



"The FINCA loans really helped my business thrive,"-Nadar Hussain



Side Business Offering Extra Income

A Microfinance Client Story

Story of Nadar Hussain

The Microfinance Investment Support Facility for Afghanistan (MISFA) was set up in 2003 at the invitation of the Afghan government — to get donor coordination right from the start and avoid the counter-productive efforts that have emerged from conflicting donor objectives in other post-conflict situations. It was established as a vehicle through which the Afghan Government and international donors could channel technical assistance and funding to build microfinance in Afghanistan.

In March 2006, MISFA was registered as a limited liability non-profit company whose sole shareholder is the Ministry of Finance of the Islamic Republic of Afghanistan. MISFA Ltd is an independent apex organization with a select group of implementing partners on the ground.

Nader Hussain was striving to establish a side business as his salary as a watchman at a government-run factory could not meet the household expenses, despite some perks. "They provide free housing. I do not need to pay rent, electricity and water bills," said Nader Hussain.

When he learned about FINCA, Nader Hussain tried his luck and applied for a loan of AFN 30,000. The loan was approved and he used it to buy a cow and some goat. The investment paid off. Nader Hussain was able to get decent income out of livestock rearing, selling fresh milk, butter and yogurt. To date, he has become the main supplier of fresh milk to his community with most of his neighbors purchasing bottles directly from him on a daily basis. Nader lives in the Hala Chapan village of Mazar-e-



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FINCA Afghanistan started operations in 2004 with the support from FINCA International (US based parent company) then followed by MISFA and ARIES, a USAID funded project.

FINCA Afghanistan offers a wide array of credit products, including individual and solidarity group loans all of which can be accessed through conventional lending or Islamic financing. Headquartered in Kabul, FINCA Afghanistan operates through 22 branches in 11 provinces. FINCA Afghanistan is helping clients in the informal economy create their own jobs and build small businesses. Majority of these clients are female borrowers with fewer economic and employment opportunities. FINCA Afghanistan is dedicated to helping clients build successful businesses while ensuring that they are protected from unnecessary risks through its commitment to client protection standards.

"The earnings from the dairy products cover well the cost of household expenses," said Nader Hussain, who is now on his fourth cycle of FINCA loans. The last one was for AFN 100,000, which he used to purchase a high-quality breed of cow known to be prolific at dairy production.

Nader Hussain, 40, is now well known in the markets for his dairy products, and his wife, two boys and one daughter are well cared for.

Nader is looking to expand his dairy production

business. At present, he sells one bottle of fresh milk for AFN 25. On a given day, he sells an average of 20 bottles per day, with enough left for calf feed and household consumption. He also gets AFN 15,000 from his milk distribution per month.

"The FINCA loans really helped my business thrive," he said. Nader is in the process of completing the repayment of his last loan and applying for a new one for AFN 50,000. He plans to use this to increase the number of cattle he owns to further expand his dairy production business.



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