

## Exhibit Promotes Textile Industry in Nangarhar

In support of the local textile value chain in the eastern region, USAID's IDEA-NEW program, in collaboration with Nangarhar Chamber of Commerce and Industry (NCCI), facilitated a textile exhibition in Jalalabad city. Textile factories from all over Nangarhar showcased their homemade products, including scarves, men's and women's shawls, and cotton cloth, at this one-day exhibition.

The exhibit was aimed to attract buyers and help interlink textile businesses with other markets in Afghanistan. It played a vital role in sharing traders' experiences on imported textile varieties available in the market so local production could be improved.

The eastern region of Afghanistan, particularly Nangarhar, has a long history of textile production. Kama, Rodat, Batikot,



*Mohammad Hanif Gardiwal, Nangarhar Deputy Governor, visits a stall at the textile exhibition*

and Bihsud districts are well known for weaving cotton cloth, scarves, turbans, towels, traditional woolen hats, blankets, and shawls for the local market.

Demand is high in Afghanistan for traditional textile products produced in small-scale factories and home-based businesses. The products are so popular that it was deemed necessary to move from manual to power looms to keep up with demand.

The IDEA-NEW project offered support to local factories operating with manual looms, by helping them install automatic power looms -- expanding their production capacity several fold. USAID has assisted 16 small and medium sized textile facilities in Nangarhar, including a textile processing

facility that provides washing, dyeing, and pressing services to other local textile factories. In addition to producing textile products locally, these businesses have generated 91 permanent jobs for locals in the region.

"I am Hemmat, a resident of Jalalabad. It is a real pleasure for every Afghan. When I came to this exhibition, I saw such items that were coming from neighboring countries before. Now that they are produced in our own country, I am so happy." said a visitor in the exhibition.

NCCI officials, members of the Nangarhar Industrial Association, traders, businessmen, Provincial Council members, and other Afghan and U.S. Government representatives attended the opening ceremony of the exhibit.

USAID's IDEA-NEW project focuses on increasing jobs and sales in rural and marginalized communities across the North, East, and West of Afghanistan. It is committed to supporting rural enterprises in terms of building their capacity, providing them with sustainable sources of power and electricity, improving the quality of their products, and linking them to provincial and national markets.



*Textile products produced in Nangarhar have high demand in local market*

Incentives Driving Economic Alternatives—North, East and West (IDEA-NEW) provides agricultural incentives and economic alternatives for provinces in the east as well as northern and western poppy-prone regions of Afghanistan. It continues USAID's agricultural sector efforts to promote legal productive agriculture in rural areas and in select districts focuses on narco-insurgency linkages. Development Alternatives, Inc. (DAI) leads the project team and builds on its previous work in the eastern region. DAI is joined by NGOs Mercy Corps in the northeast and ACDI/VOCA in the northwest and central provinces.

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## IDEA-NEW Introduces New Hybrid Varieties of Timber Trees

IDEA-NEW is working with 474 farmers in Badakhshan, Baghlan, and Takhar provinces to establish poplar nurseries and plantations with a high quality, fast growing variety of timber trees. Timber can provide a strong income compared to other crops, but local varieties are pest-infested and slow to mature. IDEA-NEW provides technical training and quality inputs to timber farmers through the voucher system at a 30% beneficiary contribution.

Most farmers in the Northeast were not aware of the best practices for growing timber or how to market it, but the fast results of the lead farmers generated great interest in the crop this season. IDEA-NEW identified a hole in the market that the beneficiary farmers could fill: the demand for timber poles is high but locally available varieties did not mature quickly enough to satisfy the market. IDEA-NEW introduced hybrid tree varieties and scientific planting processes to the farmers through training that allowed the farmers to grow well beyond their household needs and meet market demands for saplings and wood. The hybrid varieties grow straighter and faster than local varieties, reaching maturity in just five years.

