most successful entrepreneurs in the microfinance sector.





Overcoming illiteracy to become a teacher

Zahra is a 22-year-old young Afghan living with her father, mother, three brothers, four sisters, and two nephews in the Afshar Darulaman area of Kabul city. Her father is physically unable to work; her three brothers work in a bakery, while she and her remaining sisters assist their mother in the daily household chores.

Zahra is illiterate but she learnt embroidery from her mother. She started doing embroidery work from home with AFN 10,000 as initial capital.

With determination and hard work, she envisioned expanding her business if she could increase her capital to AFN 50,000. To achieve her vision, she took her first loan of AFN 30,000 from Mutahid so she could buy two embroidery machines, strings and cloths and other materials. Before long, Zahra started getting commissioned by her neighbors and other members of the community for tailoring and embroidery work. She applied and was approved to receive her 2nd, 3rd, and 4th cycles of loan for AFN 50,000, AFN 60,000, and AFN 50,000, respectively, from Mutahid to continue expanding her business and to hire new employees.

As her business grew, she entered into an agreement with two shopkeepers in the Dasht-e-Barchi area of Kabul city to sell her embroidery products in the market. In addition to her mother and sisters and herself, Zahra also relies on five external employees to keep up with demand. “Now I’m very happy because I can support my family and I can look forward to a brighter future for myself,” said Zahra.

Zahra is also now a tailoring and embroidery teacher in the area she lives. Her monthly income has increased from AFN 7,000 to AFN 20,000 and she is now able to save AFN 5,000 a month.

She plans to open a tailoring and embroidery shop in the Dasht-e-Barchi area of Kabul city to sell her products directly in the market.



Sticking to what he knew well: An Afghan man takes a risky move that paid off

Ghulam Mohammad is a 53-year old man living with his mother, wife and four children in district 1 of Mazar city in Balkh province. His eldest daughter, who is eight years old is studying in a private school.

Ghulam Mohammad was working as a driver in Samangan province for seven years. He wanted to have his own car so he could be self-employed, but he didn't have enough money to afford a car. He applied for his first loan of AFN 100,000 from The First Microfinance Bank (FMFB) and together with his AFN 40,000 saving, he was able to buy a car and start working along the highway between Samangan and Balkh provinces.

After three years of driving in the highway he decided to permanently move his family from Samangan to Balkh province. With the second cycle loan of AFN 75,000 from FMFB and his own saving of AFN 90,000, he opened a grocery shop in Mazar city and now it has been nearly six years that he is has been running his own business.

Ghulam Mohammad received two more cycles of loan worth AFN 200,000 each time. On both occasions, he invested in expanding his shop, adding more items based on the demand of the community. As a result, he attracted more and more customers, increasing his income in the process.

He hired a person to help him in his business. With the loans he received from FMFB and the business expanded and his income increased, he was able to build a house for his family, create a job, and continuously support his daughter's private school education.

His monthly income increased from AFN 6,000 to AFN 24,000 and his household expenses also increased from AFN 4,500 to AFN 15,000. Similarly, his monthly saving increased from AFN 1,500 to AFN 3,000.

Ghulam Mohammad has AFN 300,000 capital invested in his grocery shop and has plans for further expansion. Another plan is to add another floor to his house. He and his family can look forward to a future with better quality of life.

Starting small and dreaming big: A woman's path from micro-enterprise to SME

Zarlasht, a 40-year old woman is married and have six children: three daughters and three sons. Four of her children are attending school, while her elder son is working in a telecommunications company. Her eldest daughter is helping Zarlasht in her business.

Her husband is currently jobless due to lack of work opportunities. Her son's income is only sufficient for his own expenses as he is currently engaged and will soon marry and live a separate life. By default, Zarlasht is the breadwinner for her family.

Zarlasht had a small beauty parlor in district seven of Kabul city, which initially required a capital of AFN 30,000. With the small size of her business, the income and revenue are not sufficient to compete in the market and fulfill her customers demand. She was economically unfit to invest more on the business and was searching for financial support when she heard about OXUS Afghanistan from one of her neighbors.

She applied for her first loan of AFN 50,000. With her first OXUS loan approved, Zarlasht was able to purchase the necessary equipment and goods for her beauty parlor to be able to expand services and attract more customers, which eventually increased her income.

After she completed repayment of the loan, she applied for her 2nd, 3rd, and 4th cycles of loan worth AFN 100,000, AFN 200,000, and AFN 300,000 respectively, through four years. The fourth cycle was an SME loan, which she used it to fulfill the high demand of her customers adding more contemporary, and higher quality beauty products and services in her parlor. She also hired and trained her daughter to serve the customers and manage her parlor in her absence.

