



Zardozi – Markets for Afghan Artisans

Durable marketing solutions for women producers and entrepreneurs

Oxfam Novib A-1939-3
Quarterly Progress Report

1st January – 31st March 2015



Name of Project	Durable marketing solutions for women producers and entrepreneurs Kabul, Afghanistan
Name of Organisation	Contract partner Oxfam Novib, Bureau South Asia Mauritskade 9 PO Box 30919 2500GC The Hague, Netherlands Implementing partner Zardozi – Markets for Afghan Artisans Kerry Jane Wilson Director, Street 6, Taimoni Road, Kabul Afghanistan
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Acronyms and explanation of terms

Explanation of terms

Client	Woman who has been trained by Zardozi in business and skills
Family labour	Family members who are employed by a Client or who share in the profits but have not been given business training by Zardozi
Guild	Term still used by Zardozi in some places for Nisfe Jahan
Home workers	Women who are employed by a Client
Nisfe Jahan (also Guild or ASK)	The membership-based organisation established by Zardozi and now being guided to independent status
Manbeh (also Design Resource Access Point or Community Business Centre or CBC)	Community level business resource centre within walking distance for every group of 30 to 35 Nisfe Jahan members. The <i>CBC/CBC</i> functions for half day a week and is located in an NJ member's home. Each <i>CBC/CBC</i> elects one NJ Executive Committee member who represents them to Zardozi and at NJ meetings
Trade Facilitation Centre – now known as New Business Line.	Business opportunities which Zardozi checks for viability using clients for production. The aim is to mentor clients to take over those opportunities which turn out to be competitive

Acronyms

AOG	Armed Opposition Group
ASK	Anjuman e Sanya e Disti (previous name for Nisfe Jahan)
CBC	Community business centre
CDA	Client demand analysis – meetings held with staff and NJ Executive Committee members to discuss feedback on services provided and requests for new services
NJ	Nisfe Jahan
ROSCA	Rotating Savings and Credit Association
TFC	Trade facilitation centre – now known as New Business Line

1. Executive Summary

The No Cost Extension (NCE) period (mid-Sept '14 to end Mar '15) has seen a number of significant developments towards Zardozi operational development and programme sustainability. The RSI external evaluation report finalised in November '15 led to a permanent increase in the level of overall monitoring of programme results and plans for improved documentation of M&E systems together with increased M&E capacity in the field.

Although Nisfe Jahan (NJ) representatives have been attending Zardozi strategy workshops for sometime, during the quarter the first NJ workshop was held in Kabul resulting in the NJ decision to form an NJ Federation before the end of the year.

The majority of the NCE targets were achieved, non-achievement was due to a variety of reasons including the economic downturn due to withdrawal of aid programmes and troops.

During the quarter, 243 women became new Nisfe Jahan members bringing the total number of members to 3,278 against a total target of 3,014 by end March 2015. New FTEs¹ was 406 bringing the total of full time employment created, to 7,400 against a target of 7,140 to be achieved by end March 2015.

Hasina is a survivor

When Hasina's father was alive she was his princess but he died when she was 14 and she was married into a family where, even though they lived in the same house, she had to hide her face from her father and brothers-in-law. She was afraid to speak to anyone in the house and if she had to face guests she shook with nerves.

When fighting erupted in Logar, she and her husband moved to Kabul and she got herself into a Zardozi training. Staff found her work and asked her to go to the office and then to market, she could not sleep the night before out of fear even though her husband was going with her.

The family is still very poor, but they are thankful now to eat twice a day and Hasina has bought her own sewing machine and an embroidery machine for her husband. From treating her, in her words "like an animal", her husband now respects her.

Her dream is to buy a piece of land in Paghman. Her children still don't go to school despite her best efforts, as she and her husband have to move house so often as landlords keep raising the rent.

¹ Full time employment – a measure of achievement developed by DfID

2. Progress against outputs

2.1 Overview of progress

2.1.1 Strategy development

As mentioned in the previous quarterly report Zardozi is using the NCE period to work on achieving qualitative goals such as increased autonomy for Nisfe Jahan. Accordingly during the reporting period the first Nisfe Jahan strategy workshop was held; 18 NJ Executive Committee members attended from 4 regions together with key Zardozi female staff. In order to encourage active participation by NJ participants, Zardozi male staff were not invited except the Programme Director who, together with the Zardozi Nisfe Jahan Institutional Development Manager, facilitated the workshop. Additional strategies undertaken to boost NJ participant engagement in the workshop included: frequent pauses for group discussion to ensure issues on the table were understood; translation as needed for Jalalabad participants who are primarily Pushtun speakers (see Section 2.5.1 and Annex 4).



Client in her new workshop set up using NJ loan

2.2.2 Number of women working as a result of programme activities

Women working as a result of the programme

As a result of the RSI survey of Zardozi clients, Zardozi decided to undertake regular 100% rapid surveys of the status of all clients i.e. all women who have been provided training by Zardozi since 2009; this figure is now 3,614 (see Table 2.2.1). The first of these surveys was undertaken in November/December 2014 and the second in March 2015.

