



## FACT SHEET

### Afghanistan Small and Medium Enterprise Development *Business Development Services*

#### OVERVIEW

USAID's Afghanistan Small and Medium Enterprise Development (ASMED) project increases opportunities for trade, employment, and investment by improving private sector productivity. Through ASMED, USAID provides a wide range of business development services (BDS) to encourage the establishment and growth of small and medium enterprises (SMEs), which serve as major drivers of Afghanistan's economic development. ASMED supports SMEs in improved management practices, new investment and expansion, the introduction of new products and services, and the improvement of business productivity and profitability. BDS firms are defined as:

*Entities providing services such as market research, insurance, advertising, marketing, labeling, financial management, logistics, consolidation and transport services, new production technologies, customer service, accounting, business plan development, loan applications, human resources, or arbitration on either a full or partial fee basis.*

According to a value chain improvement approach to program interventions, ASMED focuses specifically on those BDS providers that address bottlenecks in targeted sectors such as: carpets, marble, wool and cashmere, agribusiness, gemstones, and handicrafts. The growth of the BDS sector will further benefit the industries and sectors to which it adds value by improving enterprise-level profitability and productivity.

#### ACTIVITIES

- **Business development services training** – Creating and assisting business development services firms to provide training – in management, accounting, marketing, export promotion, and other support services to value chains – to enable SME owners to establish market linkages and expand their businesses. Expanding the curricula and improving the quality of firms' training through direct technical assistance and training of trainer activities. Assisting these companies in becoming financially sustainable by stimulating demand for their services.
- **Business development services consulting** – Building the capacity of BDS firms to provide market research, organizational development, cash flow and business plan preparation, strategic planning, and other consultancy services while demonstrating the value of these services to prospective clients.
- **Creation of Afghan Consulting Companies Association (ACCA)** – Created a national association of BDS firms to improve industry-wide coordination and growth, legislative advocacy, and information-sharing.
- **BDS Sector Surveys** – Inventorying available business services regionally and nationwide to identify strengths, weaknesses, opportunities, and threats to the development of the sector.

#### RESULTS

- Provided business skill training to over 15,500 clients throughout the country.
- Created 463 new SMEs.
- Fostered the creation of an environment where 169 BDS firms now operate nationwide from an original 8 Kabul-based firms at the project's inception.
- Supported 6,370 Afghan businesses and facilitated access to bank loans and equity financing to 64 of those companies.