Zarlasht's monthly expenses increased from AFN 10,000 to AFN 30,000, but she also raised her income from AFN 10,000 to AFN 40,000 her monthly. Her children, who used to study in public schools, are now enrolled in private schools. She has opened a bank account and is saving AFN 10,000 per month. Her successful business has motivated other women too to take loan and start/expand their own businesses.

Zarlasht's future plan is to further expand her business, knowing that it will also lead to job opportunities for at least five more employees, who can help her continue to keep up in the highly competitive market.



A former refugee turns bakery owner

The breadwinner for a family of seven, Mohammad Ali is 27 years old, a married man living with his father, mother, two brothers, his wife and child in Mazar city of Balkh province.

During the war, Mohammad Ali and his family were living as refugees in Iran. They were there for almost 15 years and when the Taliban reign ended and a new government was in place, they returned to Afghanistan and settled in Mazar city.

Mohammad Ali learned baking skills in Iran and that was the only business he could start in Mazar, but to do so, he needed capital. Through Mutahid employees, he learned about micro loans and applied for AFN 30,000 and since this money was not sufficient to open a bakery, he partnered with a friend and opened a bakery.

With the second loan of AFN 50,000 from Mutahid, he ended his business partnership in his desire to own the bakery. He hired five employees and invested in the raw materials and equipment required to expand the bakery. He received two more cycles of loans worth AFN 70,000 and 100,000 respectively, and invested all the money in the business to make it more attractive for the customers and to increase daily production.

Mohammad Ali is now able to generate AFN 60,000 income in a month, pay the employees, bear other costs of the bakery and fully support his family. Their household expense reaches AFN 18,000 per month. He is regularly paying loan installments to Mutahid, as well as saving AFN 15,000 on a monthly basis. With the savings he was able to get married, as well as purchase a car.

If given the chance to take out future loans from Mutahid, Mohammad Ali is planning to open another bakery in the city to double his business income.

"I am very happy using the loans in the right way. I got married, purchased a car, and finally having a stable income generating business of my own. I am very satisfied with my standard of living."



Starting small and dreaming big: A woman's path from micro-enterprise to SME

Fayez, 30 years old, owns a stone processing and manufacturing factory that converts granite, marble and other types of valuable stones imported from Pakistan, China, India and Iran, into decorative home items, statues, and grave-sign stones.

Upon completion of his high school studies, Fayez could not pursue a university degree as he felt a more urgent need to find a source of regular income.

Fayez established his stone factory at a small scale twelve years back. After mastering the skills and positioning his business, he decided to expand it and increase the production for which he required cutting machines and other devices.

FINCA supported Fayez to implement his business expansion plan by providing him his first SME loan worth AFN 300,000, which he spent primarily on industry-standard stone-cutting. Upon successful repayment of the first loan, Fayez was supported by three consecutive larger loans worth AFN 600,000 and the last two worth AFN one million.

The loans were invested mainly on the required machinery and accessories and purchase of raw material.

Fayez employs four permanent staff, paying them a total of AFN 40,000 a month. Fayez earns an income of around AFN 100,000 in a month despite the slow-down in Afghan economy. Planning for further expansion, Fayez injects part of his income into his business after paying for the household expenses. Enjoying a good life and a stable Business, Fayez is committed to invest on his children's education. *"I want my children to become doctors, engineers or other professions of their choice,"* added Fayez.

He manages a family of eight members, consisting of his two children, wife, sisters and parents.

"Commercial Banks were not ready to provide me the loan I required as I could not meet their requirements," said Fayez, *"Loans from FINCA Afghanistan helped me expand my business."*

'This success story was developed by MISFA'



Passing on the art of silk carpet-weaving

Laili Zakeri is a 46 years old woman living with her husband, four daughters, and four sons in the Jebrael district of Herat province. Her eldest son is a student at university and others are school-aged students. Her husband is helping her in the business.

Laili Zakeri is the functional head of her household, taking full responsibility when it comes to covering overall family expenses and the children's education needs. In addition to other skills, Laili Zakeri is a silk carpet weaver her main source of livelihood for almost nine years. Due to lack of enough capital, she was unable to weave an adequate number of carpets that she could sell in the market to generate good income.

After hearing about microfinance services from neighbors and friends, she submitted a loan application to FINCA Afghanistan, who approved her application for AFN 25,000. She used the loan to purchase the necessary items for weaving carpets, which she could sell at a good price. She continued to repay and borrow from FINCA Afghanistan as she saw the benefits of taking loan for business expansion.