Table 2.2.1 Analysis of numbers of women working as a result of the programme, March 2015

TOTAL CLIENTS WORKING	Number	%**
NJ members who are Employed, Dormant, Under employed, Unemployed or Graduated to other jobs***	2,381	66%
Non-NJ members working*	490	13%
Total Clients Working	2,871	79%
NUMBER OF CLIENTS PLUS WOMEN THEY EMPLOY (0.85 PER CLIENT)	5,311	
CLIENTS NO LONGER WORKING		
Sick or no longer allowed or willing to work*	351	10%
CLIENTS - STATUS UNKNOWN		
Moved to another area or located in now insecure area	392	11%
GRAND TOTAL	3,614	

*This data is not yet finally confirmed, focussed surveys will continue during the Transition period to finalise the data

**Percentage of all women ever trained by Zardozi

***See Annex 5 for definitions of terms used in this table

A new system for classifying client status was developed in December 2014 on the basis of the first 100% survey. Table 2.2.1 using the new classification system, shows the status of all clients (women trained by the programme); 79% of all clients trained are shown by the survey to be working¹, the status of 11% of clients is unclear and 10% of clients are not working.

Women working with the programme

Total number of women linked to markets (NCE 7) includes two categories of women – Clients and Home Workers/Family Labour who are employed by Clients. The average number of Home Workers and Family Labour employed by Clients across the 4 regions, is calculated quarterly based on a survey of a randomly selected sample – see Table 2.2.2. Clients running a micro business within the community (Copper business category) employ fewer Home Workers and Family Labour than clients running a micro business operating outside the community (Bronze and Gold business categories)(see Tables 2.2.2 and 2.2.3).

Table 2.2.2 Average number of home workers employed by clients, by business category and by region, Mar '15

Region	Average number of home workers actively employed		
	Copper* business category	Bronze** business category	All categories
Herat	0.00	0.41	
Mazar	0.00	0.63	
Jalalabad	1.00	5.29	
Kabul	0.00	5.93	
Overall	0.37	1.94	0.85

*Clients working within the community

**Clients working outside the community

In Herat, Mazar, Kabul and Jalalabad the economy has been slow for the past 6 months and as a result the number of women employed by clients has dropped significantly from 3.71 employees per Bronze category client in December '14 to 1.94 employees in March '15, and 0.43 employees per Copper category client in December '14 to 0.37 in March '15. Despite this drop in average number of employees the number of women working with the programme, has increased in the past quarter from 4,720 to 5,167 (see Table 2.2.1).

Table 2.2.3 Analysis of numbers of women working in the programme, Mar 2015

Client categories	Number of women	Average number of workers per client	Total women workers	Total women employed (clients plus home workers/family labour)
Clients restricted to working in the community	1,684	0.37	623	2,307
Clients working outside the community	596	1.94	1,156	1,752
Total women employed	2,280		1,779	4,059

¹ 'Working' in this context includes those clients who are temporarily unemployed or 'dormant' meaning they are temporarily not able or willing to work

2.2 Product development and production

2.2.1 New business lines

An additional 8 clients started working for new business lines during the quarter bringing the total to 86 as opposed to a target of 120 (NCE 3); these clients were employing 156 workers (NCE 4); this is a healthy increase in numbers despite being below target.

The number of clients running their own workshops has not expanded since December (NCE 5), instead staff have been working with existing workshops assisting them to strengthen their order management skills and establish themselves with buyers as reliable producers.

Total sales income from business lines (NCE 6) in the past quarter includes only sale of products made with Zardozi controlling production and order management not independent client workshops. Since this is the season for production of school uniforms, sales income increased 50% in the quarter (NCE 6). Zardozi has been working on increasing the role of female tailors in the school uniform market for several years now with good results particularly in Herat.

Table 2.2.1 Comparison of quarterly sales income from new business line incubation, Oct '13 – Mar '15

Quarter	US \$
Oct-Dec '13	1,216
Jan-Mar '14	20,829
Apr-Jun '14	26,048
Jul-Sep '14	3,933
Oct-Dec '14	4,631
Jan-Mar '15	6,826

Nargis and her husband

Nargis was married at 16; early on her husband lost a leg in the fighting and although ICRC gave him an artificial leg, he could not find work and became depressed. She tried to help her husband – they started raising pigeons which was not profitable, then selling second hand clothes but life was very tough. Her sons had to start work when they were very small and when he was 17 one of her sons was killed in an accident. After the accident their youngest son became disabled by depression.

Life became easier after she learned how to market her tailoring skills – her eldest son is now a policeman and studying part time for the university, another son is working in a restaurant and her daughter is in Class 12.

Nargis has found her creative side and loves to watch TV for the ideas she gets for new designs. She feels a deep sense of satisfaction that from being a dependent she is now the main breadwinner for the family.

OUTCOME A Ability of female producers and entrepreneurs to develop and market competitive products is improved

Outcome Indicator		3 Year target	Achieved end Sep '14	Achieved Oct-Dec '14	Achieved Jan-Mar '15	Total achieved to date	Total target end Mar '15
A1.3A	Number of FTEs created for men and women by the program	6,720	6,594	400	406	7,400	7,140
NCE 3	Total number of clients employed in new business lines	-	-	78	8	86	120
NCE 4	Total number of home workers employed in new business lines	-	-	136	20	156	240
NCE 5	Number of new business lines handed over to client management	-	5	7	0	12	2
NCE 6	Total quarterly sales income from new business line incubation (\$)	-	-	4,631	6,826	11,457	10,000
NCE 7	Total number of women working with the programme (clients plus home workers)	-	-	4,720	4,059 ¹	4,059	8,000

¹ This figure is made up of number of clients multiplied by the average women employed per client broken down by business category. It can therefore decrease even though the total number of clients has increased

Design development – New Community Business Centres

As a result of the RSI survey in late 2014, programme managers slowed the rate of opening new CBCs in order to ensure a better match between numbers of women in an area wanting to start up a micro business and local market opportunities. In addition, as the programme has started to move to semi-rural areas the market opportunities have changed and programme managers and regional teams have been a little slow to adapt to changes. As a result of this slowdown the target for new CBCs was not achieved (A1.4), although new clients were admitted to the programme from existing CBCs. In the past quarter although more systematic market surveys and new processes for matching new clients to business opportunities have been established, it will take some time for staff to scale up the new systems.

