



Women, Peace and Participation (WPP) & Women in International Security (WIIS)

**Addressing Systemic Barriers to Women's Economic
Participation:**

**Leveraging the Doha Process Private Sector Working
Group**

**Authors: Belquis Ahmadi and Forozan Rasooli
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Acronyms

ACCI	Afghanistan Chamber of Commerce and Industries
AI	Artificial Intelligence
FGD	Focus Group Discussion
MPVPV	Ministry for Promotion of Virtue and Prevention of Vice
NGO	Non-Governmental Organization
SSTI	Strategizing a Seat at the Table Initiative
WPP	Women, Peace and Participation
WIIS	Women in International Security
UNDP	United Nations Development Program
SME	Small and Medium Enterprise
WG	Working Group

Executive Summary

Meaningful consultation with women entrepreneurs and business owners is essential to ensuring that economic policies are responsive to the realities facing Afghanistan's private sector. Such consultation requires more than representation; it requires direct, regular, and substantive engagement between members of the UN-led Doha Process Private Sector Development Working Group and the women whose businesses and livelihoods are directly affected by current political, economic, and regulatory conditions. Women entrepreneurs possess firsthand knowledge of the barriers and opportunities shaping the private sector and are uniquely positioned to identify practical, evidence-based solutions.

To ensure that the Working Group's deliberations are informed by these perspectives, the Strategizing a Seat at the Table Initiative (SSTI)¹, with financial support from Women in International Security–Italy (WIIS-Italy), commissioned this research, which was conducted by two SSTI members. The study documents the experiences, priorities, and recommendations of women entrepreneurs and other private sector actors to identify practical measures that can strengthen women's economic participation and inform the Working Group's discussions and recommendations. Additional information on SSTI is provided in [Annex A](#).

The report is based on interviews and focus group discussions conducted between 1 and 31 May with 74 Afghan women entrepreneurs, home-based business owners, vocational trainers, and male private sector representatives from Samangan, Nangarhar, Paktia, Paktika, Ghazni, Helmand, Herat, Daikundi, and Kabul. Drawing on perspectives from both urban and rural communities, the research examines how Afghanistan's current political, economic, and regulatory environment is shaping women's participation in the private sector, identifies barriers to women's economic engagement, highlights opportunities to strengthen women's economic resilience, and captures participants' expectations of the Doha Process.

The findings show that although women are not formally prohibited from operating businesses, they face many of the same restrictions imposed on women across Afghan society. Requirements to travel with a *mahram*, restrictions on interactions with male customers and business partners, exclusion from education and professional development opportunities, and persistent harassment and intimidation by Taliban authorities significantly constrain women's ability to establish, manage, and expand businesses.

Participants consistently identified the *mahram* requirement as one of the most significant structural barriers to women's economic participation. Beyond restricting mobility, its increasingly strict enforcement imposes substantial economic costs on households by requiring male relatives to forgo work or education to accompany women. Participants

¹ SSTI is an initiative of Women, Peace and Participation developed through consultations with diverse Afghan women leaders from inside and outside Afghanistan, including civil society activists, academics, entrepreneurs, diplomats, and former public officials.

also described an environment of surveillance, arbitrary inspections, and intimidation targeting women-led businesses, creating uncertainty that discourages investment and business growth.

Limited access to finance emerged as another major challenge. Women entrepreneurs continue to face significant obstacles in accessing affordable credit, investment, and financial services, while both women and men described existing lending mechanisms as costly, bureaucratic, and poorly suited to the needs of small businesses. Participants also emphasized that established businesses—not only start-ups—require sustained financial support to remain viable, adapt to changing market conditions, and create employment.

The research further found that small and medium-sized enterprises (SMEs)—the backbone of many local economies—remain underrepresented in economic policymaking. Participants noted that consultations are often dominated by larger businesses, leaving the priorities of SMEs, including access to finance, licensing, taxation, infrastructure, and market access, insufficiently reflected in policy discussions. Overall, the findings demonstrate that strengthening Afghanistan's private sector requires more than financial assistance alone. Sustainable economic recovery depends on addressing the structural barriers that constrain women's economic participation while institutionalizing regular consultation with women entrepreneurs and SMEs. Integrating these perspectives into the Doha Process will help ensure that future policies are more practical, inclusive, and responsive to the realities of Afghanistan's private sector.

Key Takeaways

- **Structural barriers—not market forces—are holding women entrepreneurs back.** Although women are permitted to operate businesses, restrictions on mobility, the mahram requirement, surveillance, and limited access to education and professional development continue to significantly constrain their ability to establish, manage, and expand businesses.
- **Women-led businesses operate under constant uncertainty.** Frequent inspections, intimidation, and arbitrary enforcement by Taliban authorities create an unpredictable business environment that discourages investment, innovation, and business growth.
- **The mahram requirement carries substantial economic costs.** Beyond restricting women's mobility, it reduces household income, disrupts boys' education, and limits productivity by requiring male relatives to accompany women instead of attending work or school.
- **Access to finance remains one of the greatest obstacles to business growth.** Women entrepreneurs and SMEs continue to face significant barriers to affordable credit, investment, and business support, while established businesses require sustained financing—not only start-up assistance—to remain viable and grow.
- **Border disruptions are undermining women's businesses.** Border closures, rising transportation costs, inflation, and disrupted supply chains have significantly

increased production costs, reduced profit margins, and forced some women entrepreneurs to scale back or close their businesses.

- **Women entrepreneurs want to help shape economic policy.** Participants called for meaningful participation in consultations and deliberations of the UN-established Working Group on Private Sector Development and Economic Opportunities and other similar platforms. They emphasized that their lived experience and practical expertise can help develop more practical, inclusive, and effective economic policies.

Recommendations

⇒ To the De Facto Authorities

- Remove unnecessary barriers that limit women's economic participation, especially restrictions on mobility and the operation of women-owned businesses.
- Create a more stable and supportive business environment by reducing arbitrary enforcement, simplifying business procedures, and protecting small and women-owned businesses.
- Consult women entrepreneurs, SMEs, and private sector representatives before developing policies that affect the private sector. Regular consultation will help ensure that economic policies reflect the challenges, needs, and priorities of businesses across Afghanistan.

⇒ To International Stakeholders and Donors

- Expand financial and technical assistance for women-owned businesses and SMEs, including access to finance, business development services, digital skills, and market opportunities.
- Prioritize support for existing women-led and home-based enterprises to strengthen business resilience, productivity, and job creation, particularly in rural areas.
- Ensure that women entrepreneurs and SMEs are systematically included in the design of economic assistance programs and in international policy discussions, including the UN-led Doha Process Private Sector Development Working Group.

