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AFGHANISTAN

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FACT SHEET

Financial Access for Investing in the Development of Afghanistan (FAIDA)

OVERVIEW

The Financial Access for Investing in the Development of Afghanistan (FAIDA) program is helping the Afghan Government and the private sector develop a robust financial sector. FAIDA seeks to build the capacity of Afghan institutions to deliver finance, as well as develop a financial legal framework and market infrastructure that will foster economic growth and generate employment opportunities. FAIDA also directly assists Afghan women entrepreneurs by providing targeted business development, training, and mobile money support.

ACTIVITIES

- **Enterprises:** Work with partner institutions to provide tailored financial solutions that help complete value chains and increase competitiveness. Link lenders to businesses in need of financing, with a special focus on the agricultural sector and remote areas. Provide Islamic and conventional financial products to lenders and the private sector.
- **Banking Capacity:** Build the organizational capacity of Afghanistan's financial sector by providing training to financial professionals and banking institutions.
- **Regulatory:** Create an enabling lending environment that reduces risk and increases certainty. Develop new or updated regulations across all financial sectors and key institutions.
- **Mobile Money and branchless Banking:** Provide technical assistance to Afghanistan's mobile network operators to introduce innovative products and services, as well as expand the use of mobile money.
- **Agriculture in the South:** Promote financial activities in southern Afghanistan to support a sustainable, commercially viable, agribusiness-based economy.
- **Gender:** Ensure that women are integrated in financial sector activities and are provided access to financing and opportunities for economic and professional growth.

ACCOMPLISHMENTS

- 4,407 families have directly benefited from financial assistance provided.
- Facilitated \$9.1 million in private sector loans. An additional \$28.5 million in loan applications are awaiting approval.
- Developed 14 culturally appropriate Islamic finance products.
- Conducted 112 financial sector trainings with the participation of 1,168 financial sector employees.
- 541 businesswomen from 17 provinces participated in ten business and gender workshops titled "Women's Access to Business Opportunities and Financing." Women entrepreneurs have submitted a total of twenty-one concept notes worth \$797,000 to banks and financing institutions.
- FAIDA, in coordination with Afghanistan Banks Association (ABA), organized the first Access to Finance (A2F) Exhibition, which attracted more than 2,700 businessmen and women from across Afghanistan and presented workshops on finance-related subjects.
- Established a \$5 million Mobile Money Innovation Grant fund and approved grants to Mobile Network Operators (MNOs) totaling \$2.28 million. Currently reviewing three grant applications to promote innovative applications for Mobile Money.
- FAIDA, in coordination with the Association of Mobile Money Operators in Afghanistan (AMMOA), organized an Executive Seminar for Mobile Money, which drew over 50 institutions (government ministers, banks, mobile network operators, and donors) to discuss the opportunities and challenges related to mobile money in Afghanistan.
- Assisted the Afghanistan Institute of Banking and Finance (AIBF) in establishing a microfinance department, developing certificate courses, building training capacity, and creating a distance learning program.
- Transformed the Afghanistan Microfinance Association (AMA) by broadening its membership base, helping it develop a regional focus, and supporting institutional systems and processes.
- Issued five grants to strengthen microfinance associations and institutions worth \$317,965. Two additional grant applications, worth \$386,800, are currently under review.