



“The microfinance loans helped me not regret my decision of returning home,”-Abdullah



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.

## A Microfinance Client Story

# Turning a refugee skill into a lucrative craft

For years, Abdullah, 48, a native of Baghlan Province, was languishing in Iran. As an Afghan refugee, his movements and civil liberties were curtailed. Still, he picked up a skill in Iran that became a passion, then a craft, and eventually, a path to success.

For some 10 years since repatriating to Afghanistan, Abdullah has mastered the art of carpentry. And with hard work and perseverance, he has turned his craftsmanship into a thriving woodwork business, with the financial help of Mutahid DFI.

He was able to start-up his carpentry business by taking his first loan from Mutahid of AFN 40 thousand. At that time, he was not certain that his investment in his own skills would lead him to success.

But he had a steady order of furniture that he had to expand his business, hiring two workers to help him meet the demand.

Mutahid DFI also helped out by believing and investing in him. Abdullah took a second loan of AFN 60 thousand after paying



Mutahid Development Finance Institution was established in 2011. Its creation facilitated the smooth consolidation of the best clients, staff, and resources of microfinance institutions, which exited the sector. As such, it is well placed to incorporate best practices and lessons learned from the past. MISFA provides significant support to Mutahid and believes that with its strong management and core principles of ethics, ideas and hard work, it could be a sustainable, model entity, contributing to the growth of development finance in Afghanistan.

Abdullah is assembling a bed which he has manufactured for one of his customers.

off the first one. With the capital he was able to partner with four different shops in the city to showcase and sell his furniture because renting a shop in the city independently is expensive.

“The microfinance loans helped me not regret my decision of returning home,” said Abdullah, who, with his thriving business, realized now that he made the right decision to return to his home country, even though at that time the future of his family was uncertain. “The loans helped me start my business and expand it.”

Now happily settled in their home in Balkh Province with his wife, a daughter and son, his sister and brother, Abdullah is able to provide well for the entire household, including a son, who studies in 5th grade, and his daughter, who is pursuing an economic diploma from a government university in Mazar-e-Sharif.

Abdullah continues to make home furniture, cupboards, beds, shelves, and other forms of home furnishings. “I am able to express my

passion and my craftsmanship through woodwork,” said Abdullah.

“The challenging part sometimes is I am driven to invest in purchasing various types of wood most suitable to the different pieces of furniture I create and sell. At times, it consumes most of my capital for the business,” he added.

Abdullah has applied for his 3rd loan of AFN 90 thousand, which he wanted to spend on buying MBF material and wood. He still works hard, day and night, to keep expanding his business. His future plan is to rent a shop in the main city, where he can make and sell his own furniture directly to customers on his own.

For this carpenter, who has not stopped pursuing his passion and perfecting his craftsmanship, the sky is the limit: “I can make any furniture according to any given design, even if I have just a picture to go by. I believe in myself and I have faith in my work.”