Introduction

This study is intended to support and complement international efforts to promote inclusive economic recovery and private sector development in Afghanistan. It builds on the outcomes of a series of conferences, the first one held in July 2024 in Italy and one in April 2026 in Brussels, convened with a delegation from the Strategizing a Seat at the

Table Initiative (SSTI) and co-organized by Women for Peace and Participation (WPP) and Women in International Security Italy (WIIS Italy). One of the key recommendations from the conferences was the need to be engaged in and contribute to thematic working groups established under the UN-led Doha Process to inform policy decisions.

The recommendation was grounded in the recognition that Afghan women remain largely excluded from technical and policy discussions on Afghanistan, despite being among those most affected by economic decline, restrictive governance measures, and barriers to participation in public life. SSTI seeks to address this gap by conducting consultations and research that document lived realities, generate practical solutions informed by those directly affected, and amplify women's voices, expertise, and priorities in national and international policy discussions.

To support this objective, SSTI undertook consultations with women entrepreneurs, business owners, home-based workers, trainers, and other private sector actors across Afghanistan to examine the barriers affecting women's economic participation and opportunities for engagement. The findings are intended to inform discussions within the UN-led Doha Process Private Sector Development Working Group, as well as broader engagement by Special Envoys, member states, international organizations, and other stakeholders working to support Afghanistan's economic recovery. By centering the experiences and recommendations of Afghan women, the study aims to contribute practical insights and evidence-based recommendations for advancing more inclusive and sustainable private sector development.

⇒ Methodology and Study Limitations

Between 1 and 31 May, the SSTI conducted a qualitative study consisting of individual interviews and focus group discussions with Afghan women entrepreneurs, vocational trainers, home-based business owners, small business owners, and male private sector actors in Nangarhar, Samangan, Paktia, Paktika, Ghazni, Helmand, Herat, Kabul, and Daikundi. These provinces were selected to ensure geographic diversity and capture a broad range of experiences and perspectives on women's economic participation across Afghanistan.

Participants were identified through a snowball sampling approach, and all consultations were conducted remotely via encrypted WhatsApp. The combination of individual interviews and focus group discussions enabled participants to share both personal experiences and broader observations regarding the opportunities and challenges facing

women in Afghanistan's private sector. The interview and focus group discussion guides are included in **Annex B**.

Compared with SSTI's earlier study on the impact of the ban on poppy cultivation, this research was considerably less sensitive, and participants were generally more willing to discuss both the challenges and opportunities facing Afghanistan's private sector. As a qualitative study, the findings are not intended to be statistically representative of all women entrepreneurs or private sector actors in Afghanistan. Rather, they provide in-depth insights into participants' experiences and perspectives. Poor internet connectivity also occasionally disrupted interviews and required follow-up sessions.

Context and Background

Since the Taliban's return to power in August 2021, women's participation in economic activities has been increasingly constrained by a combination of formal restrictions, informal practices, and broader institutional transformations. According to UN Women's *Gender Index 2024: Afghanistan*², Afghan women achieve only 17.3 percent of their potential in terms of rights, opportunities, and agency. The index also finds that women achieve only 23.7 percent of the outcomes achieved by men, resulting in a 76.3 percent gender gap—the second widest in the world, behind only Yemen.

Although no comprehensive nationwide policy explicitly bans women from engaging in private sector activities, the cumulative impact of restrictions on women's mobility, employment, education, and access to public spaces has contributed to the exclusion of women from large segments of the economy.

Restrictions requiring women to travel with a mahram, limitations on access to public transportation and marketplaces, and prohibitions on women working in NGOs and many formal sector roles have significantly reduced women's ability to participate in economic life. At the same time, the dissolution of the Ministry of Women's Affairs and its replacement with the Ministry for the Propagation of Virtue and the Prevention of Vice removed key institutional mechanisms that had previously facilitated women's economic empowerment and access to markets. Regulatory approaches have increasingly prioritized control and restriction, contributing to a highly uncertain and restrictive business environment.

As formal employment and business opportunities for women have narrowed, many women—particularly those heading households—have been pushed into home-based and informal economic activities such as tailoring, handicrafts, food processing, embroidery, carpet weaving, and jewelry production. For many, these activities are not a matter of choice or entrepreneurship, but a survival strategy they have adopted in response to the loss of employment and growing household poverty.

² UN Women, *Gender Index 2024: Afghanistan* (New York: United Nations Entity for Gender Equality and the Empowerment of Women, 2025), available at: <https://www.unwomen.org/en/digital-library/publications/2025/06/afghanistan-gender-index-2024>

While home-based businesses provide an important source of income for many households, they are often characterized by low profit margins, limited growth potential, and significant barriers to sustainability. Women face challenges in accessing raw materials, reaching customers, marketing their products, securing financing, participating in professional networks, and expanding beyond local markets. As a result, many remain trapped in low-value segments of the economy, generating just enough income to survive but rarely enough to build financial security or grow their enterprises. Importantly, the increase in the number of women engaged in home-based economic activities should not be interpreted as evidence of improved economic empowerment or greater economic inclusion. Rather, it reflects the contraction of women's economic choices and their adaptation to an increasingly restrictive environment.

The shift from formal employment to informal and home-based work often results in lower and less predictable earnings, reduced legal and social protections, and fewer opportunities for professional advancement. As noted in a 2023–2024 UNDP report, the loss of formal employment opportunities for women can reduce household per capita income by as much as 48 percent³, highlighting the significant economic costs of women's exclusion from the formal labor market.

The broader private sector environment has become increasingly unpredictable. Increased oversight of women-run and focused NGOs, interference in programming, and efforts to reshape the leadership of key business bodies have weakened investor confidence and disrupted market systems. Women-owned businesses have been particularly affected by restrictive measures, including the closure of beauty salons in July 2023⁴ and subsequent actions targeting women-run cafes, public baths and gyms run by women for women⁵, and private educational courses⁶. In many provinces, inconsistent and arbitrary implementation of regulations by local authorities and vice and virtue inspectors has created an atmosphere of uncertainty in which even permitted activities remain vulnerable to sudden closure.

Despite these restrictions, Afghan women continue to demonstrate resilience and adaptability. Existing research, including the report *Afghan Women as Economic Actors*:

³ United Nations Development Programme (UNDP), Afghanistan Socio-Economic Review: Fragile Gains, Deepening Subsistence Insecurity (Kabul: UNDP, April 2025), [Afghanistan Socio-Economic Review](#)

⁴ July 6, 2023: Taliban's Ministry of Propagation of Virtue and Prevention of Vice announced the ban on hair/beauty salons [all run by women for women] because services provided by the salons were forbidden by Islam. Owners of beauty salons were given one month notice to wind down their businesses.

