



Zardozi Quarterly

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Zardozi clients attending the new business training course. Read more in story 3

Afghanistan's First Professional Association for Women

Zardozi has established an Afghan registered, women's business support association known as *Nisfe Jahan* (Half the World) with a mandate to serve and support women in micro businesses.

"What we are doing today we could not have done five years ago," said Zardozi's Mazar Regional Office Manager Ata Mohammad, adding that within the next two years the association should be self-sufficient through services offered and fees charged.

Sakina, already a Zardozi client of four years, commented that the recent opening of the Nisfe Jahan Mazar office "has had an impact because we have regular meetings here with all the managers from all the *manbehs* (community business centers). We can share information and our problems." She added that she no longer needs to wait for the weekly community business centre as the NJ office is always open.

NJ's Mazar chairperson, Mazghan, said the women come to the office with all manner of queries and needs – from repairing equipment to garment design questions to loan services to livestock rearing support. And, perhaps more interestingly, she notes that some women come to simply have a chance to relax. "There are no men allowed in any circumstances inside the office," Mazghan said. "It has been decided this way so that Nisfe Jahan members can come to relax easily. A girl recently came with her brother to receive a loan, but we made her brother wait outside."

In the Afghan culture, some of the women are not allowed to visit the office if a non-family male is present in the same space. The women present all agree they have not seen another place in Mazar like this.

In Afghanistan's fledgling economy – not to mention its longstanding challenges with women's rights – the impact of Nisfe Jahan (NJ) cannot be underestimated. Nazreen, the operations manager seconded from the Zardozi office to oversee

ALSO IN THIS ISSUE



Strength in Savings

How the Zardozi Community Business Centre's are teaching critical savings skills.



New Video Training Aids

From the textbook to the screen: Zardozi clients are loving the new video presentations.



Mazar-e Sharif's Garment Workshops

More clients who are seeking to grow their business take on the garment workshop model.

“At the moment we cannot cover our costs with just the fees. The fees are very low and we cannot raise them yet – already the clients complain about them. But in time we will raise them,” she said.

“Women who only stayed at home before, who were jobless before, are now more encouraged to get into business,” Mazghan said, pointing to herself as an example.

“The Nisfe Jahan office will improve our work and help develop society as well. Now I still manage my work at home but I also run a business. I get up earlier and I am more organized at home. My husband even notices,” she added, noting with some pride that she no longer has to “rely” on her husband to support her.

Nisfe Jahan’s establishment, said the strength of the association was growing daily with some 40 percent of tasks previously managed by Zardozi now being run through Nisfe Jahan. However it still depends on Zardozi for over 90 percent of funding.

New Savings Group Teaches Crucial Business Skill



The collective savings of one of the Kesht group's in Mazar-e-Sharif are handed to Masouma who received the payment this month.

Until now, Zardozi has supported its clients’ entrepreneurial dreams with interest-free loans. But in an effort for these women and the Community Business Centers to become more self-sufficient, it is promoting the traditional Afghan system known as *Kesht*. *Kesht* is widespread in Afghanistan but women are very seldom involved.

Zardozi’s Mazar Regional Manager, Ata Mohammad, explained that having their own *Kesht* group is a new idea for the women. Also it is attractive even to the most risk averse who previously may have been reluctant to ask for a loan from Zardozi. *Kesht* also helps promote the concept of saving a little money each month for a lump sum at some point in the future.

“There are many methods of saving. This is just a simple one. But it is just the beginning of the savings idea for many of these women,” Ata said.

Revamped Training Boosts Biz Confidence

From Zardozi's beginnings, one of its mainstays in building women's micro businesses has been the high level of training offered.

Now Zardozi has raised the bar with the recent addition of video-based training developed by the DFID-funded Afghan business support initiative Harakat with some help from Zardozi's training modules. The videos enact scenarios telling the stories and possible situations that a woman starting a business in Afghanistan might find herself in.

Although Zardozi's training modules were developed specifically for illiterate women, even those who are literate find the video training gives more scope for comparison with their own situation. The videos are so popular that some clients are attending training sessions again in order to refresh their knowledge and gain more insights.

"The difference between the previous training and this [video] training is that before we had to imagine ourselves in the situations, whereas now this shows us the scenarios with more experience," Fatima said between training sessions in the Mazar Regional Office.

For Adela, she believes revisiting the training with the video component will help improve her business.

"Yes, we have learned about concepts in past trainings but now it is like we are seeing it in practice, and so it is more interesting for us because it shows us the real business in operation and some of the methods of how to do business," Adela said.



A dress on display in Zardozi's Mazar-e-Sharif showroom where prospective buyers can come and view product samples to order.