OUTPUT A1 Product types and styles developed respond to customer preferences

Outcome Indicator		3 Year target	Achieved end Sep '14	Achieved Oct-Dec '14	Achieved Jan – Mar '15	Total achieved to date	Total target end Mar '15
A1.1	Number of design input collections developed	24	52	4	8	64	48
A1.3	Number of design workshops facilitated	30	38	6	8	52	46
A1.4	No of design resource access points for NJ members established (new)	44	68	4	15	87	95

2.2.2 Increased volume and value of production

Order management training is particularly important now that clients are setting up their own workshops – training continued during the quarter with all categories of clients (A2.2).

OUTPUT A2 NJ members have increased volume and value of production

Outcome Indicator		3 Year target	Achieved end Sep '14	Achieved Oct-Dec '14	Achieved Jan – Mar '15	Total achieved to date	Total target end Mar '15
A2.2	Number of NJ members trained in order management	500	535	30	116	681	625

2.2.3 Product quality

Skills training

Skills training now includes: care of livestock (poultry and sheep), food processing, sewing machine repair and beautician skills (A3.2).

OUTPUT A3 Product quality satisfies buyer requirements

Outcome Indicator		3 Year target	Achieved end Sep '14	Achieved Oct-Dec '14	Achieved Jan – Mar '15	Total achieved to date	Total target end Mar '15
A3.2	Number of women satisfactorily	4,400	4,481	134	265	4,880	4,571

Outcome Indicator		3 Year target	Achieved end Sep '14	Achieved Oct-Dec '14	Achieved Jan – Mar '15	Total achieved to date	Total target end Mar '15
	achieving agreed skills standards through skills training (new)						
A3.3	Number of NJ members branding products based on NJ production standards (new)	275	326	43	61	430	414

2.3 Business skills development

2.3.1 Strengthening business support services

243 new clients completed basic business training during the quarter (A4.1).

Opening accounts at formal institutions

Clients continue to be interested in opening accounts in formal institutions (A4.3); increase in the past quarter was 49% over the past quarter. Zardozi carried out a number of surveys on savings habits during the quarter (see Section on Savings below) which motivated many clients to open savings accounts.



Client in her village shop stocked through NJ loan

Zardozi Financial Services - loans

Number of loans disbursed (NCE 4.4) continues to increase, as clients learn from each other the benefits of using credit for business expansion.

Table 2.3.1 shows a small delinquency rate during the past quarter but in general Nisfe Jahan Executive Committee members are able to keep delinquency under control.

Table 2.3.1 Loan Fund – Quarterly performance indicators, Jul '14 to Mar '15

2014	Delinquency*	Portfolio at risk	Loan loss rate**	Loan re-payment rate
Jul – Sep '14	6.17%	0.00%	0.00%	100.0%
Oct – Dec '14	0.10%	0.82%	0.00%	99.96%
Jan – Mar '15	0.67%	0.49%	0.00%	99.77%

*delinquency defined as a loan repayment which is more than 4 days late

**Loans are written off if not repaid within 12 months

Zardozi Financial Services - loans

A total of 431 loans have been disbursed to date (NCE 4.4), average loan size in the past quarter was \$180 and 2% of clients taking loans during the quarter were taking their 2nd or 3rd loans.

Number of clients starting savings with NJ (NCE 4.5)

During the quarter small surveys on savings knowledge and habits were conducted in each region. On this basis an information package was developed to be shared with clients in each CBC giving information concerning the savings opportunities available in their area. As seen in A4.3, this package motivated many clients to open formal savings accounts; 8% of all clients now have a bank account. Other clients were more interested in the ROSCA¹ system explained in the information package and so far 26 clients are involved in 2 ROSCA systems (NCE 4.5); several additional ROSCAs are in process. These ROSCA systems follow traditional Afghan ROSCA rules, the difference being that women in Afghanistan do not usually set up ROSCA. Zardozi documented the traditional rules for male ROSCA and distributed them to interested clients. A number of agencies are running savings projects in CBC communities and negotiations continue on how to include interested CBC members in these projects.

Neelab builds a house for the family

Neelab was married at 17 to a farmer in Badakhshan. She suffered years of oppression and cruelty at the hands of her in-laws and her husband, to this day she is not happy in her marriage as her husband. 8 years ago they came to Kabul where her husband worked as a taxi driver but in her words “he couldn’t continue as he is very sluggish and lazy”. Neelab supports the family through tailoring, her daughter is in school, her elder son finished school but does not work and her youngest son works in a mechanics workshop after school and helps her all he can. Neelab is a great saver and in her own words, “.. after a long time I have managed to build a house for my family”.

Reintegration of clients into markets

A focus on encouraging clients to go to CBCs for support if they are unemployed has reduced unemployment to around 2% in 3 regions.

Unfortunately the economic situation in Kabul for some reason has been more seriously affected by the downturn and as a result Kabul region unemployment reached a level during the past quarter that has brought the overall average to 4.45%. Programme staff are working on a new initiatives to reduce client unemployment in Kabul.