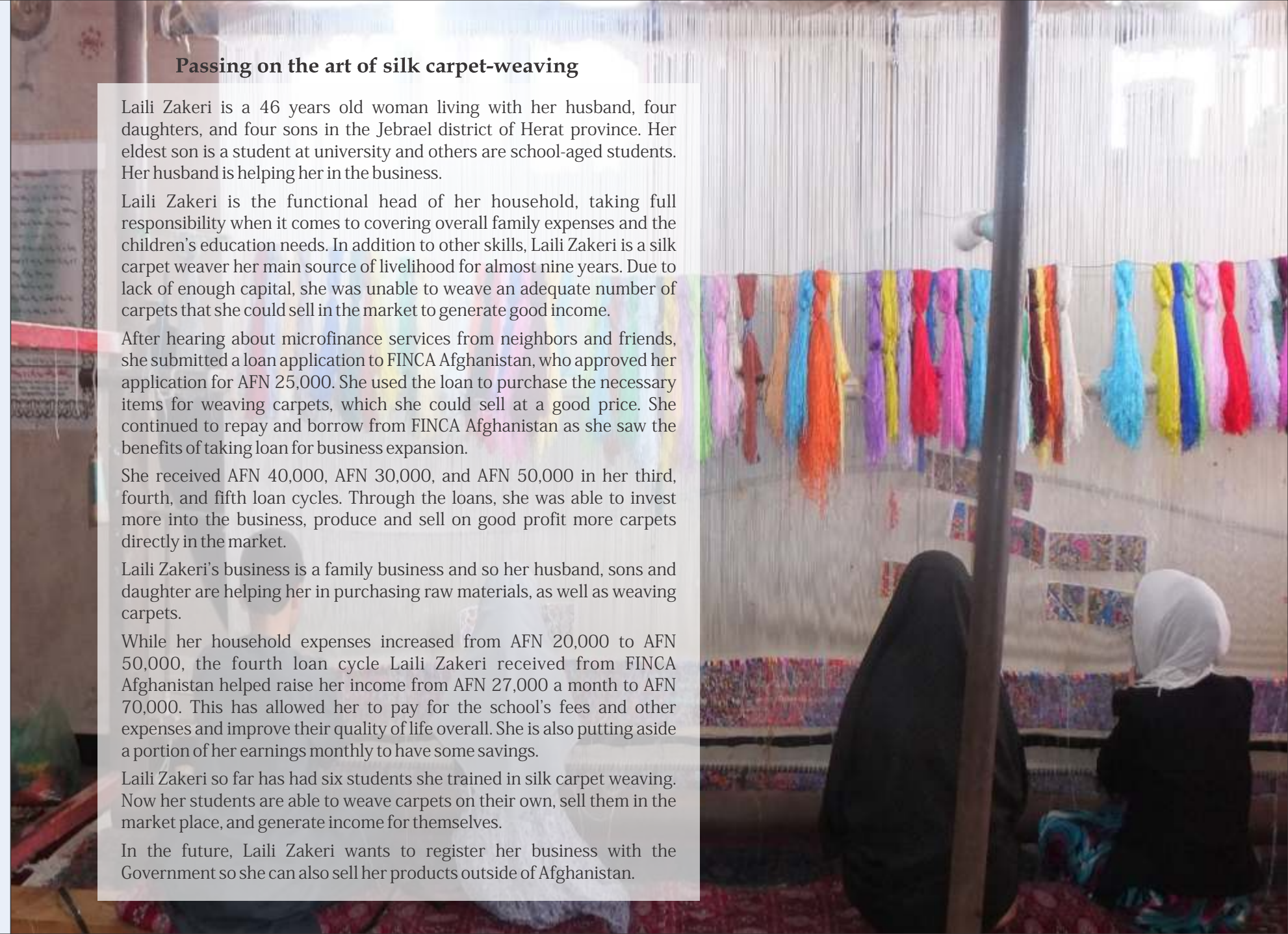
She received AFN 40,000, AFN 30,000, and AFN 50,000 in her third, fourth, and fifth loan cycles. Through the loans, she was able to invest more into the business, produce and sell on good profit more carpets directly in the market.

Laili Zakeri's business is a family business and so her husband, sons and daughter are helping her in purchasing raw materials, as well as weaving carpets.

While her household expenses increased from AFN 20,000 to AFN 50,000, the fourth loan cycle Laili Zakeri received from FINCA Afghanistan helped raise her income from AFN 27,000 a month to AFN 70,000. This has allowed her to pay for the school's fees and other expenses and improve their quality of life overall. She is also putting aside a portion of her earnings monthly to have some savings.

Laili Zakeri so far has had six students she trained in silk carpet weaving. Now her students are able to weave carpets on their own, sell them in the market place, and generate income for themselves.

In the future, Laili Zakeri wants to register her business with the Government so she can also sell her products outside of Afghanistan.



An SME borrower moves his bakery to a more commercial area

Abdullah, a 28-year old married man, is living with his mother, wife, son, brother, brother's wife and their four children in the Enjil district of Herat province. He moved his family from Kunduz to Herat seven years ago in search of better opportunities for livelihoods.