⁵ NBC News, "Taliban Ban Women From Parks and Gyms in Afghanistan," November 10, 2022, <https://www.nbcnews.com/news/world/taliban-ban-women-parks-gyms-afghanistan-rcna56539>

⁶ A letter from the Ministry of Education, regarding the ban on female students beyond grade six in public and private educational institutions, referenced a previous decree by the Emir. The letter instructed the Herat Education Department, citing decree 1446/3/22, that the education of female students beyond grade six remains suspended until further notice.

*Evidence, Challenges, and a Roadmap for Enterprise Resilience and Growth*⁷, provides important evidence that women's economic participation has not disappeared, but rather shifted into informal, home-based, and survival-oriented activities. Drawing on more than 3,200 interviews and focus group discussions across all 34 provinces, the above report highlights the scale of women's continued economic engagement and identifies key barriers such as restrictions on movement, financial exclusion, and limited access to markets. It also demonstrates how women strategically adapt to restrictive conditions through informal networks and localized coping mechanisms.

While these findings provide important national-level insights into the realities facing Afghan women, there remains a need for more focused analysis of how current political, economic, and regulatory developments are affecting women entrepreneurs, home-based business owners, and women engaged in income-generating activities. In particular, there is a need to better understand how women themselves assess the impact of existing restrictions, the coping mechanisms they have adopted, the support they consider most effective, and their expectations of national and international actors seeking to improve women's economic opportunities. Understanding these perspectives is essential for ensuring that policy discussions and international engagement efforts are grounded in the lived experiences and priorities of Afghan women.

The following section presents the findings from the individual interviews and focus group discussions conducted for this study. The findings are organized around the key research questions that guided the study.

Consultees' Responses to Questions

⇒ Women's Economic Activities and Livelihoods

Women inside Afghanistan continue to engage in a number of income-generating activities, including tailoring, embroidery, knitting, crocheting, carpet weaving, dairy production, livestock management, handicrafts, food processing, preserved foods, home gardening, decorative arts, and beauty services.

While a small number of women in the targeted provinces remain established entrepreneurs with proven business records and years of experience, their ability to operate and grow their enterprises has been significantly constrained since 2021. Many continue to operate under business licenses originally issued during the Republic era, which have been recognized by the Ministry of Commerce and Industry. In addition, they are often required to obtain local operating permits or business licenses from their respective municipalities. Prior to 2021, many of these businesses employed both women

⁷ Manizha Wafeq and Global Women's Trade Caravan, *Afghan Women as Economic Actors: Evidence, Challenges, and a Roadmap for Enterprise Resilience and Growth*, <https://www.globalwomentrade.org/post/afghan-women-as-economic-actors-evidence-challenges-and-a-roadmap-for-enterprise-resilience-and-g>

and men and operated from dedicated commercial facilities, workshops, or production sites.

Participants stressed that the lack of formal and recognized institutions undermines family trust and restricts women's participation in training and economic activities. *"If there were a formal institution or official workplace, people would trust it more and allow their daughters to attend."* FGD, Helmand

Another participant from Nangarhar said, *"Businesswomen can no longer cope. Most women continue working from one or two small rooms and do not have proper markets or workspaces."* Participants from Samangan echoed similar concerns, noting that *"The absence of designated and trusted workspaces for women has placed additional pressure on families to accommodate business activities within already crowded homes."*

For the vast majority of women, the shift toward home-based businesses and informal income-generating activities has been driven not by entrepreneurial ambition but by the systematic closure of educational, professional, and employment opportunities. Women with years of experience as schoolteachers, university lecturers, NGO staff, civil servants, lawyers, judges, social workers, and other skilled practitioners have been forced out of their professions or denied access to employment. At the same time, thousands of middle and high school and university students have been prevented from completing their education, cutting off pathways to future careers. Faced with limited alternatives and growing economic pressures, many women and teenagers have turned to small-scale home-based enterprises as one of the few remaining means of supporting themselves and their families. For many, this transition represents a move from stable, skilled, and meaningful careers to precarious forms of work undertaken out of necessity rather than choice.

The burden has been particularly acute for women-headed households and families whose primary breadwinners were employed by the former Republic's security forces, law enforcement institutions, or other state entities. Many former members of the security sector have struggled to secure stable employment due to fears of persecution, security concerns, or the collapse of the institutions in which they once served. Others have been forced into irregular, low-paying, and informal work, including daily wage labor. In many such households, women have become the primary or sole income earners despite facing severe restrictions on their own economic participation. Many entered business and income-generating activities with little or no prior experience in entrepreneurship, business development, financial management, marketing, or market engagement, learning these skills while simultaneously carrying the responsibility of supporting their families.

"With schools and universities closed and most educated women unemployed, many women have turned to small home-based income-generating activities. However, most lack the business skills, training, and market access needed to sell their products effectively, while the poor quality of some products further limits their ability to compete in the market." FGD, Ghazni

Although these activities provide an important economic lifeline, they rarely offer a viable substitute for the professional careers, stable incomes, and opportunities for advancement that many women previously enjoyed. This represents not only a profound loss of individual opportunity and dignity, but also a significant loss of human capital, productivity, and economic potential for Afghanistan as a whole.

⇒ **The Impact of Taliban Policies on Women's Economic Participation**

Participants described a significant undermining of private sector representation and accountability since 2021. While the Afghanistan Chamber of Commerce and Investment (ACCI) previously operated through elected boards with legally mandated three-year terms, participants reported that board members are now appointed through directives by the Taliban authorities rather than through transparent elections. Participants also highlighted the selective application of laws and the absence of clear and consistent legal frameworks governing chambers of commerce, which has impacted their ability to independently represent, advocate for, and address the concerns of business owners.

Participants expressed concern that the loss of elected leadership, oversight mechanisms, and financial autonomy has reduced accountability, transparency, and coordination within business associations. The fragmentation of chambers, particularly the Women's Chamber, has weakened collective advocacy and reduced the private sector's ability to effectively represent business interests. Participants noted that small and medium-sized enterprises have been especially affected, as they rely on chambers and business associations to raise concerns, influence policy discussions, and advocate for solutions to challenges affecting their businesses.

