Islamic Republic of Afghanistan
Ministry of Rural Rehabilitation and Development (MRRD)
Afghanistan Rural Enterprise Development Program (AREDP)

AREDP IN FOCUS   Volume No: 25, April 2015

AREDP Background

AREDP is geared towards "improving employment opportunities and income of the rural men and women and substantially of targeted local enterprises. AREDP aims to achieve these goals by enhancing participation of rural poor in economic activities; supporting them through business development services, access to finance, improving market linkages, product development and value chains.

Program Objective

MIS unit has designed and developed "Rural Enterprise-Management Information System" that responds to the needs for improved Project component planning, implementation and management of AREDP. This sub-system covers project inputs/output for planning, implementation, and monitoring & learning. Accordingly, data collection and documentation formats will be developed to facilitate regular data collection on implementation processes of the different components.

Facts and Figures

As the initiative was very new and there was no past history of such intervention, the program decided to pilot it for total of 10 SMEs in five provinces (2 SME per province). But after successful implementation of the system and receiving positive results, AREDP MIS team has decided to provide this facility to 50 more SMEs in Herat, Balkh, Bamyan, Nangarhar and Parwan provinces.

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E-SME, brings efficiency to enterprise development: A revolutionary step in modernization of SMEs in Rural Context

Context: Afghanistan Rural Enterprise Development Program (AREDP) is a program of Ministry of Rural Rehabilitation and Development funded by multiple donors. AREDP always creates innovations in order to enable environment for enterprise development in the rural context. As part of supporting business development service at the grass-roots level, AREDP initiated Electronic Small and Medium Enterprise (E-SME) System. This system is designed to help SMEs run their operations, track productivity and measures profit and loss on a regular basis. This service is being piloted on mature SMEs and intends to reduce paper work and makes business management more efficient. This pilot initiative has been carried out in Nangarhar and Parvan provinces for 10 SMEs that have reached certain level of maturity. These enterprises have been expanding for the last one year and providing effective service not only to the rural but to the urban communities as well. AREDP provided computers and printer for selected enterprises and conducted a two-days training on proper use of the system.

Outcome: Mr. Ajab Gul works as finance manager at SAIL Food Production Enterprise in Nangarhar province. He received computer and was trained on how to use the software. Ajab Gul said that his workload has become easer; now he can analyze his business development by entering date into the system and can predict any loss and profit. "Previously, I had many difficulties in data entry and reporting. We used a lot of resources and time while collecting and recording data and our reports had a lot of errors. Thanks to AREDP, now our data entry and reporting system improved significantly and with this initiative I am able to measure the level of productivity and provide on time reports with zero mistakes". Mr. Ahmad Shah is another beneficiary who runs a tailoring enterprise in Parwan province, said: "We did not have proper data entry system in our enterprise to record client's information and orders on daily basis and even we requested outsiders to help us with drafting of reports for our enterprise. With this system we have a proper list of clients and we can track down orders from our clients and can respond their needs on time'.

Way Forward/Sustainability: This system proved to be very efficient and received satisfaction from SMEs in Nangarhar and Parwan provinces. AREDP is expanding this service to Herat, Balkh, Bamyan, Nangarhar and Parwan provinces and will cover additional 50 SMEs by June 2015.