Client with her sheep purchased through NJ loan

Average quarterly CBC utilisation rate

Since the fee payment system was adapted to meet client preferences, CBC utilisation rate has increased and despite a small drop in the past quarter remains high at 66% (NCE 5.7).

Clients per CBC

Average clients per CBC (NCE 4.8) remains the same as in the previous quarter at 28. This figure is below target because the removal of ‘No longer working’ clients from the data (see previous quarterly report) reduced the figure.

OUTPUT A4 Business development support strengthens NJ members' business performance

Outcome Indicator	3 Year target	Achieved end Sep '14	Achieved Oct-Dec '14	Achieved Jan-Mar '15	Total achieved	Total target end Mar '15

¹ Rotating Savings and Credit Association – a group agree to each save the same amount of money monthly and to take it in turns taking the total month’s savings. This is a traditional system which is widespread amongst men in Afghanistan but never amongst women

Outcome Indicator		3 Year target	Achieved end Sep '14	Achieved Oct-Dec '14	Achieved Jan-Mar '15	Total achieved	Total target end Mar '15
A4.1	Number of NJ members completing basic business training (6 courses) (new)	950	1,994	225	243	2,462	2,195
A4.2	Number of NJ members completing advanced business training (4 courses) (new)	397	806	34	45	885	857
A4.3	Number of NJ members registering for accounts at formal institutions (total)	125	183	76	113	372	170
NCE 4.4	Number of loans disbursed	-	282	74	86	442	285
NCE 4.5	Number of clients starting savings with NJ	-	-	0	26	26	20
NCE 4.6	Average quarterly unemployment	-	-	8.98%	4.45%	4.45%	7%
NCE 4.7	Average quarterly CBC utilisation rate (% of registered clients using CBC/CBC at least once in the quarter)	-	53%	72%	66%	66%	50%
NCE 4.8	Average number of clients registered to each CBC	-	35	28	28	28	40

2.4 Marketing and market development

2.4.1 New sectors

The number of clients moving into new sectors remains high at 23 for the quarter. A large number of clients particularly in Jalalabad are currently processing loans so as to purchase sheep ready for the lucrative Eid ul Adha livestock market. Unfortunately up to now Jalalabad clients have been slow to adopt new sectors due to the more conservative culture in the region, their relative poverty and widespread risk aversion. This resulted in the non achievement of the target of at least 1 new sector per CBC (NCE 5.7).

2.4.2 Domestic retail events & trade fairs

During the quarter two trade events and two retail events were cancelled in Kabul where it is sometimes difficult to find locations to hold events and where the clients are not always ready to organise an event. As a result the targets for trade events (A5.5) and retail events (A5.3) were not achieved.

2.4.3 Retail and service outlets

Twelve new retail outlets were established in communities during the quarter (A5.4), 8 were shops selling convenience goods for local housewives and 4 were beauty parlours where the clients had completed up to 3 months beauty parlour training arranged and paid for by the programme.

Tailoring is not always the answer

Seta has 10 children, her husband drives a tuk tuk in Jalalabad city which brings in Afs 3,000 per month which does not cover expenses. Seta was an embroiderer for Jalalabad shopkeepers and after she joined Zardozi she increased her income. She was not satisfied though and with encouragement from Zardozi, she now cooks samosa which she sells in a girls school whilst her son and husband sell on the street. The family works as a team producing and selling samosa and the improved income means that the children are in school every morning and the family eats twice a day.

2.4.4 Trade visits for shopkeepers facilitated

As mentioned in the previous quarterly report (Section 2.4.4) this indicator is no longer appropriate to the programme goals and strategy - Zardozi has therefore adjusted the definition of the indicator. This indicator now measures the number of visits by groups of clients to more advanced business models in order to learn how to advance their own business model. In total 8 visits were paid by groups of clients to male garments and food production workshops in order to see and understand what is expanded and better organised production capacity (A5.6).

OUTPUT A5 Opportunities for marketing handwork products improved

Output Indicator		3 Year target	Achieved end Sep '14	Achieved Oct-Dec '14	Achieved Jan – Mar '15	Total achieved	Total target end Mar '15
A5.3	Number of domestic retail events facilitated through NJ	16	21	2	8	31	33
A5.4	Number of domestic retail outlets facilitated through NJ (new)	19	33	7	12	52	45
A5.5	Number of domestic trade fairs facilitated	29	24	3	4	31	33
A5.6	Number of trade visits for shopkeepers facilitated	17	9	0	8	17	17
NCE 5.7	Average number of business sectors per CBC	-	-	1.51	1.79	1.79	2

2.5 Industry association development

In March 2015 the Zardozi presentation at the SEEP Conference (see previous quarterly report), in addition to being printed at the conference, was published as an article in the Enterprise Development and Microfinance journal¹ and was selected for inclusion in a forthcoming book².

Five feedback surveys were completed during the quarter (B2 and B2.2). The percentage of satisfaction reported was 100% (B2).

OUTCOME B Industry association is recognised as a formal institution representing members' in civil society and providing services responsive to women's business needs

Output Indicator		3 Year target	Achieved end Sep '14	Achieved Oct-Dec '14	Achieved Jan – Mar '15	Total achieved	Total target end Mar '15
B1	Number of times that NJ is profiled by external organisations	6	4	1	2	7	6
B2	Percentage of female producers reporting satisfaction with NJ services	85%	95-100%	91%	100%	100%	85%

¹ C Faveri; KJ Wilson; P Shaikh Making Markets Work for Women: How Push and Pull Strategies can support Women's Economic Empowerment, Enterprise Development and Microfinance Journal, March 2015

² L Jones (ed.) Financial and Market Integration of Vulnerable People: Lessons from development programmes, Rugby, UK: Practical Action Publishing

2.5.1 Institutional development

New NJ members

During the reporting period an additional 225 women became NJ members (B1.1) bringing the total number of new members in Nisfe Jehan to 3,278 as against a planned total for the NCE period of 3,014.

