

# cover

ISSUE 75 | SUMMER 2024

DIANE SCOTT  
X  
HANRAD

## THE SPIRIT OF THE RUG



SUMMER 2024 £5 €8 \$10  
cover-magazine.com  
Hali Publications Ltd

MADE IN AFGHANISTAN • SUKAINA KUBBA  
VERNER PANTON X AMINI • ONLINE RETAIL  
THE FUTURE PERFECT • KIPS BAY NEW YORK



01

# ACEBA in action

The five-year ACEBA project has sought to promote sustainable economic growth in Afghanistan's carpet production. Lucy Upward looks at the work of this endeavour in the country and beyond

**W**hile many global companies have produced rugs in Afghanistan for decades, for most smaller international firms access to reliable production in the country has remained difficult if not impossible. Bridging this gap, NGO organisations have been eager to get rug production in Afghanistan up to a global standard. Undertaking this job over the past five years is one such project, titled ACEBA (Afghanistan Competitiveness of Export-Oriented Businesses Activity). The USAID-funded project promotes 'sustainable, export-led nationwide economic growth' and strives to 'sustain livelihoods'. Since 2020, ACEBA has been run in Afghanistan by DAI Global, a company that implements funded projects across the globe.

From the outset, the project aimed to support the export of Afghan saffron, cashmere and carpets through technical assistance and grants. However, with the Taliban's return to power in August 2021, ACEBA also focused on supporting livelihoods and household incomes. The difficulty has always been that, despite carpets being

the country's second-largest employer and export sector, the changes required for bringing Afghan rugs to the global market in a sustainable way require support on every level, from stimulating demand to supporting the industry to meet that demand.

Raising demand requires the interiors market to understand that Afghanistan is a reliable resource. ACEBA has not only linked buyers with Afghan carpet producers but also funded eight international carpet buyers in the development of new Afghan carpet collections, trade show participation, and e-commerce platforms. In fact, several of the rugs shown or discussed in this section have been created through the programme. A trusted rug retailer informing clients of the benefits of Afghan rugs can actually change lives. It is foreseen that the grants investment will lead to sustainable orders of \$2–3 million per year.

The outcomes of both the Covid pandemic and the Taliban return had a drastic impact on the commercial ties between international carpet buyers and Afghan manufacturers. Afghanistan was even more cut off than before. Therefore, ACEBA's work took on an

even greater responsibility once the project had begun. Team visits to top carpet buyers in Europe and the US during 2023 not only established direct connections but also secured orders for 8,000 sq m of handmade carpets.

On-the-ground help in Afghanistan is perhaps more tangible but no less demanding. In the production process it begins with herders, providing vouchers for feed and animal health services, training in animal husbandry, and the creation of 800 wool collection points. Within yarn production, ACEBA has created 5,000 new opportunities for women in the spinning industry and increased the national yarn output. Then there are weaving apprenticeships for 14,842 people (90% women), training in dyeing, washing, finishing, and business management. Grants worth \$9.1 million have gone to the carpet sector, as well as 600 modern looms and food packages to vulnerable families—in collaboration with Label STEP.

The project has worked towards developing washing and finishing facilities in Afghanistan—increasing capacity by 500,000 sq m—so carpets are less often sent to Pakistan. And, again in partnership with Label STEP, the



02

01 Weavers at the loom in Afghanistan

02 Rug finishing in Afghanistan

03 Yarn dyeing in Afghanistan



03



05

**05** Afghan weavers at the loom

**06** Ghazni wool

**07** The carpet weavers of Almas Kabir working in Balkh Province



06



07

introduction of the Afghan Weaver App currently links 7,500 weavers, fifteen carpet producers and fifteen international customers, in a system that works in other production countries.

In terms of success stories there are many, but one that struck me was Almas Kabir, a woman-owned business in northern Balkh province. Founded in 2017 and operating with only fifteen weavers, the company struggled during the economic crisis that followed the Taliban takeover. Through ACEBA's Business Recovery Initiative (BRI) it was able to obtain an interest-free refundable working capital advance to buy raw material and hire further women. In the past two years the company has gone from strength to strength and now employs 280 weavers producing 2,800 sq m of carpets worth around \$168,000.

Through a further grant from ACEBA it is building its own carpet finishing facility so it can directly export to the US and Europe. The owner of the company commented: 'Because of the working capital advance provided to our company, we could address the lack of cash, fully recover operations, maintain female carpet weavers, pay salaries, and run the business as normal.'

While the five-year project facilitators are busy ensuring that the advances they have helped to make are sustainable, we can look at the macro changes ACEBA has achieved. From a huge reduction in the use of child labour through Label STEP's compliance audits, to the refocusing of local firms on the custom order market and the trebling of the annual Afghan carpet production to 3 million sq m, the project's ambitious plans have been realised, and they aim to endure.