



USAID
FROM THE AMERICAN PEOPLE

AGRICULTURE, RURAL INVESTMENT
& ENTERPRISE STRENGTHENING

Loan Changes Omar's Business and Reshapes His Life



Deputy Governor of Baghlan disburse the first BaIFC loan to M. Omar during the BaIFC inauguration

(3 July 2007, Pul-e-Khumri) The first client of the Baghlan Investment & Finance Cooperative (BaIFC), Mr Mohammad Omar, changed his business from selling second hand clothes to brand new clothes after getting the first loan.

Omar and his family repatriated to their home country three years ago, after long years of emigration to Iran and Pakistan. Similarly to many other Afghan

families, they escaped war in their province and saved their lives. According to him, life was treating his family badly both during their emigration and also in the last three years in Afghanistan. They could hardly live with the money he was making in his small shop selling second hand goods. His daily income of only 200 Afghanis (USD4) per day before he got the loan was insufficient for a seven member family.

Omar said, "I could not send all my children to school and I was honestly very frustrated". While talking to me about his new business and loan by BaIFC, he said "Thanks to God, four months ago I heard about the BaIFC and got a 25,000 Afghanis (US\$500) loan. Now I can provide my family with a piece of bread at least and I am able to send my children to school."

Omar's eleven year old daughter Zarghuna studies at class six in school and helps her father after school hours. While selling goods to customers, the young girl said "I am so happy about the change in our business, it has improved our income as well as our life. Now I and my four other sisters and brothers can go to school comfortably and with no concern" added Zarghuna.



M. Omar and his daughter, Zarghuna organizing their store

The BaIFC, funded by ARIES program of USAID, was officially inaugurated about four months ago and it has already provided loans to about 180 people in Baghlan province. Its average loan size is US\$500 and similar to Omar's family, many poor families have benefited from its services.