



With support from FINCA's progressively larger loans to Del Jan over time, she managed to switch to another business when demand for carpets dropped

From Breadwinner to Business Woman

Story of Del Jan - A Microfinance Client

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.

When Del Jan, 54, returned home to Kabul from Pakistan with her husband and children 12 years ago, she was full of hope. She had been looking forward to the freedom of being in one's homeland minus the constraints that come with living elsewhere under refugee status.

Shortly after returning to the Se-Rahi Allauddin of Kabul, Del Jan's hopes for a less burdensome life was dashed. Her husband and breadwinner, Asadullah, suffered from a stroke that paralyzed him and threw the family into grief and despair, especially Del Jan, who knew she had to assume the breadwinner role overnight to support the family.

Del Jan drew strength from the handcrafting and carpet-weaving skills she had mastered while in Pakistan. Initially, however, she had no idea where to begin; while she was confident in her skills, turning them into the family's main livelihood was such an alien idea for her. The one thing she was sure about was that she needed money to purchase all the raw materials and she was out of options, including borrowing from relatives.



FINCA®
فینکا

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 serves around 25,000 clients through 22 branches in 11 provinces across Afghanistan. FINCA Afghanistan is helping clients in the informal economy create their own jobs and build small businesses. Almost 60% 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.

“I had heard about microfinance services in the city but never knew the name of the institutions,” said Del Jan, who recalled walking around in the city to look for any MFI office until she came across FINCA’s branch in Kota Sangi.

FINCA approved Del Jan’s first loan application worth AFN 40,000 and with it she purchased a carpet weaving set and some raw material. With the help of her teenage children—to whom she transferred the handcrafting and carpet-weaving skills—she was able to produce several pieces and eventually grow the family enterprise, slowly but surely.

FINCA approved Del Jan’s first loan application worth AFN 40,000 and with it she purchased a carpet weaving set and some raw material. With the help of her teenage children—to whom she transferred the handcrafting and carpet-weaving skills—she was able to produce several pieces and eventually grow the family enterprise, slowly but surely.

With support from FINCA’s progressively larger loans to Del Jan over time, she managed to switch to another business when demand for carpets dropped.

She managed to successfully penetrate the market for hand-sewn and embroidered

dressers for life festivities, dowry sets and several other handcrafted items. Her products are selling well in the Dasht-e Barchi and Kariz areas of the Afghan capital, Kabul.

One of the true measures of her success, by Del Jan’s own standards, is her investment in her children’s education. One of her daughters is now attending a private university to which she is paying a tuition of AFN 4,500 per semester. Similarly, her two other younger children are attending school.

Another measure of success has been her ability to repay her loans to FINCA, earning the MFI’s trust in her business acumen. Del Jan is now repaying her eighth loan cycle worth AFN 250,000.

“I have invested all the loans to purchase raw material including cloth and string in bulk to minimize my cost,” said Del Jan. “Without the FINCA loans, my profit margin could have been very low.” On an average, Dil Jan and her daughters earn a monthly profit of AFN 25,000.

With her children growing up and showing the skills and interest in the business, Del Jan can look forward, not just to retirement, but also to passing a viable family business to her daughters.