

WOMEN FOR WOMEN INTERNATIONAL ANNOUNCES LOANS TO WOMEN IN AFGHANISTAN

First Disbursement of Microcredit to Aid 187 Women Entrepreneurs

Women for Women International, currently the only microfinance organization in Afghanistan working exclusively with women, announces its first loan disbursements. This initial investment represents 187 microcredit loans to women in and around Kabul, totaling approximately \$34,210 USD. Many of the loan recipients are women opening their own businesses for the first time. They join the growing number of women participating in the reconstruction and development of their country.

“The women in Afghanistan have the desire to run their own businesses, but do not have access to the capital they need to start or expand these projects,” says Zainab Salbi, founder and CEO of Women for Women International, “this program gives them the financial support they need to get their business off the ground.”

Many of the women who have received loans are interested in starting or expanding an agri-business; the loan will fund activities such as buying and raising a cow or chickens to sell milk or eggs in the market, or cultivating and selling vegetables. However, there are also a variety of creative, non-agricultural businesses as well. Mina Gul is using her loan to start a soap-making business, a skill she learned while she was a refugee in Pakistan. Shilla is opening a small shop, where she and her son will sell the handmade shoes she has been making for the past 13 years. And Sofia is buying newer equipment for her home-run beauty salon to better serve her clients and expand the selection of products she offers.

The microfinance program was the next logical step for Women for Women International’s programs in Afghanistan. Currently, the organization’s year-long program provides women with monthly direct aid and emotional support, rights awareness and leadership education and vocational skills training. “This program will help graduates of our program, and other women in Afghanistan, gain economic independence as the country rebuilds,” says Sweeta Noori, Country Director for Women for Women International – Afghanistan.

Women for Women International has a microfinance program in Bosnia and Herzegovina that has distributed 11,800 loans totaling approximately \$10 million since 1998, with a repayment rate of 98%. The organization used its experience and its success there to bring a similar program to Afghanistan. Lending practices are based on the Grameen Bank model of lending, which promotes credit as a human right, regardless of collateral, and loans are given to people who would not qualify for a traditional bank loan. This model also organizes borrowers into solidarity groups; each member is responsible for ensuring that the other members repay their loan on schedule. This creates accountability within the group, but also creates

a support system for borrowers to discuss problems or successes they are having with their businesses.

The organization established the microfinance program in Afghanistan with support from the Microfinance Investment and Support Facility in Afghanistan (MISFA) and the Grameen Bank Foundation.

To learn more about Women for Women International's programs in Afghanistan and around the world, please feel free to explore the organization's website at www.womenforwomen.org.