Since 2021, the Taliban authorities have introduced a series of decrees, directives, and administrative practices that have significantly restricted women's freedom of movement and participation in public life. Central among these measures is the requirement for women to be accompanied by a mahram when traveling or accessing a wide range of public services and spaces. Women described being questioned, denied services, or turned away from transportation, markets, government offices and even healthcare facilities if they were not accompanied by a mahram who has to be at least 15 years of age. Many participants also reported growing intimidation and harassment by inspectors from the Ministry for the Promotion of Virtue and Prevention of Vice, who regularly monitor women's conduct, appearance, and movement in public spaces.

Participants described incidents in which taxi drivers, rickshaw operators, and public transport providers were threatened, detained, physically punished, or prevented from operating for transporting women without a mahram. Similarly, shopkeepers and business owners were warned, harassed, or penalized for interacting with women who were not accompanied by a male relative.

A woman from Paktia said, *"Even doctors refuse to treat women who are not accompanied by a mahram, taxi drivers question women traveling alone, and vice and virtue inspectors no longer accept younger boys or distant male relatives as mahram."*

Participants identified restrictions on women's mobility, particularly the mahram requirement, as one of the most significant barriers affecting women's economic participation. Across all provinces covered by the study, women described the requirement as a major economic obstacle that limits access to markets, training opportunities, employment, healthcare, and business-related services. They noted that while restrictions on women's movement existed in some areas before 2021, they have become more formalized, institutionalized, and strictly enforced under the Taliban regime, affecting nearly every aspect of women's daily and economic lives. *"These restrictions existed in Paktika before as well, and women could not leave home without a mahram. However, now the rules have become institutionalized and much stricter."*

Women explained that mahram accompanying women must now be older than 15 years of age. These requirements are enforced in markets, transportation systems, healthcare facilities, and overall, in public places. The requirement creates additional economic burdens on already vulnerable households by forcing male family members to interrupt their own work and education in order to accompany women. Several participants emphasized that the economic consequences of the mahram requirement extend beyond women themselves. Male relatives often lose working hours or income when accompanying women to markets, business meetings, training programs, healthcare appointments, or administrative offices. *"Men must close their shops to escort their wives to trainings or work, and boys sometimes miss school to accompany their mothers or sisters."* FGD, Nangarhar

In households where income is already limited, these additional costs further reduce economic productivity and household earnings. Participants also noted that the requirement disrupts boys' education, as adolescent sons are frequently required to miss school in order to accompany mothers, sisters, or other female relatives. Many women described the policy as creating a cycle in which restrictions on women's mobility simultaneously undermine the economic and educational opportunities of multiple family members.

Restrictions on mobility also severely limit women entrepreneurs' ability to access suppliers, identify new customers, negotiate contracts, participate in exhibitions, conduct market assessments, or explore opportunities beyond their immediate communities. Women operating small businesses explained that they often rely on male relatives or intermediaries to purchase raw materials, transport products, or engage with customers, reducing their independence and increasing operational costs. Participants noted that these limitations make it difficult to expand businesses, diversify products, or access more profitable markets. As a result, many women-owned enterprises remain confined to small-scale local production and sales, with limited prospects for growth.

Moreover, participants described a broader environment of surveillance, intimidation, and uncertainty that extends beyond public spaces and into private homes, where many women now conduct income-generating activities. Women reported unannounced visits by authorities to homes that serve as workplaces, training centers, or small production

facilities for women-led businesses. During these visits, officials questioned business owners, customers, trainees, and apprentices; inspected activities being conducted inside the home; issued warnings to cease operations; and, in some cases, threatened or pressured male family members. Participants explained that the possibility of inspections, harassment, or punitive action has created a pervasive climate of fear and uncertainty.

Many women stated that they deliberately limit the size and visibility of their businesses, avoid hiring additional workers or trainees, and refrain from investing in expansion due to concerns that greater visibility could attract unwanted attention from authorities and place both themselves and their families at risk. *“Inspectors from the Ministry of Vice and Virtue repeatedly warned me to close the salon because beauty salons for women had been completely banned in Afghanistan.”* FGD participant from Helmand. She continued that the authorities detained her male family member because she continued operating despite repeated warnings. *“Later, officials came to our home and detained our male family member overnight because the salon had not been closed.”*

Participants noted that such incidents have consequences that extend far beyond the individual business owner. The detention or harassment of male relatives often discourages entire families from supporting women’s economic activities. The closure of formal institutions and the absence of recognized spaces where women can safely learn and work further compound these challenges. Women explained that many families are reluctant to allow girls and women to attend informal home-based training programs or workplaces due to concerns about safety, harassment, and social stigma. Participants repeatedly stressed that formal institutions previously provided a degree of legitimacy and trust that no longer exists in many communities.

Beyond the direct economic consequences, participants emphasized the psychological impact of operating under constant uncertainty. Women described feeling isolated, discouraged, and fearful about the future of their businesses. Several participants observed that while women continue to demonstrate resilience and determination, the cumulative effect of mobility restrictions, surveillance, social pressures, and limited market access has transformed economic participation from a pathway for empowerment and professional advancement into a struggle for household survival.

A participant from Nangarhar shared her frustration, *“Mahram is mandatory, and he must stay with us the entire time. One salary supports two people because another person must sacrifice his own time to accompany us.”*

Participants also highlighted the increasingly restrictive and often inconsistent enforcement of dress code requirements imposed on women. While national directives require women to observe Islamic dress, participants explained that the interpretation and enforcement of these rules frequently vary across provinces, cities, and neighborhood districts. In many parts of the country, women are required to cover their faces completely when appearing in public. Several participants noted that while hospital-style face masks were initially accepted as sufficient face coverings, Taliban in many areas now require women to conceal their faces entirely with cloth coverings.

“Taliban officials conduct unannounced inspections of our home-based businesses and reprimand or threaten us for not fully covering our faces, even when only women are present in the workspace.” FGD, Balkh.

The Taliban-imposed mobility restrictions, particularly the increasingly strict enforcement of the mahram requirement, together with intrusive monitoring and inconsistent dress code enforcement, have become some of the most significant barriers to women’s economic participation. These restrictions limit women’s access to markets, training, employment opportunities, and essential services, while also imposing economic costs on households by requiring male relatives to accompany women and forgo their own work or education. Fear of inspections, harassment, business closures, and reprisals against family members discourages women from expanding their businesses, hiring workers, or investing in growth.