When he came to Herat, Abdullah and his brother opened a bakery and hired an employee to help them. With their large household crammed in a small rented space, Abdullah decided to purchase a house with the savings and assets he had, but later on realized that the cost of the new house took away money for the upkeep of the bakery. Abdullah applied for an SME loan of AFN 215,000 from Mutahid and received it. With the loan he purchased the necessary goods for the bakery to smoothly run his business.

He received his second cycle of SME loan for AFN 315,000 from Mutahid and with that he moved the bakery to a more commercial area to draw more customers and increase income. He also added two more employees to expand his business and respond to the higher demand. Part of the loan was spent on upgrading equipment and raw materials in the bakery.

Abdullah's monthly income increased from AFN 18,000 to AFN 32,000. He created job opportunities for three Afghans, and now since he has employees who can take care of the business, he has more time to be with his family and the people in the community, join ceremonies, and meet relatives or help them when needed.



Loan helps woman breadwinner fulfill her dream of owning land and home

Nooria Haidari is a 40-years old woman managing two beauty parlors in Herat. With her husband unable to find regular employment, Nooria has become the de facto breadwinner for her family. She has four daughters and two sons, who are all attending formal education.

She has been preoccupied with her business for the last 15 years. Her family has been renting their place of residence for so long and she had been dreaming of someday owning, which she also saw as an investment for her children. When she heard about The First Microfinance Bank (FMFB) housing loan, she applied and received AFN 150,000, which she used to purchase a land. She took a second loan of AFN 200,000 and together with her own savings, she was able to finance the construction of a small house on the land in a property she finally owned.

With the third loan of AFN 200,000, Nooria Haidari opened another beauty parlor and expanded her business in Herat city. She also hired two employees to work for her in the second parlor and she is paying them a monthly salary.

Besides providing beautification services to customers, Nooria Haidari also trains students in this field and currently has eight students. She earns an extra AFN 3,000 per month, per student.

By opening the second beauty parlor, Nooria Haidari's monthly income increased from AFN 100,000 to AFN 180,000.

She plans to expand her chain of beauty parlors in other areas of the city and hope to create more job opportunities for other women.



Rising above tragedy, a widow turns to her talent to become breadwinner

Masouda, 42 years old, is living with her 4 children; two daughters and two sons, in a rental house in the Darulaman area of Kabul city.

Her husband, who joined the military has been missing now for 15 years and nobody knows whether he is still alive or not. As such, she has been living the life of a widow, looking after her children's wellbeing and supporting their education. Her eldest daughter is now in university, while her younger daughter and sons are all attending school.

Masouda was left in a limbo for some time when her husband went missing. Every day she was hoping he would just appear, but the reality was staring her in the face - her four young children; for them to survive, Masouda had to be the head of the family and find a source of livelihood. She decided to use her tailoring skills and started a home business with just one tailoring machine. Since one tailoring machine wasn't sufficient to earn enough to cover the family needs, she approached OXUS Afghanistan and applied for a AFN 50,000 loan. OXUS Afghanistan approved the loan and Masouda used it to buy another machine for linen sewing, which she had the skill to do, but did not have the capital to invest in.

She received four cycles of loan from OXUS Afghanistan. The amount of the first three loans were the same, AFN 50,000. After completing payment of the third cycle, Masouda took out her fourth loan, three times more than before: AFN 150,000. She invested the funds in the business and as a result, she was able to expand production and revenue. She is producing high-quality scarfs for women, which are of export quality and can compete with those made and sold abroad.

The expansion increased her capital to AFN 400,000 and she now has four linen sewing machines valued at AFN 50,000 each, and eight employees working with her in the business.

Her net business income increased to AFN 25,000. With all her children pursuing education, including her eldest at university level, her household expenses also increased to AFN 15,000 a month. Previously she was not able to save money, but now she is able to save AFN 10,000 monthly in a bank.

She is very happy that she was able to access financial services. *"Microfinance is very useful for the poor and middle income people, who have talent and skills and just need the capital to use their skills to make a living,"* said Masouda.

She is planning to rent a bigger house for her business, hire five more employees, and buy four new machines to add silk sewing to her clothing line.



A poultry farmer gets support from self-help group

Sayed Shafiullah, 36 years old, is living in a household of eleven members: father, mother, two brothers, wife, two sons, and three daughters, in the Dar-e-Suf Payeen district of Samangan province. He is the main income earner for the family.

After Sayed Shafiullah received vocational training in poultry and the basic tools from Hand-in-Hand Afghanistan, he started his small poultry business in his village. In order to keep his business running, he joined a Self Help Group (SHG), which helped him with a loan of AFN 15,000.