Handover of responsibilities – NJ Regional Offices

As explained in the previous report, it was decided to move the Mazar NJ office to a more central location convenient for NJ members visiting the market. This was completed early in the quarter and there was an immediate increase in utilisation of the office by NJ members. In January 2015, 12 clients visited the office, in February it doubled to 26 and in March doubled again to 62 making a total of 100 visits in 3 months.

In addition to the new location, after detailed discussions with the NJ Executive Committee members, a member of the Zardozi regional team with more than 3 years experience working with NJ, was transferred to NJ employment as Office Manager of the new office. Most NJ business services are now available in the CBC, the NJ Regional Office and, to some extent, in the Zardozi Regional Office. The NJ office continues to be exclusively female so as to protect it from any rumours about the purpose of the office.

The extended time needed to find the way to make the Mazar NJ office successful meant that no other offices were established during the NCE period (NCE 1.9 and NCE 1.11). The training module on budgeting and expenditure monitoring was completed and training conducted in all 4 regions (NCE 1.10).

Handover of responsibilities – Zardozi and NJ MOU

The Zardozi team agreed that in order to start formal planning with NJ for greater NJ autonomy, NJ should formalise structure and governance. Accordingly the first strategy workshop was held with NJ at the end of March to discuss:

- Governance of a registered association
- Role and purpose of new NJ Regional Offices
- Federation of NJ

Amena is a true entrepreneur

Amena lives in a Herat village with her 9 children and her drug addicted husband. With Zardozi's help Amena started to market her tailoring skills with her neighbours, then she branched out into working for shopkeepers in Herat. Still not satisfied, Amena started selling materials to 3 other village tailors from more rural areas who have no opportunity to shop in the market. These tailors pay her with wheat, dried fruit and dried yoghurt which her husband markets for her in Herat city.

Who knows what Amena will do next but whatever it is Zardozi will be there to help her?

The workshop was successful with participants from all 4 regions interacting and agreeing that the next meeting to discuss the details of federation with elections for a Central Committee will be held in June 2015 (see Annex 4 for the report on the workshop).

Cost recovery

Once the costs of a regional office were included in the expenditure side of the cost recovery calculation, the cost recovery percentage dropped substantially (NCE 1.7).

OUTPUT B1 Industry association has progressed in institution building

Output Indicator		3 Year target	Achieved end Sep '14	Achieved Oct-Dec '14	Achieved Jan – Mar '15	Total achieved	Total target end Mar '15
B1.1	Number of registered NJ members (new)	2,730	2,810	225	243	3,278	3,014
B1.3	Number of NJ elections for office bearers facilitated	11	18	2	0	20	17
B1.4	Number of NJ members receiving training in institution building, democratic principles and leadership	540	2,262	225	243	2,730	2,049
NCE 1.7	Average quarterly CBC cost recovery	-	-	33%	10%	10%	7%
NCE 1.8	Average quarterly NJ cost recovery	-	-	25%	12%	12%	10%
NCE 1.9	Number of NJ regional offices established under NJ management	-	-	1	0	1	3
NCE 1.10	Number of NJ office bearers taking management and/or financial training	-	-	0	45	45	40
NCE 1.11	Number of NJ regional offices managing own finances	-	-	1	0	1	3

2.5.2 Support to members

Feedback surveys

Five feedback surveys were completed during the quarter (B2.2). The results were positive except for the survey on marketing services in Jalalabad (see Table 2.5.1). All negative views will be followed up in April and May.

Table 2.5.1 Results of client feedback surveys

Region	Month	Activity surveyed	No. of clients	% Positive responses	Action taken
Jalalabad	Dec/Jan	Response to client demands through Client Demand Analysing meetings	42	86%	Remaining 14% will be followed up
Mazar	January	Loan services	52	96%	
Kabul	January	Tailoring skills upgrade training	38	100%	All clients were positive concerning the impact of the training on their business; 76% had a suggestion for improvement which will be followed up
Kabul	March	Successful woman celebrations	26	100%	
Jalalabad	March	Marketing support services	15	<50%	Will be followed up in April to find out why clients do not feel the teams are supporting them to find markets

OUTPUT B2 NJ members have improved understanding of their business needs and are able to design NJ services accordingly

Output Indicator		3 Year target	Achieved end Sep '14	Achieved Oct-Dec '14	Achieved Jan – Mar '15	Total achieved	Total target end Mar '15
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Output Indicator		3 Year target	Achieved end Sep '14	Achieved Oct-Dec '14	Achieved Jan – Mar '15	Total achieved	Total target end Mar '15
B2.2	Number of member feedback surveys on specific services	20	18	1	5	24	24

2.5.3 Civil society role development

Successful women celebrations

Five Successful Woman Celebrations were held during the quarter; regional teams are still working on improving impact of these events by persuading more family members who are negative about the client’s business work, to attend. Although attendance by such family members has increased, improvement is still needed. Recently, as part of the drive to improve attendance invitations are delivered by hand and followed up by a phone call.

