

Microfinance & employment support of persons with disabilities

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Microfinance Investment Support Facility for Afghanistan MISFA

- MISFA is registered with AISA as Not-for-profit organizations.
- **Goal:** is to ensure that marginalized groups — poor households and individuals, including women and those who live in the rural areas — are not left out and have access to financial services because they are the ones who are most in need.
- “In Afghanistan, market-based arrangements for social protection are dominated by microfinance schemes. These will be further developed and strengthened. “ ANDS

Livelihood and
employment support by
providing loan through
Disability NGOs

Disability NGOs and microfinance

- ICRC
- SCA
- AABRAR
- CCD
- SERVE

Objectives and criteria

- To provide money for persons with disabilities to either start new business or to strengthen and expand the current business
- Criteria: The persons with disabilities to be at least 18 years old
- The loan receiver to complete vocational training or skill training or having such skills and experiences
- To be guaranteed by two persons or the villagers
- Should have returned the past loans on time
- The amount of Loan from 12000 to 40000 Afs
- Payment of installment between 12 to 24 months





Comparison between NGOs and banks loans

NGOs periodic loan	Bank Loans
Without interest	With interest
Flexibility in case of failing or natural disaster	No Flexibility
Likely long term (2 years)	Short term loan (6 months, one year)

Impact assessment of SCA/RAD Loan Programme

Objectives of the Study and Survey

Objectives:

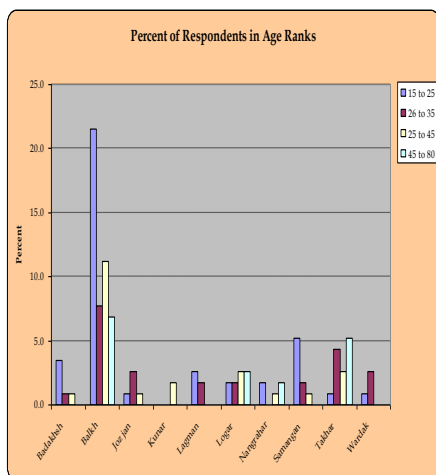
- 1) To see if the loan makes a difference in the socio-economic status of the recipient
- 2) To see if the loan makes the recipient economically self reliant
- 3) To see which types of business are more successful?

Survey:

- The survey was conducted in many villages of 30 districts in 10 provinces using random sampling
- The survey was focused on those individuals who completed their loan installment during the year 2005, 2006 and 2007

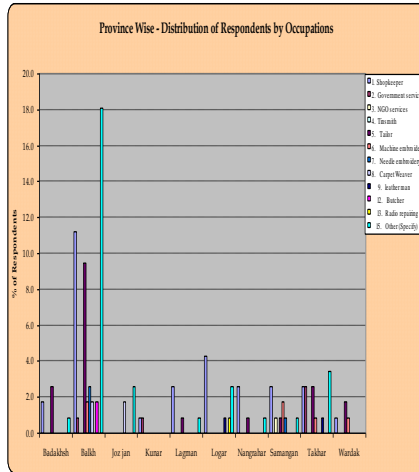
	Province	Number of respondent	Frequency distribution
1	Badakshan	6	5.2%
2	Balkh	55	47.4%
3	Jozjan	5	4.3%
4	Kunar	2	1.7%
5	Laghman	5	4.3%
6	Logar	10	8.6%
7	Nangarhar	5	4.3%
8	Samangan	9	7.8%
9	Takhar	15	12.9%
10	Wardak	4	3.4%

Percentage of Respondents in Age Rank



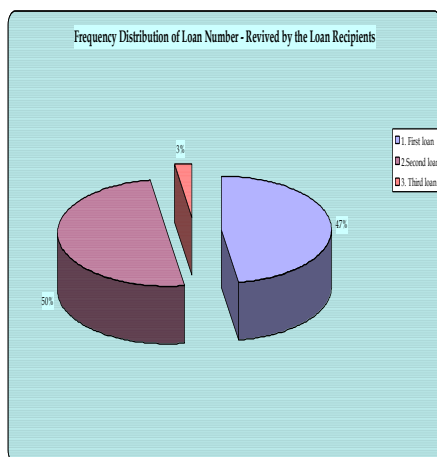
- 45% respondents fall in age rank 25- 45 years
- 39% respondent fall in age rank of 15 -25 years
- Only 16% loan recipients are aged above 45 years

Province wise - distribution of respondent by Occupation



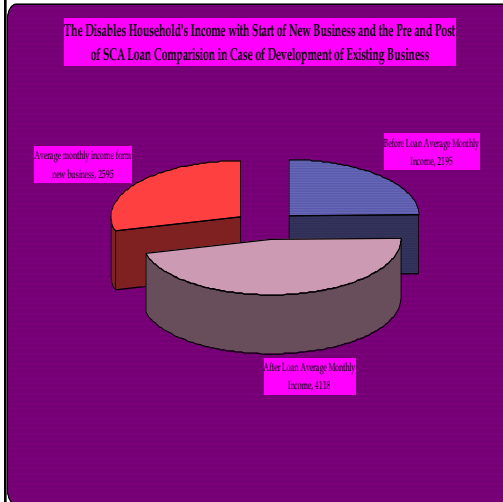
- 29% involved as shopkeeper
- 19% engaged in tailoring
- Remaining (retail seller, hotel, watch maker, radio maker, carpenter, bag maker, crop and walnut seller etc.

Frequency distribution of number of loan



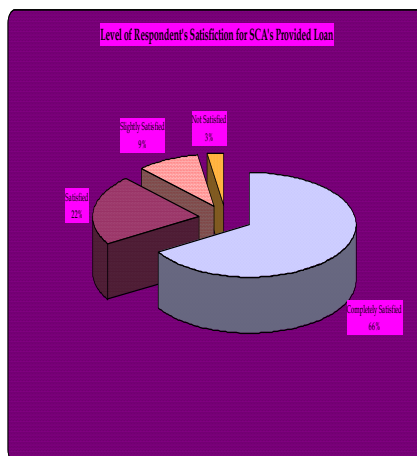
- Out of total sample
- 50% received 1st loan
 - 47% received 2nd loan
 - 3% received 3rd loan

Impact of SCA's Loan on the Household Income of Loan-Recipients



- ❖ Development of existing loan
 - Before loan average monthly income Afs 2195
 - Post loan average monthly income Afs 4118
 - Per month income increase is Afs 1923
- ❖ New business started
 - Monthly Average income from new business is Afs 2,595

Level of satisfaction from loan



- 66% completely satisfied
- 22% satisfied
- 9% slightly satisfied
- 3% not satisfied

Conclusions

- The study shows that SCA's loan has helped the recipients to find employment
- 100% of those who received loans started/developed their business
- In general term, the vocational training and loans have a positive impact on the economic level of the majority of the respondents
- Majority of respondent is now using vocational training for some kind of revenue generation

Thanks a lot for your attention

Questions

Soft copy of the report is available upon request

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