The cash helped him expand his business. He now runs a poultry farm with 600 chickens, and is a key supplier of quality chicken in the local market. He hired two men as full-time employees with a monthly salary of AFN 3,000, as well as a 7.5% share in the business. He has also recruited three women in the community to help around with the daily cleaning and upkeep of the chickens. He pays them monthly based on the wage rate of AFN 10 per chicken.

People living in the community are satisfied with Sayed Shafiullah's supply and prefer his products over imported products in the market.

Through this business, Sayed Shafiullah's income has increased from AFN 8,000 to AFN 20,000 per month. Two of his children are studying in school and Sayed Shafiullah is able to cover their educational expenses of around AFN 2,000 a month. He is also putting aside AFN 2,000 a month to the self-help group.

Sayed Shafiullah is hoping he can have another poultry farm of 500 chickens and is working hard to fulfill his goal.



Widow turns life around for her children

Four years ago, Suraya Noori's husband passed away. She suddenly found herself responsible for the survival of her family. Suraya Noori, is 40 years old and living in the Marmul area of Mazar city in Balkh province. She has five sons and a daughter. Four of her children are studying, her eldest son is living abroad and another son is working with her uncle in his shop.

After her husband succumbed to his health problems, the widower was desperate to find a way to feed her children properly and send them to school. She had carpet-weaving skills from childhood and that was the only hope for Suraya to start a small business.

Suraya had AFN 15,000 in hand, which was not enough capital to start a business. One of her friends told her about micro loans. She was referred to the Balkh Islamic Investment & Finance Cooperatives (IIFC) and got approved to borrow AFN 50,000. With the loan and her own capital, she purchased raw materials, a weaving machine, and the necessary furniture to start producing wool clothes.

In four years, her business grew into a stable source of income for her family. She also started teaching the weaving skills to 25 students. Fifteen of her former students are now working for her.

After the first loan cycle, Suraya received three more loans of AFN 30,000, AFN 50,000, and AFN 30,000. She invested all the money in the business and now has ten weaving and one sewing machines.

Suraya Noori has participated in 30 exhibitions across the country: in Kabul, Herat, Balkh, and Bamyan provinces; and three exhibitions outside the country in India, Tajikistan, and Dubai.

She now has one million Afghani in investments in the business. She could send her eldest son to live abroad and her four children are studying in private schools.

Suraya Noori's monthly income is AFN 120,000 and her family expenses add up to AFN 22,000 a month. She is able to save at least AFN 10,000 each month after payment of both household and business expenses.

Suraya Noori wants to export her products to foreign countries in the future.



A young woman expands her business to save for her future education

Nargis Alemi 24 years old, has completed a degree in design and graphics from the Faculty of Arts in a university in Herat province. She is living in a family of five in district 12 of Herat city.

After the family returned to Afghanistan from Iran 10 years ago, they settled in Herat city, where it was relatively safer and more peaceful than other parts of the country.

Nargis lost her father when she was a young child and now as an adult, she is expected to contribute significantly to the income of her family. She lives with her mother, one sister, who is studying in a private university, and two brothers working as painters but their salaries do not suffice.

Five years ago, Nargis started designing and producing women's dresses. She learned her sewing skills from her mother. In the beginning, due to a low cash flow, she wasn't able to buy the necessary production material she needed. She only had an old sewing machine to produce dresses and it was her ambition to have modern and new sewing machines, an electrical iron press and a working table. She was always able to create clothing designs that were attractive to women, but she wasn't able to produce them because she didn't have the right working facility.

Apart from family expenses, Nargis is also responsible for covering her sister's and brother's educational costs.

