

**Afghanistan Women's Business Federation  
(AWBF)**

فدراسيون زنان تجارت پيشه افغانستان



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## MEMORANDUM OF UNDERSTANDING

***This Memorandum of Understanding (MOU) dated, / / 200\_\_ is made and entered into by and between:***

The Afghanistan Women's Business Federation (AWBF), located in Shahr e Naw, Ansari Watt, Kolala Pushta Road, Kabul, Afghanistan and represented by Gul Jan Zmarai, Chairperson of the Board of Directors.

And \_\_\_\_\_

\_\_\_\_\_  
(Company/Organization, Contact Person, Address).

### BACKGROUND

The Afghanistan Women's Business Federation (AWBF) was founded in July 2005 by a consortium of eighteen women's business associations. It was created with the support of the business community as a national women's business federation to promote economic empowerment of women.

Through the Made by Afghan Women Program, AWBF will focus on branding one industry sector that is important to women's enterprise development. In doing so, AWBF will work closely with the Export Promotion Center of Afghanistan (EPCA). Once a brand has been built for carpets, AWBF will focus textiles and other sectors dominated by women using private funds. The purpose of the program is to brand on the U.S. market high end Afghan carpets made by women and to do so by developing partnerships with socially responsible Afghan organizations and companies that specialize in carpets. The ultimate goal, of course, will be to raise visibility, which will lead to increased sales and ultimately more income for the weavers themselves.

The AWBF Trade Development Center will work with Daniel Kennedy, a marketing and public relations professional from New York City, to brand Afghan carpets to U.S. consumers. Mr. Kennedy initiated a successful project with the Bosnians to brand its carpet industry and will build on the talent of Afghan women to initiate both visibility for

their products and actual product sales.

## AGREEMENT

\_\_\_\_\_ and AWBF jointly agree to the following:

1. AWBF works with AWBF member associations to identify weavers and/or representatives that meet the criteria to be part of the project. AWBF staff will inspect each weaving location to ensure that all criteria are met. Spot inspections will be made throughout the year.
2. Associations sign an MOU to a) work with weavers to ensure quality processes on each and every carpet manufactured, b) provide biographical information on the woman/women that wove the carpet(s), c) ensure proper working conditions for the weavers, d) ensure no abuse of child labor (e.g. children have to go to school, can only work two hours a day on carpets, etc), and e) keep meticulous records of sales, shipping, etc.
3. AWBF serves as a conduit to the marketplace. It doesn't purchase, sell or handle any carpets. AWBF will print a catalogue that can be used by U.S. sales staff to close deals with certified carpet buyers.
4. AWBF will create a database of weavers and representatives in order to link them directly to certified buyers with assistance from AWBF's Kabul and U.S. staff.
5. Funds will flow directly to the weavers/organizations/companies that are involved in the project. These companies will pay a fee to AWBF for involvement, which will create a sustainable way to keep the program going.
6. AWBF will work with RugMark to provide a "quality seal" for each carpet sold through the program.

## RESPONSIBILITIES

***(Company/Organization) will:***

1. Adhere to the criteria for participation in the program.
2. Join and maintain membership in a women's business association.
3. Pay the annual participation fee.
4. Agree to meet quality and ethical business practice standards.
5. Agree to pay to carpet weavers either a) the fair market value of the carpet(s) produced or b) a commission off the retail/wholesale sale of the carpet.
6. Agree to mandate that children go to school and that weavers receive proper health care.
7. Annually provide a list of weaver's names, the carpets produced and the price paid to each weaver per square meter.
8. When possible, participate in program activities, training programs and events.
9. Paying %5 as sales commission to AWBF from their sales through the AfghanMark events.

**AWBF will:**

1. Brand on the U.S. market Afghan carpets made by women.
2. Develop a program brochure that includes contact information for the organizations involved in the project.
3. Provide direct market access to companies/organizations through their local business associations since part of the criteria for participation will be that the organizations have to be members of a women's business association.
4. Build the capacity of AWBF member business associations by providing them with a service they can use to recruit members.
5. Increase the economic capacity of carpet weavers by providing increased market access.
6. Ensure that program partners are producing the highest quality standards in sanitary working conditions with no child labor.
7. Create a website and other materials to promote the program. Generate media publicity in Afghanistan and the U.S.
8. As possible, support marketing events and initiatives designed to provide program participants with increased access to the U.S. market.

**CONCLUSION**

This agreement will take effect as of the date it is executed by both parties and will remain in effect until further notice. It shall remain valid until notice of its termination is given in writing by either side, in which case the agreement shall terminate thirty days after the said notice, or concurrently with the Cooperative Agreement, whichever come first.

This agreement can be revised upon mutual written consent of both parties.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the dates indicated below:

Name: Irina Baloch  
Title: CEO  
Organization/Company: Afghan Women's Business Federation

Signature: \_\_\_\_\_

Date: / /

Name:  
Title:  
Organization/Company:

Signature: \_\_\_\_\_

Date: / /