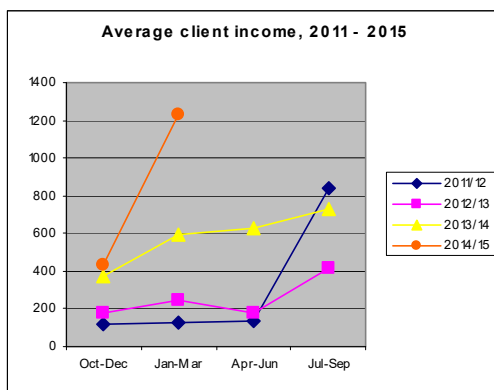
OUTPUT B3 NJ members have improved understanding of their rights and role in civil society

Output Indicator		3 Year target	Achieved end Sep '14	Achieved Oct-Dec '14	Achieved Jan–Mar '15	Total achieved	Total target end Mar '15
B3.1	Number of NJ members trained on rights, gender and civil society	525	707	68	115	890	810
B3.2	Number of NJ members contributing to civil society events	47	50	7	14	71	57
B3.3	Number of civil society events organised by NJ	10	16	3	5	24	19

3. Impact

3.1 Income data

Average client income increase over baseline by quarter and year



	2011/12	2012/13	2013/14	2014/15
October - December	123%	178%	374%	436%
January -March	130%	248%	590%	1,232%
April - June	132%	178%	629%	
July - September	836%	413%	728%	

Average income continues to increase year on year, although the increase in average income during the past quarter is in line with previous years it is difficult to explain the size of the increase.

Impact Female producers and entrepreneurs enabled to obtain increased income through a strong industry association

Impact Indicator		3 Year target	Achieved end Sep '14	Achieved Oct-Dec '14	Achieved Jan-Mar '15	Total achieved	Total target end Mar '15
1	Average increase in income of NJ members	50%	728%	436%	1,232%	1,232%	400%

4. Operational constraints

4.1 Finding new clients

Although tension decreased post election it has now increased again because of increased AOG¹ activity and the perceived lack of organised leadership by the new Government. Criminality is also reported to be on the increase in all 4 areas².

5. Risk management

See Annex 3.

6. Management and administration

The registration of Zardozi Enterprise as a an incorporated charity was delayed as there was some wrong information provided by the UK legal firm; a reapplication will be completed next quarter. Registration of ZE as a company in Afghanistan is on going but it will require the services of a lawyer and will take some time. Research is ongoing on how to register ZE as a company in Pakistan which will also require legal assistance and take some time.

7. ON Management

The Oxfam Novib team working with Zardozi was changed quite suddenly and a new team established; this caused some disturbance in the smooth running of the relationship both with Oxfam and with DFID.

8. Security

Jalalabad has become increasingly insecure including the Kabul-Jalalabad road where it is now necessary for male staff to sanitise their phones and not to carry any documents with them that may identify them as NGO workers.

9. Lessons learned

9.1 Communication and feedback

The Zardozi programme is innovative and responsive to varying field conditions, feedback from clients and staff and learning from other similar organisations. As a result continuous interaction is needed with field staff in order to keep their understanding and their activities up to date. A monthly meeting

¹ Armed opposition groups

² Monitoring Women's Security in Transition, Cycle 5, January 2015, Afghanistan Public Policy Research Organisation

of all Regional Managers to exchange ideas would be ideal but time and cost constraints make this impossible.

10. Innovative/new ways of working

10.1 Communication and feedback

During the quarter Zardozi established an internet Forum where new ideas can be posted by Main Office and field teams and opinions canvassed so that plans are more likely to reflect suggestions from all concerned. In addition field teams can suggest improvements and reflect on best practice through on line interaction. So far this initiative has been very successful in giving field teams and programme management the opportunity to exchange ideas.

ANNEX 1 Report against outputs and indicators in project logical framework

Annex 2: Progress against recommendations - Mid-term Review

It is now 18 months since the mid-term review; of the 4 summarised recommendations for 3-9 months and 6-12 months, the Loan Fund recommendations have been implemented and the NJ voucher system has been replaced with an alternative system. Progress on the remaining two recommendations are described below.

Business categories

The MTR recommended:

Formalising and documenting systems for identifying services needed for each business category and implementation processes.

Zardozi continues to develop the process of identifying services for each business category as the categories themselves evolve. Documentation is on-going.

Trade Facilitation Centres

The MTR recommended:

Improving marketing with more focussed trade fairs etc and finding a way to handover TFCs to client partners. Develop a model for reaching national and other regional markets.

Since small, commercial production workshops in urban areas has become commonplace Zardozi has started encouraging and enabling clients to open their own workshops (see Section 2.2.1). This has resulted in some better quality products being produced with improved order management which has opened the way to regional markets. In this way clients are managing their own TFCs or new business lines although some business lines remain under Zardozi management (see Section 2.2.1).

In the past quarter Zardozi started work on finding regional markets for client products in UAE and India. Two visits were paid to UAE to identify products and buyers. A trip to Delhi is planned for April 2015. Interest was found in UAE for a number of products and negotiations and sample production is on going.