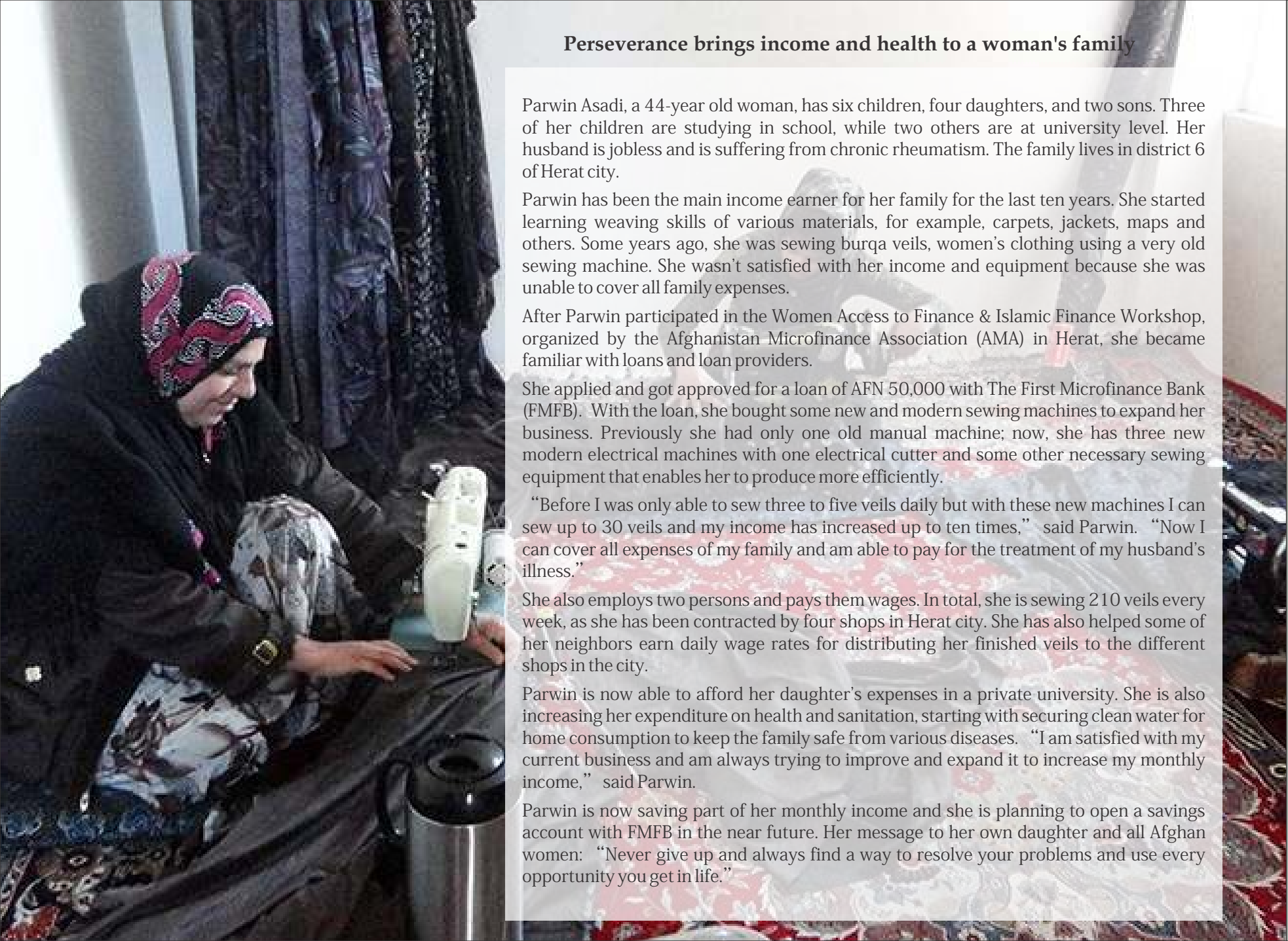
Due to limited resources she wasn't able to keep up with competitors. She was losing hope until she participated in the Women Access to Finance & Islamic Finance Workshop conducted by Afghanistan Microfinance Association (AMA) in Herat province in October 2015.

With the knowledge she gained from this workshop, she applied for a loan to expand her business. She was approved to receive a loan of AFN 35,000 from Mutahid DFI and used it to buy the equipment she needed, including three new and modern sewing machines. As a result, she could finally establish and produce the clothing line she has been designing in her mind. She hired three young women to work for her and help her with her business expansion.

Her monthly income increased from AFN 3,000 to AFN 12,000. She didn't have any savings in the past but now she is able to save money for her education in the future. When she has saved enough money, she is considering opening a bank account with one of the MFIs.

"I am hopeful for the future and looking forward to registering my production company with the government. I am also looking for bigger loans in the near future to expand and open new branches in other locations," said Nargis.





Perseverance brings income and health to a woman's family

Parwin Asadi, a 44-year old woman, has six children, four daughters, and two sons. Three of her children are studying in school, while two others are at university level. Her husband is jobless and is suffering from chronic rheumatism. The family lives in district 6 of Herat city.

Parwin has been the main income earner for her family for the last ten years. She started learning weaving skills of various materials, for example, carpets, jackets, maps and others. Some years ago, she was sewing burqa veils, women’s clothing using a very old sewing machine. She wasn’t satisfied with her income and equipment because she was unable to cover all family expenses.

After Parwin participated in the Women Access to Finance & Islamic Finance Workshop, organized by the Afghanistan Microfinance Association (AMA) in Herat, she became familiar with loans and loan providers.

She applied and got approved for a loan of AFN 50,000 with The First Microfinance Bank (FMFB). With the loan, she bought some new and modern sewing machines to expand her business. Previously she had only one old manual machine; now, she has three new modern electrical machines with one electrical cutter and some other necessary sewing equipment that enables her to produce more efficiently.

“Before I was only able to sew three to five veils daily but with these new machines I can sew up to 30 veils and my income has increased up to ten times,” said Parwin. “Now I can cover all expenses of my family and am able to pay for the treatment of my husband’s illness.”