⇒ **The Role of Local Authorities and Power Structures in Regulating Women’s Economic Activities**

Across the provinces, participants expressed limited confidence in the willingness or ability of community elders to advocate for women’s economic rights and opportunities. In provinces such as Nangarhar and Helmand, women reported that, in addition to the restrictions imposed by the Taliban, they often face another layer of barriers stemming from conservative social attitudes and resistance from community elders. Participants explained that many elders are generally unsupportive of women’s economic participation and, in some cases, discourage women from engaging in business activities, traveling for work, attending training programs, or interacting with markets. As a result, women must navigate not only formal restrictions imposed by the authorities but also informal social pressures that further constrain their economic opportunities.

However, participants from Daikundi described a markedly different experience. Women in the province reported receiving support from local elders and community leaders, who played an important role in advocating on their behalf with local authorities. Participants credited these elders with helping women negotiate the reopening of women-owned businesses and secure permission to operate in designated market spaces after several months of closures. During their advocacy efforts, women entrepreneurs highlighted the significant economic losses caused by the closure of their businesses.

They explained that many women-owned enterprises sold perishable goods, including dairy products, dried fruits, and food items, much of which spoiled or expired while shops remained closed. Women also lost rent they had already paid for commercial spaces, while many households lost an important source of income. Participants noted that these economic costs were presented directly to provincial authorities as evidence of the harmful impact of the closures on women entrepreneurs and their families. *“We told the governor that if our shops remained closed, we would dump our expired dairy products, dried fruits, and other spoiled goods in front of the municipality and demand compensation for the losses we had suffered.”* FGD, Daikundi

Women further explained that the appointment of a new governor created an opportunity for dialogue, and women entrepreneurs, together with supportive elders and community representatives, were able to present their concerns directly to provincial authorities. According to participants, these collective advocacy efforts contributed to the eventual approval for women to resume their business activities and operate in designated market areas. The contrasting experiences across provinces suggest that local leadership and community attitudes can significantly influence the extent to which women are able to navigate restrictions and sustain their economic activities.

Women across the provinces reported that officials from the Ministry for the Promotion of Virtue and Prevention of Vice, along with intelligence authorities, were primarily responsible for enforcing restrictions on women's mobility, economic activities, access to services, and monitoring compliance. Participants described surveillance, inspections, and intimidation. Several women reported that officials used their authority to pressure business owners, issue warnings, threaten closures, and interfere with business operations. In some cases, participants alleged that officials directly requested bribes, while others described situations in which officials implied that businesses would be allowed to continue operating or avoid further scrutiny in exchange for informal payments. According to participants, these payments were often collected under various pretexts or unofficial fees, which create an additional financial burden on women entrepreneurs already struggling to sustain their businesses. *"Officials collect payments under different names, and at times it is impossible to distinguish between legitimate fees and unofficial payments that seem necessary to avoid further problems."* FGD, Balkh also echoed by participants from Samangan.

The Ministry for the Promotion of Virtue and Prevention of Vice (MPVPV) is the primary institution responsible for creating difficulties for women. Participants emphasized that other government institutions generally do not interfere with women in the same way. As one participant from Herat noted, *"Women are not seeking to challenge the authorities or disregard social norms; rather, they are complying with the required regulations and dress codes. What they seek is trust and the ability to work without unnecessary interference."*

⇒ **Market Access and Trade Barriers**

Participants across all provinces identified limited market access as one of the most significant barriers to the growth and sustainability of women-owned businesses. While many women continue to produce a wide range of goods, including handicrafts, carpets, dairy products, food items, saffron, dried fruits, embroidery, clothing design, and beauty products, they face considerable challenges reaching customers and accessing profitable markets. Women consistently reported that their ability to market, transport, and sell products has been severely constrained by mobility restrictions, limited access to exhibitions, weak marketing networks, and declining purchasing power among consumers.

A recurring concern raised by participants was the loss of access to international and regional markets. Women entrepreneurs in Nangarhar noted that prior to 2021, they regularly participated in exhibitions in countries such as India, Turkey, and Japan, where they established business contacts, secured contracts, and sold products directly to international buyers. These opportunities have largely disappeared, significantly reducing women's ability to expand their businesses and access higher-value markets. *“When we used to attend international exhibitions, we found markets for ourselves there. Traders attending the exhibitions would take our business cards, later sign contracts with us, and purchase our products.”* FGD, Nangarhar

Participants criticized the limited effectiveness of women-only exhibitions currently being organized inside Afghanistan. While such events provide opportunities to display products, women argued that they rarely result in meaningful sales because many of the primary buyers, traders, exporters, wholesalers, and investors are men and are often not permitted to interact with women. Women emphasized that exhibitions have increasingly become symbolic events rather than effective business platforms.

A participant from Ghazni put it this way, *“At exhibitions, most visitors are women who cannot afford to buy products, while men—the actual buyers—are not allowed to enter women-only exhibitions.”*

This was echoed by another participant from Samangan: *“Women walk around at exhibitions only symbolically and do not buy anything. If they have money, they prioritize buying flour instead.”*

Several participants also reported that exhibitions are frequently subject to restrictions, disruptions, or sudden closures by authorities. Women from Samangan referred to a national exhibition in Kabul where women entrepreneurs from multiple provinces traveled at considerable expense to display their products, only to have the event shut down by Vice and Virtue and intelligence authorities before its completion.

The mahram requirement further restricts market access by limiting women's ability to travel independently to markets, trade fairs, training programs, and business meetings. Women explained that attending exhibitions outside their province often requires paying for both themselves and a male guardian, substantially increasing costs and reducing profits.

Participants from Herat, Daikundi, Ghazni, and Nangarhar also highlighted the lack of marketing skills, branding knowledge, digital marketing capacity, and e-commerce opportunities. Many women rely primarily on word-of-mouth promotion, personal networks, or social media platforms to attract customers. However, limited digital literacy, weak internet access, and restrictions on women's public engagement reduce the effectiveness of these strategies.

Trade disruptions and border closures have further undermined women's businesses. Participants from Nangarhar and male business owners reported that the closure of the

Torkham border and restrictions on trade routes through Pakistan have increased transportation costs, disrupted supply chains, and significantly raised the price of raw materials. Businesses involved in tailoring, embroidery, food processing, handicrafts, and carpet weaving reported difficulties obtaining materials that were previously sourced from Pakistan, reducing profitability and, in some cases, forcing businesses to scale back operations.

Participants from remote Daikundi emphasized that geographic isolation further compounds market access challenges. Poor roads, unreliable transportation, limited internet connectivity, and long travel times to major commercial centers make it difficult for women to identify customers, participate in exhibitions, or connect with buyers outside their immediate communities.