Recommendations for be completed in 18 months

		Recommendation	Timeframe 18 months	Progress up to end Sep 2014
Nisfe Jehan	LA1	Setting clear and realistic expectations of what the Executive Committee can do and contribute will assist in the development of NJ. Consider developing a document which outlines the short and medium term objectives of NJ and the Executive Committee Members' roles and responsibilities; identify the skills needed to manage those responsibilities and outline specific trainings or strategies to transfer the necessary skills to the NJ Executive Committee Members. In the medium term, consider creating a paid position within NJ which could be held by a strong or talented ECM in each regional chapter. This would help mitigate some of the transient nature of the ECMs who may come and go and leave capacity gaps within the Executive Committee. It would also continue to move the ownership of the organization from Zardozi to the members.	The capacity building of NJ ECMs can be designed and started within the next 18 months.	<ul style="list-style-type: none"> •A paid position in Mazar NJ Regional Office was created in the past quarter. •A plan for NJ will be developed in coming 9 months and a signed MOU. •NJ is setting short term goals and achieving them eg. establishing regional offices
	LA2	Set clear intermediate goals for NJ and separate Zardozi services from NJ services. Create an internal MOU which outlines roles and responsibilities for each organization (step 3 in the process found in the next recommendation). It may not be realistic in the near to medium term for NJ to be able to coordinate services such as trainings or market linkages, but they could, for example, start to manage more aspects of the <i>Manbehs</i> , exhibitions and the loan fund.	The strategic decisions of which services to allocate to NJ (as opposed to maintaining them within Zardozi) as well as the establishment of the plans for transfer can be achieved in the next 18 months.	
	LA3	Develop a process for setting reasonable objectives for Nisfe Jehan and delivering results, grounded in a realistic understanding of the environment and capacity of the members. Figure 3, outlines a potential process for transfer of responsibilities to NJ ECMs. The process begins by assessing the capacity of members, establishing short and medium term goals for NJ, and clearly delineating the roles and responsibilities for NJ and Zardozi. The process continues based on the identified roles and responsibilities of NJ, the capacity needed to manage these, and a capacity development plan for ECMs. As the ECMs are shepherded through the process by Zardozi and gain capacities, Zardozi can start to transfer full responsibilities for specific activities and services to NJ. Once the stated goals are achieved or well on the way, the process starts again with the evaluation of the enhanced capacity of NJ members.	This process can be established within the next 18 months and continue to be used in an iterative fashion into the next project phase. The previous recommendation outlines some of the short to medium term responsibilities which could be initially evaluated and transferred.	
	LB1	Membership fee payments may be more consistent if fees are directly linked to access to services. A potential approach to this would see the ECMs involved in the month-to-month collection of fees, and designation of fixed amounts to specific services. For example, 75 Afs per week per <i>Manbehs</i> could be earmarked for the weekly <i>Manbeh</i> services (cutting, patterns, use of space, etc). Every month, the ECM would be responsible to sign over the payment to Zardozi. This would clearly establish that services have costs, as well as the purpose of the fees. Remaining funds could then be allocated to activities or services as decided by the ECMs such as exhibitions. Here, NJ could contribute a portion of the costs of an exhibition while Zardozi would still need to co-fund such activities for the foreseeable	This strategy will require planning and capacity building of ECMs, but can be accomplished within the next 18 months.	NJ have started writing budgets and managing their own finances

		Recommendation	Timeframe 18 months	Progress up to end Sep 2014
		future. ECMs would be expected to assess the needs or expectations of their <i>Manbeh</i> members for these services and therefore represent them when fund-allocation is decided.		
	LB2	Support talented women who are willing to invest and to become neighbourhood service providers. Upgrading the skills of potentially strong service providers would allow for increased income flow to these clients, while at the same time providing women with access to needed services within their own neighbourhoods in a culturally acceptable manner. This transfers the onus of responsibility for operation, maintenance and quality control of services to market based operators who are generally better positioned to respond to market demand.	This activity can be launched within the next 18 months, but will require time in the next phase of the project to be solidly established and replicated.	This project is still under implementation, extension of the project to other regions was agreed in the March strategy workshop
	LB3	In order to strengthen the representative nature of the ECM's role, the Mazar/Jalalabad model of ECM selection should be applied in all regions. Having one ECM per <i>Manbeh</i> makes it easier for all clients to at least know their ECMs and be able to access and pass feedback more easily. As membership grows there may eventually be too many <i>Manbehs</i> and corresponding elected representatives to have an effective committee in each region. If or when this number is reached (recommended 20 to 25 committee members should be the upper limit) different strategies should be evaluated, by looking at governance approaches of other membership-based organizations. One potential approach would be to create a two-tiered approach with a larger general committee which meets less often and a smaller executive committee which meets once a month – a variation on the current model of EC and office bearers.	The standardized approach can be rolled out across all regions within the next 18 months.	Work on federating regional NJ chapters was started in the past quarter
	LB4	This new development should be clearly identified as a pilot to avoid rolling it out in other areas before establishing if it presents a stronger model than the mixed union approach. If it is judged to be a more beneficial approach, a clear plan will need to be prepared for those women who are not Copper Tailors.	The Copper Tailors' Union pilot should run for up to a year with a thorough evaluation of the strengths and weaknesses of this alternative model.	Copper Tailors Union idea dropped
	LB5	As described above, the executive committee for NJ needs to be introduced to basic financial responsibilities. These should include costs of services, monthly fee collection, contribution to the payment of certain services, costs of activities such as exhibitions etc. Financial understanding is a crucial first step towards financial management. Zardozi will still bear the responsibility of funding the majority of costs for NJ.	In the next 18 months, capacity building of the ECMs in financial management can be achieved and a concerted effort to normalize monthly fee payment may be accomplished.	Budget and expenditure monitoring training completed for all Executive Committee members in the past quarter