She also employs two persons and pays them wages. In total, she is sewing 210 veils every week, as she has been contracted by four shops in Herat city. She has also helped some of her neighbors earn daily wage rates for distributing her finished veils to the different shops in the city.

Parwin is now able to afford her daughter’s expenses in a private university. She is also increasing her expenditure on health and sanitation, starting with securing clean water for home consumption to keep the family safe from various diseases. “I am satisfied with my current business and am always trying to improve and expand it to increase my monthly income,” said Parwin.

Parwin is now saving part of her monthly income and she is planning to open a savings account with FMFB in the near future. Her message to her own daughter and all Afghan women: “Never give up and always find a way to resolve your problems and use every opportunity you get in life.”

A returnee from Iran brings photography skills to his hometown in Kunduz

Najibullah is a 38-year old married man living in Kunduz with his wife, three sons, and three daughters. His eldest son is helping him in the business.

When Najibullah’s family was living in Iran, he worked in a photo studio and learned photography skills. Upon returning to his hometown in Kunduz for good, he started the same business on his own. In the beginning, his business was very small, but customer demand was high. He needed capital to expand his business and have more photo copying machines, color printers, scanners and other inputs.

Najibullah applied for a AFN 150,000 loan and received it from the Kunduz Islamic Investment & Finance Cooperatives (IIFC). With the money, he purchased a photo camera, a printer and scanner. The expansion led to more customers and an increase in income.

Najibullah applied for second loan of AFN 300,000 and received it from Kunduz IIFC. This time he purchased a photocopy machine and a digital printing machine.

Through the two loan cycles, Najibullah increased his business income from AFN 15,000 to AFN 45,000 a month.

Previously Najibullah was not able to contribute more to his children’s education and now he is able to cover all their educational expenses. He was also able to afford his son’s wedding expenses, as well as build one more room in his house.

He thanked Kunduz IIFC for the financial support that enabled him to acquire the assets he needed to expand his business.

Najibullah’s future plan is to purchase one more digital and automatic printing machine and to recruit three more employees.



Loan helps borrower own a poultry farm serving the needs of the community

Ghulam Ali, 65 years old, is living in a family of 10 members; his wife, two daughters, son, daughter-in-law and grandchildren. He lives in the Dar-e-Suf Bala district of Samangan province. He supports his family's expenses along with his eldest son, who is a daily wage worker.

After Ghulam Ali joined Hand in Hand Afghanistan, he enrolled in a business training where he acquired skills in poultry farming. He received AFN 25,000 as an internal loan from the group and opened a chicken meat shop.

He is now the owner of a poultry farm, as well as a meat shop that sells fresh Halal chicken meat. By opening the shop, Ghulam Ali is providing a service to the village; before his shop opened, most of his neighbors walk 20 km to reach the nearest bazaar where they can buy chicken meat. It also became easier for villagers to procure meat from Ghulam Ali for family ceremonies/parties and village events, so they ask Ghulam Ali to provide them a large number of chicken meat.

Ghulam Ali's life has seen a big change after his enrollment in the Self Help Group (SHG). His monthly income is now AFN 10,000 AFN, where previously he was only able to make AFN 2,500 a month. Not only is he able to help cover family expenses, he is also able to contribute to his grandchildren's education, paying for their school supplies.

In future, Ghulam Ali wishes to expand his business by providing meat for weddings and big ceremonies. He plans to apply for additional loans especially during spring and summer seasons when weddings are mostly happening.



Creating jobs and opportunities for younger women

Shakila is a 30-year old married woman living with her husband and three children in Mazar city of Balkh province. Two of her children are now going to school.

During the war, Shakila's family migrated to Iran and when the situation got better in Afghanistan, they returned to Afghanistan. Shakila got married in Kabul and then moved back to her native city of Mazar. She said she is not willing to migrate to other countries anymore and would prefer to continue with her business in her own country where there are more opportunities for women to start or expand their business.

Shakila is living in a village where there are very few people that have their own capital to invest in business. People mostly borrow to start or expand a business. She also didn't have enough capital to expand her tailoring business and was looking for a loan when she heard about microfinance services from her friends and relatives.

Shakila applied for a loan from The First Microfinance Bank (FMFB) and got approved for a AFN 10,000 credit. She used the money to purchase three sewing machines to add to her own. With four sewing machines for her business, Shailla then trained and hired 18 girls for her business.

Shakila has now been a client of FMFB's for the past six years. She received five loan cycles of AFN 10,000, AFN 30,000, AFN 50,000, AFN 50,000, and AFN 150,000. Each of the loan was invested in expanding the business, purchasing machines and raw materials for the most part. She also spent part of the money to open a grocery shop close to their house.