In 2011 most farmers were still in the first year of planting and will wait to sell their trees, but 33 farmers in Badakhshan cultivated nurseries to sell the timber as 'cuttings'. Poplar does not require rootstock; a simple branch planted



*High growth rate of the new varieties encourages farmers to enter the poplar business*

directly in the ground will sprout roots and grow from there. The Badakhshan farmers enjoyed a strong year of timber profits, spurring the interest of their neighbors to enter the poplar business.

Farmers sold an average of about 14,000 cuttings each, for 2-3AFN per cutting. The average farmer turned a profit of \$930 this year, and can continue to harvest cuttings on a yearly basis. The USAID Field Program Officer for Badakhshan commented that farmers were shocked at the good results they received and that their neighbors were eager to find out where to get this new kind of tree and how to grow it.

IDEA-NEW is also working closely with local retailers to ensure that they are able to meet the demand for previously unavailable products such as hybrid poplar. The unavailability is due to a lack of perceived demand rather than the retailers' inability to stock the product. However, once it was demonstrated that the demand would ensure a market for poplar, they were able to stock the proper inputs.

IDEA-NEW works with farmers and retailers to support agricultural value chains and increase farmer incomes across the northeast.



*Hybrid varieties of timber trees are pest resistant and grow faster*

## Electricity Transforms Life in Remote Villages



*Micro Hydropower Plants are good means of electricity in Remote areas of Afghanistan*

IDEA-NEW completed installation of five micro hydropower plants (MHPs) in Balkhab district of Sari Pul province, providing 180 Kwatts of electrical power for a total of 1,230 households in Chaila, Khamshorak, Dahana Wa Takhsar, Hoosh, and Parawshan villages.

MHPs provide a very effective means to spread the benefits of IDEA-NEW to the mountainous areas of the northern region where the possibility of implementation of other programs is limited.

The IDEA-NEW support included providing and installing the mechanical and electrical equipments and supervising the civil works contributed by the communities. Exceptional rains in 2010 caused flooding

that severely damaged the uncompleted works. Repairing this damage was beyond the resources of the communities. IDEA-NEW provided extra construction materials and implemented cash for work schemes for four of the five MHPs.

Mohammad Haidar, an elder of Dahana Wa Takhsar community said "During the last ten years of rehabilitation, Balkhab remained underserved due to its remoteness, so thanks to IDEA-NEW on behalf of the people in this community. Undoubtedly we have been the luckiest community to benefit from this assistance. Previously there has been a private plant that sold electricity at an unaffordable price. Now our community owns an MHP with a capacity of 60 Kwatt and all 380 households have benefited from this

plant. We are paying a running cost of 5 Afs/Kwh, which is 75 percent lower than the private plants. The MHP has not only changed our home life but also created business opportunities for us."

For an MHP to be a sustainable source of electricity there must be a commitment by the community to manage and maintain it and to collect contributions to the running costs. Two people have been trained from each community to run and maintain the plants properly and collect contributions to the running costs from stakeholders.

## Carpet Industry Expands in Eastern Afghanistan

USAID's IDEA-NEW program supported ZRM carpet weaving company to strengthen the carpet industry in the eastern region. The assistance included hiring of 90 weavers for the company for a period of six months, as well as the hiring of two professional trainers in order to provide on the job training to the weavers on new designs, to oversee the production, and make sure the carpet produced is of the standard quality. The company was also provided with a one-time delivery of raw materials to start the carpet production.



*Carpet weavers are happy to earn their living and at the same time improve their skills*

Carpet weaving is a traditional profession in the Northern region of Afghanistan and has been recently adopted in the eastern region. There are a few carpet production companies in the region, but due to their lack of training and limited resources, they do not produce high standard products to meet the demand of international markets.

ZRM is an Afghan private carpet weaving company operating in 10 districts of the eastern region of Afghanistan. Having more than 16 years of experience in the field of carpet and rug production, the company also has cutting, dyeing, and washing facilities.

