



## ECONOMIC GROWTH UPDATES

17 – 25 August, 2009

**USAID Program Supports Over 700 Farmers in Uruzgan:** On August 17, members of the Uruzgan Islamic Investment and Finance Cooperative (IIFC) joined a luncheon to wish good harvest for the coming season. The event was held just a day before harvesting their crops. Over 700 farmers have received agriculture loans through the USAID-supported IIFC in Uruzgan. The loans have been largely used for purchasing quality seeds, fertilizers, and chemicals, and renting machineries such as tractors and threshers. IIFCs are community-based, member-owned institutions founded by the World Council of Credit Unions (WOCCU). They provide a range of Shariah compliant financial services to their members. The Uruzgan IIFC is located in the southern region of Afghanistan. The south is not only known as the biggest producer of illicit drugs but it is also one of the insecure and instable regions of the country. Access to credit contributes to the overall initiatives in providing alternative livelihoods to poppy growers and will have an impact on the overall security and stability of the region. As of July 2009, only the ARIES-supported IIFCs have disbursed 3,500 loans in the total amount of US\$2 million in the south.



IIFC Members in Uruzgan Province  
Photo by: WOCCU

**US\$110 Million in Loans to Enterprises in Afghanistan:** On August 24, the ARIES partners reported a cumulative disbursement of nearly US\$110 million in loans to micro, small, medium, and larger enterprises throughout the Alternative Development Program (ADP) regions. The Academy for Educational Development (AED) launched the USAID-funded ARIES program in September 2006 with an intention to provide expanded access to financial services and to create a strong private sector foundation for a sustainable finance system capable of providing a range of financial services. To date, the Program has disbursed over 196,000 loans. Over 100 financial service outlets are currently lending the ARIES funds in 22 of Afghanistan's 34 provinces. The Program has resulted in creation of over 174,000 jobs in the ADP regions. ARIES is a key development project in Afghanistan and has a significant role in achieving the USAID/Afghanistan's strategic objective "A Thriving Licit Economy Led by the Private Sector".



(Kapisa Province) AED's M&E Team Conducting a Semiannual Data Quality Assessment for the ARIES Program. Photo by: AED