

PRESS RELEASE

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Afghan Microentrepreneurs Awarded for Excellence

Nov 19th, 2004: From a group of 20 Afghan small business owners, five female candidates were chosen to receive a US\$300 award in recognition of their hard won achievements. The Global Microentrepreneurship Awards (GMA 2004), an official activity of the International Year of Microcredit co-sponsored by the UNDP and UNDESSA, were held to honour the hard work and business successes of business savvy Afghans. Awards ceremonies were held in eight countries including Afghanistan, and aimed to highlight the economic contribution of microentrepreneurs to their families and communities.

Since March 2003, under a national microfinancing programme called MISFA (Microfinance Investment and Support Facility for Afghanistan), 57 000 loans have been issued to Afghans aspiring to manage and operate their own businesses. The programme aims to achieve 100 000 clients by March 2005. The rate of return in this country is among the highest in the world – 98 percent of microfinance clients fully repay their loans in six months. The rate of return when borrowing from commercial banks is between 60 percent and 65 percent – one of the highest in the developing world.

The Global MicroEntrepreneurship Awards distributed a total of five money prizes of US\$300 to candidates from a group of 19 submissions. HE Kazemi, Minister of Commerce, appeared at the awards ceremony to address the finalists and to congratulate them personally for their dedication and initiative. “I wish to thank all of you, our brothers and sisters of Afghanistan, for your efforts and wish to congratulate you for your efforts”, H.E. Kazemi said. Underscoring the importance of microfinance to Afghanistan’s future development, he added, “Microfinance is the backbone of the country. We must work hard to support entrepreneurship and we must go deeper into the provinces [with this support] to discover the talents and skills of our people there.”

Two of the Global MicroEntrepreneurship finalists, Najiba and Shakila of Kabul Afghanistan, spoke to reporters after receiving their awards. Their sponsoring Microfinance institution, PARWAZ, is one of nine agencies associated with MISFA and offering microcredit in Afghanistan. Najiba and Shakila were chosen as winners for their extremely high level of success in running their respective businesses, their strong sense of leadership – both manage a group of workers - and how each overcame tremendous odds and hardships to make it.

Najiba won a US\$100 prize for her home-based quilt making business. In 2003, she borrowed 5 000 AFA and repaid the entire amount in six months. This represents the third time she has borrowed and repaid loans. Shakila, who is married and takes care of 4 dependants, runs a home-based tailoring business specializing in Afghan dresses. She won a US\$300 prize. In 2003, she also borrowed 5 000 AFA to start her tailoring business in Kabul and repaid the entire amount in six months. She is in her third cycle of borrowing money.

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