Overall, participants stressed that women possess the skills, products, and motivation needed to operate successful businesses, but their ability to grow remains constrained by limited access to markets, mobility restrictions, ineffective exhibition models, trade disruptions, and weak connections to domestic and international buyers. Many emphasized that improving market access, facilitating participation in regional and international trade fairs, strengthening digital marketing capacity, and connecting women directly with buyers would have a greater impact on business sustainability than short-term financial assistance alone.

In Ghazni, carpet producers highlighted the challenges they face in accessing international markets directly. Participants explained that although Afghan carpets are highly valued for their quality and craftsmanship, women producers and local businesses have limited opportunities to engage directly with foreign buyers, exporters, and retailers. As a result, they often rely on intermediaries and traders from neighboring countries, particularly Pakistan, to market and export their products abroad. While these arrangements allow carpets to reach international markets, participants noted that much of the value and profit generated by the industry is captured by intermediaries rather than the women and families who produce the carpets.

Participants also highlighted that Afghan carpets are frequently exported and sold under the brand names of intermediary countries, often labeled as products "made in Pakistan" or another exporting country rather than Afghanistan. This practice is particularly common in the rug industry and further diminishes the visibility, recognition, and economic benefits that should accrue to Afghan producers and artisans.

Participants argued that the absence of direct access to export markets, limited participation in international trade fairs, and restrictions on women's mobility make it difficult for producers to establish their own commercial relationships with foreign buyers. They expressed frustration that despite investing substantial time and labor in producing high-quality carpets, they receive only a small share of the final sale price.

As one participant from Ghazni explained: "We currently sell our carpets through traders from other countries like Pakistan, meaning foreign traders receive most of the profits."

Direct access to markets would allow women entrepreneurs to negotiate better prices, retain a larger share of profits, reduce their dependence on intermediaries, and expand their customer base. Participants stressed that facilitating direct engagement with domestic and international buyers through trade fairs, export promotion initiatives, digital platforms, and business networking opportunities would significantly strengthen women-led enterprises and create new employment opportunities for women across multiple sectors. Women from Bamyan highlighted the need for financial support, including grants and microfinance for women to expand their businesses.

⇒ Digital Exclusion and Online Commerce

Digital exclusion emerged as yet another barrier to women's economic participation. While many women entrepreneurs have increasingly turned to home-based businesses and online sales (through Instagram and WhatsApp groups) as one of the few remaining ways to reach wider customers, participants reported lacking the skills, resources, infrastructure, and freedom necessary to fully benefit from digital commerce. *"I work informally from home and use an Instagram page to attract customers, but most people in Afghanistan and Helmand do not use Instagram or even know about it."* FGD, Helmand

Women from Helmand, Daikundi, Herat, Nangarhar, and Balkh highlighted the growing importance of social media platforms for marketing and sales. In provinces where women have limited access to markets and are unable to travel freely, online platforms have become an important alternative for promoting products and connecting with customers. However, participants noted that limited internet access, poor connectivity, low digital literacy, and a lack of training in e-commerce and online marketing significantly reduce the effectiveness of these efforts. *"Even women who do not have physical shops could potentially sell products online because many women have access to the internet. However, they have never received the necessary training."* FGD, Daikundi

Many participants reported that they had never received training on how to use social media for business purposes, create digital marketing campaigns, manage online orders, or access broader domestic and international markets through digital platforms. Women entrepreneurs in Herat explained that although they produce quality products, many lack knowledge of branding, packaging, digital promotion, and how to connect with buyers beyond their immediate communities. Similarly, participants in Daikundi emphasized that many women could potentially market products online but have not been given the necessary training or support to do so effectively. *"I struggle with digital marketing. I do not know how to attract customers online, receive orders online, or effectively promote our products."* FGD, Herat

Even when women attempt to use digital platforms, participants described operating in an environment of fear and uncertainty. Women from Samangan reported that some entrepreneurs who previously advertised products and services online had stopped doing so because they feared attracting unwanted attention from authorities. One participant described how a relative operating a home-based beauty salon promoted her services on social media, only to have the salon located by authorities, shut down, and threatened

with further punishment if operations continued. *“A relative of mine operated a home-based beauty salon and advertised her services online. The authorities found the advertisement, located the salon, shut it down, and warned her that if she continued, she would be arrested.”*FGD, Samangan

Women entrepreneurs also noted that restrictions on mobility increase the importance of digital commerce. Since many women are unable to travel freely to markets, exhibitions, and commercial centers, online sales could provide an important mechanism for reaching customers without requiring physical movement. *“Because there are no markets for women, many of us try to sell our products through social media, but limited internet access and lack of digital skills make this very difficult.”* FGD, Helmand

However, participants stressed that the potential of online commerce remains largely unrealized due to the combined effects of digital exclusion, limited training, poor infrastructure, and concerns about surveillance and interference. *“Many women do not know how to package their products properly, how to market them, how to use social media for promotion, or how to connect with international markets.”* FGD, Herat

The experiences shared by participants suggest that digital commerce has become one of the few remaining pathways through which women can potentially overcome restrictions on mobility and market access. However, women entrepreneurs continue to face significant barriers, including limited digital literacy, poor internet connectivity, lack of e-commerce and marketing skills, and fears that online visibility may attract unwanted scrutiny from Taliban. Strengthening digital skills, improving internet access, and creating safer conditions for online business activities could significantly enhance women’s economic opportunities and resilience.

⇒ **Rising Costs, Financial Exclusion, and Infrastructure Challenges**

Participants identified rising costs, limited access to finance, and poor infrastructure as some of the barriers affecting women-owned businesses. Women entrepreneurs described an increasingly difficult economic environment due to inflation, declining consumer purchasing power, rising transportation costs, electricity shortages, weak infrastructure, and disruptions to regional trade routes. These challenges affect businesses across multiple sectors, including tailoring, embroidery, carpet weaving, handicrafts, food processing, dairy production, saffron cultivation, and beauty products. Participants reported that border closures and trade disruptions, particularly through Pakistan and the Torkham crossing, have significantly increased the cost of raw materials and reduced the availability of supplies. *“This year our work has almost completely stopped because the Torkham route was closed and we cannot find sufficient raw materials locally.”* FGD, Nangarhar

Women involved in food processing, tailoring, embroidery, and handicrafts explained that materials previously imported from Pakistan are now either unavailable or substantially more expensive. As a result, many businesses have been forced to reduce production, raise prices, or suspend operations altogether. *“Previously, we bought one unit of*

embroidery thread for 1,800 Afghanis, but now it cannot even be purchased for 3,000 Afghanis.” FGD, Ghazni

Participants also highlighted the broader impact of regional economic instability. Rising transportation costs, increased import prices, and declining purchasing power among consumers have reduced demand for many products and significantly lowered business profits. Women producing carpets, handicrafts, clothing, food products, and household goods reported that even when products are available, many customers can no longer afford to purchase them.