The goal of assisting ZRM carpet weaving company is to develop linkages between carpet weavers and carpet companies, and thus build their capacity. Through

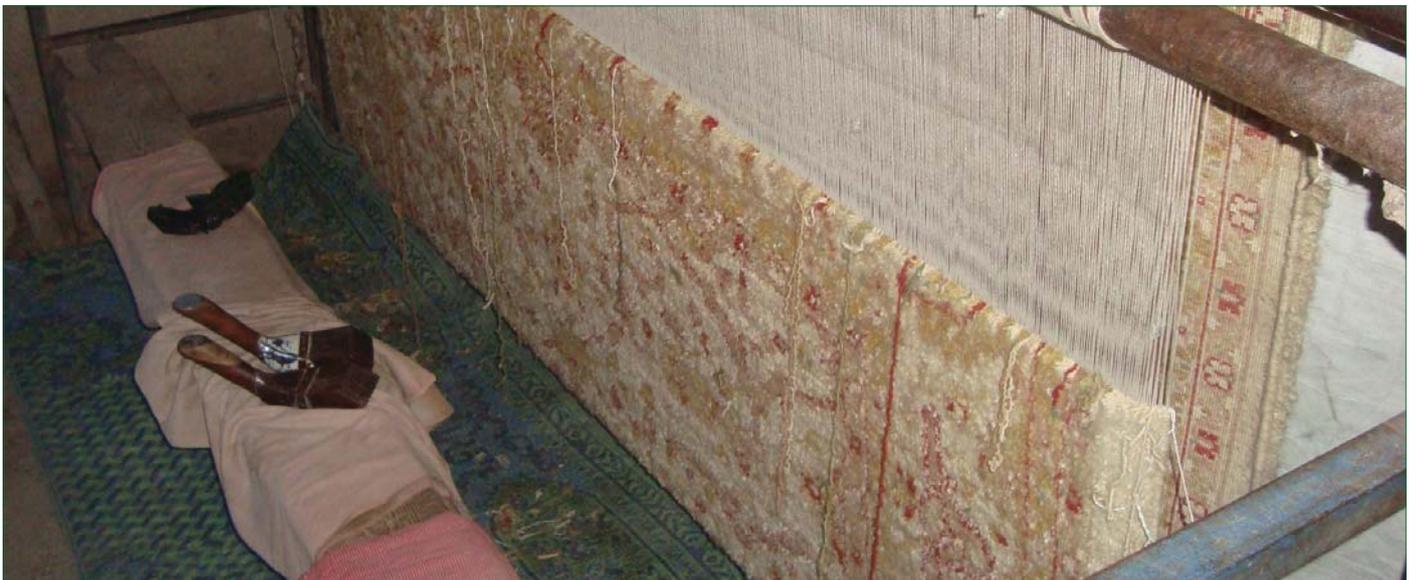
this IDEA-NEW hopes to facilitate ways for increased direct export of Afghan carpets to international markets and thus build the trust of international buyers with Afghan carpet companies.

ZRM recently received an order of 1,200 square meters of silk made carpets from a company in Canada. Although the ZRM had completed several orders in the past, it didn't have enough capacity to meet such a big request of high quality carpet from an international buyer. With IDEA-NEW support, it was possible for ZRM to respond to this order and also enhance the knowledge of new designs with the weavers.

ZRM now provides full time job opportunities to 90 locals in the remote areas, including 30 women who support their families by working from home.

"We are proud to work in ZRM Carpet weaving company to feed our families. Now we are able to send our brothers, sisters, and sons to schools. Our skills have improved and we are confident to weave good quality and complicated designs of carpets ordered by international buyers," said Hameedullah, an employee of the ZRM Company.

After the initial six months support of IDEA-NEW, the company was able to export more than 800 out of the 1,200 square meters of ordered carpet so far. IDEA-NEW's support contributed to the company's long term sustainability by helping ZRM generate sufficient income to build its financial capacity and to grow its business by improving the skills of ZRM's weavers so that they can fill large orders of high quality rugs.



*High quality carpets can easily find their way to international markets*