



Not giving up on her dreams, Razia turned to embroidery to make a living



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

The woman who turned to embroidery to make a living

By **Matin Ezidyar**

Razia's family migrated to Iran during the civil war, but unlike other immigrants, she had very little to complain about. She focused on acquiring and perfecting sewing and embroidery skills while there and was eventually being paid enough to support her family making wedding dresses for Iranians.

"I had a good life in Iran," said Razia, 50 years old, who is supporting a family of 11 (her husband, seven children and two parents). "But everything changed when I returned to Afghanistan to look after my parents." said Razia.

Razia returned to Kabul 10 years ago and spent an indigent life for the first three years after arrival, working menial jobs for others and getting paid minimum wage. She heard of a microfinance institution (MFI) called



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.

A bridal ensemble Razia and her employees are working on.

PARWAZ from her neighbors, and through the MFI, she got to borrow her first credit of AFN 10,000 as capital to start her very own business. She used the money to purchase raw materials, such as fabric for wedding gowns, thread, and other tools.

Razia became a model repeat borrower and received a fourth cycle of loan from PARWAZ, until it exited the sector in 2010. As a good borrower, Razia, along with other good clients of PARWAZ, were introduced to Mutahid Development Finance Institution (DFI). Having an outstanding credit history, Razia has received continued support from Mutahid. Since being with the DFI, she has applied and been granted Mutahid loans twice: AFN 30,000, and AFN 50,000 respectively.

“People always say credit is not useful but it can completely change your life if you use it the right way,” said Razia, who asked not to be photographed for this article.

Over time, Razia learned the markets in her neighborhood in Wazir Abad of Qala-e-Fathullah in Kabul, as well as other markets nearby, where she managed to establish a client base and expand her business.

Her wedding gowns have been in great demand that she had employed 20 more women, each earning an average of AFN 4,000 per month. Razia herself may earn up to AFN 30,000 per month during the spring and wedding season; and she said she had saved AFN 50,000 last winter alone.

But the best return to her business investment is her capability to send her two daughters to the best universities and training centers in the country.

The story of Razia is an inspiration to her own daughters and others that hard work and perseverance pay off.