



Thank You to All Our Generous Donors

During 2005 the Afghan Small Business Development Institute, Inc. (ASBDI) provided needed micro-financing to the very poor in Afghanistan, especially women, many widows. **100%** of donor funds (*tax-exempt charitable contributions*) were provided to recipients; all ASBDI administrative expenses were covered by the founders' personal funds. Our thanks go to all our donors for their generous contributions and their consideration to help poor people in great need.

Some Testimonials



Carpet Weavers

- **Applicant Qualification:** Poor and widowed women, landless, total property or net worth value \leq \$1,000, possessing an existing trade or skill.
- **Goals:** Increase family income: (1) Family wants to become independent and eliminate dependence on money lenders who take **~50%** of post-sale profits. (2) Provide enough funding to purchase threads which are **~35%** of carpet price. (3) Utilize both looms, which will generate 2 to 3 more carpets per year.
- **Financing Provided:** \$100 per loom by 2 groups of women = \$200 total = 10,000 Afghani [$\$1 \approx 50$ Afghani]
- **Current Output:** 5 carpets per year
- **Expected Future Output:** 8 carpets per year
- **Weaving Time:** 2.5 months (off and on weaving by 2 people to produce 1 carpet)
- **Carpet Dimensions:** 2 meters length by 1 meter wide [$1 \text{ meter} = 1.094 \text{ yard}$]
- **Sale Price of Carpets:** 5,000 Afghani (\$100)
- **Cotton Thread Expenses:** 1,750+ Afghani (\$35)

Description: During 2005, ASBDI provided micro-financing to one family consisting of a widowed mother-in-law ("Maryam" \equiv Mary), her two sons, two "brides" (daughters-in-law), her daughter and a number of grandchildren. The women in the family work mostly as servants and day-to-day laborers at various village homes. The family rents their home and they all live together in a single compound. The family's income is sufficient for living from day-to-day but is not enough to save for the future or a catastrophic event, such as an illness. The two sons work as daily, low-skill construction laborers and tend to various landowners' farms i.e., planting, watering, feeding and upkeep of animals. The entire family is illiterate; they use their thumb print to sign any official documents.

The pictures above, from left to right, show the family's home, two of the brides working on a loom, weaving a carpet.



Above the mother-in-law, "Maryam" sits on a recently completed small carpet ready for sale.

Carpet Weaving: By special order, a group of 2 women weave simple, low-end carpets for extra income. The carpets are produced from cotton threads and are generally used in stores or in poor to lower, middle-class homes; the carpets are not of sufficient quality to be exported. The family has 4 able body workers i.e., 2 looms; however, due to limited resources, the family is only able to purchase enough threads to keep one of the looms in operation at any one time. Threads are purchased using borrowed money from the person who ordered the carpet, carpet dealers or store owners, who generally take a big share of the final profits. ASBDI provided sufficient funding for the family to put both looms into operation and eliminate the dependence on the money lenders, allowing the family to retain greater income for their efforts.



Above from left to right, Taj Bee-Bee, Jon Bee-Bee receiving their 5,000 Afghani (\$100) of micro-financing; the two women working on a “Palaws” loom; and Ghulam Haydar receiving 5,000 Afghani (\$100) of financing for his wife and daughter.

Nomadic Tent Weavers

Background: Another example of people in need who were assisted by ASBDI through micro-financing is a group of four “Mogul” families. The families live close together and consist of three widows, three married women and a number of small children and grandchildren. The men of the families work as “Bazgars”, who are low-skill laborers working on day-to-day construction projects at people’s homes or tend to landowners’ lands and animals. The families have very limited net worth, they own no land of their own; they live in homes provided by the landowner. The families combine their efforts to produce black “Palaws”, a very tough, cheap material, made from animal hairs used by nomads for tents, or for keeping animals warm in the barn or for construction work. Of the six women who could produce “Palaws” and generate about 1,500 of income through their sale, only 2 women work on one loom at any one time. The remaining two looms and 4 workers do not have sufficient funding to purchase the threads and other equipment needed to put the looms into operation. In addition, money for the threads is borrowed, which has to be paid back to the lenders at a high cost.

Funding Provided: ASBDI provided 5,000 Afghani (\$100) of micro-financing per loom (\$300 total) to (a) purchase the needed threads, (b) 5,000 Afghani (\$100) to get additional equipment: knives, sheers, combs, wood blocks and frames for the looms, etc.

Our Goals Are: (1) To make the families independent of the lenders. (2) To assist each family with an income-generating activity of their own. (3) To provide the means for the families to generate income that can be used for other needs such as improving their living standard, savings, and the ability to deal with illnesses or other major family trauma.

Our Future Objectives

ASBDI is committed to continuing our micro-financing efforts in Afghanistan to help the poor, especially women and widows. We are also looking into opportunities to integrate orphans into our programs. Over the long run, we are aiming to link producers and purchasers both inside and outside Afghanistan through import and export channels.

ASBDI’s web site: www.afghansmallbus.org

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To donate, please send a check to “ASBDI, Inc.” at our address above or visit our website to:

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