A group of women are comfortably huddled in a small room in the Mazar-e Sharif home of Adela. They look excited, smiling with anticipation.

They are all Zardozi clients, and so they are used to the regular weekly community business centre meetings. But this gathering is different. Instead of discussing their business and tailoring concerns, this time they are bringing money to put towards a new savings initiative – or *kesht* – launched by Zardozi.

The 22 women have each given 500 Afghanis (about \$10) to pool together 11,000 Afs. The lump sum will be given to one of them via the simplest and fairest decision process – pulling a name from a hat.

With a binding contract securing the commitment of each participant and her guarantor for the next 22 months, this gathering will take place each month until all 22 contributors have received the 11,000 Afs lump sum.

The recipient of this particular pool is 22-year-old Masouma. She says she plans to use the cash injection to buy herself an electric sewing machine to further her work productivity. The remaining funds will go towards school fees – she still has one year pending to complete her secondary education since leaving school a few years ago because of "problems". She did not want to elaborate.

Access to financing is one of the greatest obstacles to a woman building a business in Afghanistan. Even if the men in her family agree to a woman running a business of any sort, the likelihood of getting a loan from the bank for bulk costs is difficult – not to mention the interest rate repayments.

Mazar Clients Expanding into Garment



Masooma, 22, at work in Adela's garment workshop in Mazar-e-sharif

The organic growth of garment-making experience and market knowledge among Zardozi's clients over the years has led many of them to be able to meet both the demand for more volume and to be able to compete with the quality of imported garments.

Zardozi trainers have found very often that what is holding clients back from growing their business is not lack of demand, but the quality of products that lets them down. A reason for this is that the "home office", so to speak, makes quality control difficult and far too subjective.

The introduction of workshops has proven to be a boost for quality, not to mention allowing clients to take on larger orders while providing employment to more women. It has also benefitted women whose family members are against them working because of potential interactions with non-family males because the workshops are in most cases male-free.

Zardozi helps clients set up the workshops with training on its pros and cons together with support in terms of credit, expertise, and regular mentoring.

One such case is the workshop of Farida in Mazar-e-Sharif. She started employing other women to work in a small workshop in her house in July 2015 after three years with Zardozi mostly on small garment orders using family labour.

"My neighbours came to me many times and asked me for work – they wanted to work with me," Farida said, adding that she also wanted to build the business.

"Now I have 10 employees – we work three days full time and three days part time. They do all their training with me."

"I first had the idea to build a bigger business for my future about a year ago when I saw the [larger] orders in the market. But then I saw [another Zardozi client] Salima's workshop, I got really interested and asked Zardozi for a loan."

"My husband supported me and built this room especially for my workshop."

Salima, who inspired Farida to make a move on setting up the workshop, only started her workshop in January.

"I now have six ladies working for me. However if I get a really big order, I can get up to 20 ladies working for me, just in case," she said.

But the challenges to make ends meet are ever-present.

"I still cannot cover my needs from my own business. So for this reason I joined the *khesht* [Zardozi-supported traditional savings group]," she said.

While cheap imports from nearby China are popular among the garment shops, Salima said the competition is not from them in terms of cost, the competition is tough in terms of quality.

"Often the shopkeepers will comment that our garments are not as clean or well done as the imports. Our problem is also in finding the [raw] materials we need to compete," she added.

However, with more training Zardozi is confident this will shift as is the case with one client who has found that her buyer sells her garments at the same prices as imports because the consumers believe the quality is the same.

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About Zardozi

ZARDOZI is a local non-government organization based in Afghanistan providing business services to women.

It emerged from the DACAAR Sewing Centre Project set up in Peshawar, Pakistan in 1984 to provide skills and employment to some of the millions of refugees who were pouring across the border into Pakistan from Afghanistan during the Soviet occupation.

The DACAAR Sewing Centre (now Zardozi shop) still works with Afghan women to produce products for sale in the Zardozi shop in Ganjina.

Ganjina is the name selected by a group of companies, NGOs and producers who all sell from the one location. It is managed by Zardozi and overhead costs are divided between partners.

Separate from the income garnered through the Zardozi shop in Ganjina, Zardozi receives donor funding. Over the past three years, Oxfam Novib and DfID have been the primary funders to run programs in the city centers of Kabul, Jalalabad, Mazar, and Herat.

The program provides business support services to some of the poorest Afghan women living in urban and semi-urban areas.

Zardozi provides these women with an initial package of a broad range of business trainings together with whatever skills upgrade training is considered necessary.

Zardozi staff then work with the client to develop a product and to find the first orders; the new client is mentored by staff through up to three orders and then handed on to the professional association Nisfe Jahan (see website for details on the association).



FOR MORE INFORMATION

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