Before borrowing from FMFB for the first time, Shakila was able to generate AFN 1,000 monthly, and now she has a monthly income of AFN 10,000. Their household expenses doubled from AFN 3,000 to AFN 6,000, but her income also affords her to cover household expenses and invest in her children's education. In addition, she is able to save AFN 4,000 every month.

Shakila's successful businesses have had a positive impact on her neighbors and friends and now there are friends of Shakila's who have also borrowed from MFIs to open tailoring shops and beauty parlors. Some of her friends have also been approved to receive loan for housing and poultry.

Shakila is looking forward to establishing a manufacturing business, which she projects will create job opportunities for other women, who will help her produce more to meet the growing demand of customers.



Small business expands to wholesale and creates jobs

Fawzia is 39 years old and a married woman living with her four sons, three daughters, and her shopkeeper husband in district five of Mazar city in Balkh province.

In the early days of her marriage, Fawzia and her husband were having a hard time making ends meet. Fawzia asked her husband if there was a way she could contribute towards earning more income for the family. Her brother taught her the process of making children's food and suggested starting a small business in this field. Her husband gave his permission, but Fawzia needed capital. She reached out to FINCA Afghanistan and was approved for a AFN 30,000 loan.

Fawzia started the business in partnership with her brother. She was making the children's food at home and her brother had the responsibility of selling the product in the market. In the beginning Fawzia's three children were helping her in producing the product, but later on when the business grew, she hired five employees to help keep up with production.

Currently, Fawzia has 20 employees in the business and now her children are going to school so they are not helping their mother in the business.

Fawzia's product is sold in the market on wholesale. She is paying her employees AFN 1.5 per one product sachet and each of her employees are able to produce at least 50 pockets per day.

"The only problem I am currently facing is in the import of plastic sachets from Pakistan; they are quite costly."

Fawzia received AFN 40,000 and AFN 50,000 from FINCA Afghanistan in the second and third cycles and invested them in the business to purchase raw material as well as hire more employees.

Fawzia's monthly net income reaches up to AFN 15,000 and her family livelihood expenses reach around AFN 10,000. She is saving AFN 5,000 monthly.

In the future Fawzia wants to modernize her business by purchasing necessary machines in order to automate some aspects of the production, which currently is all done manually. She is also looking to purchase a machine to produce the plastic sachets so she can save on the high costs of importing them from Pakistan.



A former school teacher turns her passion into a thriving business

Suraya Ahmadi is a 47 year-old married woman. She is living with her husband, three daughters and two sons in district 1 of Mazar city. Her husband, who used to be a government employee, is now jobless for almost two years. Their eldest son is studying in a university in India and the second son is a teacher in a vocational school. Her daughters are school students.

Suraya Ahmadi has been a school teacher for 20 years. She was always interested in becoming an entrepreneur and when she was young, she learnt and gained good skills in tailoring. With her free time from teaching, she started a small tailoring business with AFN 11,000 capital. With one sewing machine at home, she started sewing dresses for her neighbors.

Suraya Ahmadi hoped she could explore her true passion some more and looked to expand her business. She met with some dress store owners in the market and presented her designs to them. The designs were accepted but they asked Suraya Ahmadi to give them AFN 3,000 as guarantee and in return, they will be in charge of providing Suraya Ahmadi the fabric and other raw materials she needed to produce the dresses she designed. She would get paid AFN 100 per dress. Suraya Ahmadi took out a AFN 30,000 loan from the Balkh Islamic Investment & Finance Cooperatives (IIFC).

With the loan, she paid AFN 3,000 each to the dress stores, purchased a modern sewing machine for AFN 25,000, and acquired some raw materials with AFN 2,000.

She continued sewing dresses for stores for one year and a half until she decided to have her own dress store. She took out a second loan of AFN 30,000 from Balkh IIFC and with that she purchased another tailoring machine for her daughter, as well as raw materials and they started producing ladies dresses that they were able to sell in the market.

She trained 10 girls in the business and later on with a third loan of AFN 90,000 she purchased two more tailoring machines and increased her students to 30.

After completing three cycles of loan with IIFC Group, Suraya Ahmadi shifted to OXUS Afghanistan and received a AFN 50,000 loan. She used this money to buy an advanced machine that can create a variety of artistic and elaborate patterns on fabric. She hired and trained four women to operate the machine.

Suraya Ahmadi's net monthly income through this business has reached AFN 45,000 and she can afford to contribute AFN 23,000 monthly towards her household expenses. She is also saving AFN 15,000 each month in a bank. Suraya Ahmadi says that she wants to become a successful entrepreneur in Afghanistan and be a model for young women entrepreneurs. In future, she wants to be able to export her products.



Afghanistan Microfinance Association (AMA)

house # 547, street 3, taimani project, district 4,
Kabul-Afghanistan.

info@ama.org.af | www.ama.org.af