Infrastructure deficiencies further constrain women's economic activities, particularly in remote provinces such as Daikundi, Paktika, and parts of Helmand. Participants described poor roads, unreliable electricity, limited internet connectivity, water shortages, and inadequate transportation systems as major obstacles to business growth. Many women continue to rely on manual labor, solar power systems, or outdated equipment because reliable electricity and modern machinery remain inaccessible or unaffordable. *“Women tailors mostly rely on solar energy or manual sewing machines instead of government electricity.”* FGD, Nangarhar

Participants shared that access to equipment, machinery, processing tools, and renewable energy systems could significantly improve productivity, product quality, and profitability. Access to finance emerged as one of the most frequently cited challenges across all consultations. Participants reported that women face significant barriers when seeking loans, grants, or investment capital. Banks and lending institutions often require property deeds, guarantors, extensive documentation, and collateral that most women do not possess. Women from rural areas reported additional difficulties because financial institutions and support programs are concentrated in major cities, making services largely inaccessible to entrepreneurs operating in remote districts. *“I searched extensively for microfinance opportunities. I asked Ghazanfar Bank in Kabul, but they told me I would need to live in Kabul to qualify for loans.”* FGD, Ghazni

Women from rural areas also reported feeling excluded from donor-supported programs, grants, and business development initiatives. Participants expressed frustration that assistance often fails to reach experienced entrepreneurs who are actively operating businesses. Several women questioned the transparency and effectiveness of aid distribution mechanisms, noting that opportunities are sometimes allocated based on personal connections rather than demonstrated business experience or need.

Overall, the findings suggest that women-owned businesses face a combination of financial exclusion, rising operational costs, and infrastructure deficits that significantly limit their ability to grow and compete. While women entrepreneurs continue to demonstrate resilience and adaptability, the lack of affordable financing, modern equipment, reliable infrastructure, and sustainable business support is preventing many enterprises from moving beyond small-scale survival activities toward long-term growth and job creation.

⇒ **Shared Challenges Identified by Women and Men**

This study also included consultations with male business owners to better understand the broader challenges and opportunities facing the private sector, as well as the ways in which restrictions on women's economic participation affect businesses, households, and local markets. The discussions explored how women's limited mobility, reduced participation in the workforce, and declining purchasing power as consumers impact business performance, market demand, labor availability, and overall economic activity.

The male participants emphasized that women and men play complementary roles in economic life and that sustainable economic development depends on the meaningful participation of both. While cultural norms in some parts of Afghanistan have traditionally influenced women's mobility and interactions with men, participants noted that these norms generally did not prevent women from engaging in economic activities. In their view, the restrictions imposed since 2021 go far beyond traditional practices and have created significant barriers to women's participation in the private sector.

Participants also described that the general challenges male entrepreneurs are faced with include, economic uncertainty, declining market opportunities, burdensome licensing and regulatory requirements, and limited access to finance. They noted that the sharp reduction in donor-funded programs and business support initiatives has disproportionately affected women entrepreneurs, many of whom previously relied on grants, training, and technical assistance to establish and grow their businesses.

Participants further observed that restrictions on women's mobility and economic participation not only limit opportunities for women-owned businesses but also reduce household purchasing power, consumer demand, and overall economic activity.

A comparison of the women's consultations with the focus group discussion involving male business owners reveals significant overlap in the challenges identified by both groups, but also highlights several challenges that uniquely affect women entrepreneurs.

Lack of Access to Finance and Investment: Both women entrepreneurs and male business owners identified limited access to affordable loans, grants, and investment capital as one of the most significant barriers to business growth. Women reported difficulties meeting collateral requirements, obtaining guarantors, and accessing loan programs, while male business owners similarly described bank loans as highly bureaucratic and inaccessible, particularly for small businesses. Both groups emphasized that existing support programs focus primarily on start-ups rather than helping established businesses expand or recover from losses.

Rising Business Costs and Economic Decline: Women and men reported rising costs of raw materials, transportation, electricity, rent, water, and equipment. Participants from both groups linked many of these increases to border closures, especially the disruption of trade through Torkham. Both groups also reported declining profits, shrinking

consumer purchasing power, and difficulties remaining competitive in increasingly difficult market conditions.

Weak Market Access: Both women and men described difficulties accessing domestic and international markets. Participants emphasized the loss of regional trade opportunities, declining exports, and limited access to buyers. Many noted that products could be produced successfully, but businesses struggled to identify customers and secure sustainable markets.

Lack of Business Support and Training: Participants from both groups expressed concern about the decline in business development support since 2021. They reported that many organizations that previously provided training, grants, and technical assistance have reduced or ceased operations. Both groups emphasized the need for practical support focused on business management, marketing, technology, exports, and entrepreneurship.

Regulatory and Administrative Challenges: Women and men alike reported burdensome administrative procedures, licensing requirements, and regulatory uncertainty. Male business owners specifically highlighted multiple taxes, licensing fees, and lengthy renewal processes, while women described difficulties obtaining business licenses and navigating administrative systems.

Challenges Uniquely or Disproportionately Affecting Women

Mahram Requirement and Restrictions on Mobility: The most significant difference between the two groups was the impact of restrictions on women's movement. Women across all provinces identified the mahram requirement as one of the greatest barriers to economic participation. It limits travel, attendance at exhibitions, access to training, marketing activities, customer outreach, and participation in business meetings. Male participants acknowledged that these restrictions are far more severe than traditional cultural practices and have become increasingly institutionalized. They recognized that women face additional disadvantages because of restrictions on mobility and professional networking.

Harassment, Monitoring, and Fear of Closure: Women described an environment of surveillance, inspections, intimidation, and uncertainty. Participants from Balkh, Samangan, Helmand, and Daikundi reported visits by Vice and Virtue officials, intelligence authorities, threats of closure, detention of family members, monitoring of businesses, and restrictions on interactions with customers.

Male business owners did not identify these forms of harassment as a major challenge affecting their own businesses.

Restrictions on Interaction with Customers: Women repeatedly reported difficulties interacting with male customers, traders, suppliers, and business partners. These restrictions affect sales, marketing, contract negotiations, and access to markets. Men did not identify similar restrictions.

Closure of Women's Markets and Businesses: Women from Daikundi, Balkh, Helmand, and Samangan reported business closures, sealed shops, cancelled exhibitions, and restrictions on women's commercial spaces. Male participants did not report similar experiences affecting male-owned businesses.

