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AFGHAN GROWTH FINANCE (AGF)

OVERVIEW

USAID's support to one of Afghanistan's leading financial services firms, the Small Enterprise Assistance Funds-Afghan Growth Finance (SEAF-AGF) program, helped local entrepreneurs and change-driven companies utilize financial inputs and add value through innovation and use of new technologies. From its inception in 2008, SEAF-AGF's success in Afghanistan stemmed from its ability to structure dynamic financing options and provide management with hands-on operational support, as well as provide Afghan businesses with the international connections needed to accelerate their growth and profitability. AGF offered financing solutions to growth-oriented companies operating in key sectors of the economy. Strong emphasis was placed on agribusiness and agro-processing, light manufacturing, alternative energy,

transport and distribution, consumer products and retail, services, and technology/communications. Investments were structured to match cash flows and capital requirements of each business, ranging from \$100,000 to \$11.5 million.

Potential investments were evaluated using SEAF's standard analysis tools and processes, which were augmented for local market conditions. With a good understanding of the types of data and information that required for proper investment evaluation, AGF's team mitigated the investment challenges and risks in the country. SEAF-AGF's investment teams prided themselves on being solutions-oriented business people who worked with local businesses to achieve solid economic growth, with equally solid returns for investors.

ACTIVITIES

- Expanding products and services to include leasing and Islamic finance
- Recruiting and training administrative and technical personnel
- Designing and implementing a new portfolio management information system
- Developing new credit products and strengthening lending procedures and operations
- Providing technical assistance and other value-added services to finance small- and medium-sized enterprises

ACCOMPLISHMENTS

- Disbursed over \$40 million in total investments
- Delivered more than \$300 million in development impact to stakeholders
- Provided access to long-term growth capital for more than 25 leading Afghan companies

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