Annex 3: Risk Matrix

Risk	Probability	Impact	Mitigation Measure	Residual Risk	Update Quarter 13
Strategic Risks					
1. Deteriorating security situation.	Medium	High	•Zardozi will follow security developments on a daily basis and provide an adequate security set-up for its staff and consultants	Medium	Security has deteriorated in all areas but particularly in Jalalabad
2. Destabilising macro-economic situation.	Low	Medium	•Linked to the security situation, but female micro-entrepreneurs have a low profile (and demand for traditional products is generally high) to continue operating even in worsening economic conditions. However, income growth potential could be affected.	Low	Macro-economic situation is deteriorating as donor funded support projects and military support are withdrawn
3. GoA retracts support for female entrepreneurship	Low	High	•Linked to security situation and government regime. Mobility restrictions on women would slow and/or stall recruitment of female sale agents and reduce retention of sale agents.	Medium	GoA plans to further strengthen support to female entrepreneurship
•Operational Risks					
4. Insufficient interested semi-skilled women can be located to recruit as sale agents	Low	High	•Linked to security situation. There is an abundance of semi-skilled women all over the country keen to earn an income.	Medium	Some agencies continue enterprise groups and skills training for women
5. Unable to recruit sufficiently qualified male and female staff at central and regional levels	Low	Medium	•Zardozi already has a capacity development system in place and will refine and emphasize staff mentorship models as needed; consultants will be brought in to support staff mentorship as needed	Low	Situation has improved
6. Programme approach found to be incompatible with the cultural and/or economic context of new areas	Low	Medium	•Zardozi will assess the cultural and economic context prior to expansion and new office establishment. A new area will be selected and/or a new approach determined to fit the context as necessary	Low	No such problem encountered so far
7. Sale agents take advantage of home workers'	Low	Medium	•ASK will include an ombudsman for home workers. All ASK members will ensure that their	Low	This has occasionally occurred with new NJ members – each time

Risk	Probability	Impact	Mitigation Measure	Residual Risk	Update Quarter 13
lack of access to markets to increase their own share of profits over 30%			home workers have access to the ombudsman		problem is solved through discussion

Annex 4 Summary of strategy development workshop,

20-21 October and 16-18 November 2014

Issue discussed	Reason for discussion	Agreement reached
Business categories	The current 4 categories are no longer sufficient or appropriate to describe the variety of sectors and business models in which clients are engaged	New system of 7 categories agreed (see Annex 5)
Services currently provided to each business category	Need to ensure that all business categories are being provided with needed business services which are readily accessible, well understood and in a convenient location	<ul style="list-style-type: none"> • Agreed that most services should be available in NJ Regional Office as well as CBC • A system will be developed aimed at motivating women to seek services. For example providing more tangible markers of achievement such as training certificates, status cards etc • Design service is still not satisfactory – agreed to supplement designs from internet with commercial catalogues from the market
Encouraging and responding to client requests services	Clients and staff continue to restrict their communication to within what they understand are the programme goals	New systems were agreed for recording requests and monitoring programme response for timeliness and level of support
Nisfe Jahan fee payment system	Membership fee system is not well understood or accepted by clients	Clients will be free in future to pay a flat monthly fee or to pay for individual services. Each region will carry out a survey and prepare a plan to move from membership fee to the new system
Successful woman celebrations	Programme managers feel that impact could be higher if there was greater understanding by regional teams of the purpose	Aims and purpose of SWC was agreed and implementation guidelines developed
Attitude to clients	Regional teams and Main Office regional support staff need to be regularly reminded that Zardozi is a service organisation and that ultimately Nisfe Jahan will manage the services	It was agreed that clients should be treated as equals on all occasions and that NJ Executive Members should be treated as senior Zardozi staff
Trade facilitation centre strategy	Handover of new business lines to client management is proving difficult	<ul style="list-style-type: none"> • It was agreed that the current system of using TFCs to employ weak clients rather than to train and encourage business expansion in strong clients will stop. • Instead strong clients will manage their own new business line from the outset with whatever support needed by Zardozi

Issue discussed	Reason for discussion	Agreement reached
Cost recovery	Regional teams are not up to date on the targets agreed with donors for cost recovery. Plans are needed for achieving these targets	<ul style="list-style-type: none"> • Each region will prepare a plan and targets for the new system Staff understood what has been agreed with donors – guidelines and plans will be developed later
Savings	We are anxious to include savings as a service for clients and need to find a cost-effective and appropriate system	Mr Yousuf Zond, Pakistan microfinance expert recommended by OXUS made a presentation to workshop. It was agreed that Zardozi should adopt a minimalist approach avoiding issues such as record-keeping by savings groups. Main Office will develop some guidelines and there will be further discussion
Levels of utilisation of CBCs	The current CBC guidelines require at least 20 women to be registered to each CBC. Smaller groups of women living further from a CBC are complaining	A new strategy for mini, rent-free CBCs was agreed. Each region will develop an implementation plan
Selection of new clients/Expansion to new areas	The RSI report highlighted that the percentage of unsuitable clients selected has recently increased	Guidelines for selection of new areas and new clients were reviewed, expanded and tightened. New guidelines include more surveys and increased monitoring of expansion plans by Programme Director.

Annex 5 Definition of terms used in Table 2.2.1

Terms used	Definition
Employed	Earning more than Afs 1,000 per month
Dormant	Temporarily not working usually due to illness, involved in organising a family event such as wedding, or on a visit to another country or province
Under employed	Earning less than Afs 1,000 per month
Unemployed	Not earning at all
Graduated to other jobs	Is in salaried employment – usually teacher, skills trainer or cleaner