Exclusion from Decision-Making Processes: Women expressed frustration that they are rarely included in discussions that affect their economic futures. Participants from Herat, Nangarhar, and other provinces emphasized that women entrepreneurs themselves should participate in discussions related to the Doha Process, economic policy, and private-sector development. This concern did not emerge as strongly among male participants.

Opportunities Identified by Both Women and Men

Access to Markets: Both groups emphasized that improving access to domestic, regional, and international markets would significantly strengthen Afghan businesses. Women particularly stressed the importance of restoring participation in international exhibitions and trade fairs, while men highlighted the importance of reopening trade routes and improving regional commerce.

Access to Affordable Finance: Women and men agreed that more accessible loans, grants, and investment opportunities are needed, especially for small and medium-sized enterprises. Both groups called for less restrictive loan requirements and financing mechanisms suited to local business realities.

Training and Skills Development: Participants across all discussions highlighted the need for business management training, vocational education, digital marketing skills, e-commerce training, export promotion, and entrepreneurship support.

Support for Existing Businesses: Both groups emphasized that support should not focus only on new businesses. Existing businesses need capital, technical assistance, market access, and support to adapt to changing economic conditions.

Women's Economic Participation as an Economic Asset: A notable area of agreement was the recognition that women's economic participation benefits families and communities. Male participants emphasized that women and men are economically interdependent and that economic growth depends on meaningful participation from both. Women similarly stressed that their businesses provide income, employment opportunities, and support for households affected by unemployment and poverty.

Key Difference: The most important difference between the two groups is that male business owners primarily described economic and regulatory challenges affecting all businesses, while women entrepreneurs faced those same challenges plus a second layer of gender-specific restrictions related to mobility, market access, interactions with customers, participation in exhibitions, access to training, and fear of monitoring or closure. As a result, women entrepreneurs face both the broader economic crisis affecting Afghanistan's private sector and a set of additional barriers that significantly limit their ability to start, sustain, and grow businesses. This places women-owned enterprises at a distinct disadvantage compared to businesses operated by men.

Recommendations

⇒ To the De Facto Authorities

Establish regular and structured dialogue mechanisms with representatives of the private sector, including women entrepreneurs, SMEs, chambers of commerce, and technical experts. These consultations should focus on identifying business challenges, developing practical solutions, improving the business environment, and addressing barriers affecting investment, market access, and economic growth. Regular engagement can help build trust, improve policy implementation, and support economic recovery.

Reduce barriers to women's mobility for economic activities. Allow women entrepreneurs freedom to travel for business purposes, including access to markets, training programs, exhibitions, banking services, and healthcare, and ensure that mahram-related requirements do not unnecessarily restrict women's economic participation.

Protect women-owned businesses from arbitrary interference. Establish clear and consistent guidelines for the operation of women-owned businesses and home-based enterprises, and prevent arbitrary inspections, harassment, intimidation, business closures, or punitive actions by local authorities.

Expand access to markets and business opportunities. Support women's participation in local, regional, and international exhibitions, facilitate direct engagement with buyers and traders, and enable women entrepreneurs to market and sell their products through both physical and digital channels.

Improve the business environment for small and women-owned enterprises. Simplify business licensing and renewal procedures, reduce unnecessary administrative requirements and fees, and ensure that entrepreneurs can obtain and renew licenses in a timely and transparent manner. Lengthy, costly, and bureaucratic processes create significant barriers for small businesses and discourage investment and business growth.

Strengthen support structures and consultation mechanisms. Support women-focused business associations, chambers of commerce, and provincial business networks, and ensure that women entrepreneurs and representatives of small and

medium-sized enterprises are regularly consulted in economic policy discussions, including the UN-led Doha Process Private Sector Development WG.

⇒ **To International Stakeholders and Donors**

Increase financial and technical support for Afghan businesses, particularly women-owned enterprises and SMEs. This should include capacity-building programs that strengthen business management, digital skills, marketing, e-commerce, and the adoption of modern technologies, including Artificial Intelligence (AI). International support should also expand access to financing, mentorship, business development services, and technical assistance that enable businesses to improve productivity, access new markets, adapt to changing economic conditions, and connect women entrepreneurs with international and external markets.

Prioritize support for home-based and women-led enterprises. Given the current operating environment, invest in sectors where women are already active and able to work. Support should also focus on helping existing businesses sustain operations, increase productivity, and generate employment rather than solely funding new start-ups. Decentralizing capacity-building programs will ensure women from outside Kabul and major cities to increase equitable access across the country.

Facilitate women's access to markets and digital commerce. Support practical initiatives that connect women entrepreneurs with domestic and international buyers through digital platforms, e-commerce, online marketplaces, diaspora business networks, and export partnerships. Investments in skill-building, branding, packaging, digital marketing, and business networking can help women reach new customers without requiring extensive travel.

Provide targeted financial and productive assets support. Expand access to small grants, revolving funds, and affordable financing mechanisms tailored to women-owned and small businesses. Where possible, combine financial assistance with productive assets such as solar systems, processing equipment, tools, and machinery that can help women increase production, reduce costs, and improve profitability.

Expand support to rural women entrepreneurs and strengthen accountability. Ensure that assistance reaches women in districts and rural areas, not only major urban centers. Strengthen monitoring and transparency mechanisms to reduce favoritism, improve beneficiary selection, and ensure that support is directed toward active entrepreneurs and businesses with demonstrated potential for growth and job creation.

Ensure meaningful consultation with women entrepreneurs and SMEs. Regularly consult women business owners and representatives of small and medium-sized enterprises in the design, implementation, and evaluation of economic programs. International engagement platforms, including the Doha Process and related private

sector discussions, should create structured opportunities for women entrepreneurs and SMEs to share their experiences, identify priorities, and contribute to practical solutions that support economic recovery and livelihoods.

Conclusions

The findings of this study demonstrate that Afghan women continue to play an important role in supporting their households and local economies despite increasingly restrictive political, social, and economic conditions. Women remain engaged in a wide range of economic activities, including handicrafts, tailoring, carpet weaving, food processing, beekeeping, agriculture, beauty services, and other home-based enterprises. Their continued participation reflects considerable resilience, determination, and adaptability in the face of growing barriers.

The study found that women entrepreneurs face many of the same challenges affecting Afghanistan's broader private sector, including rising costs, inflation, disrupted trade routes, weak market access, limited financing, and burdensome administrative procedures. However, women also face an additional layer of restrictions linked to their gender. The increasingly strict enforcement of the mahram requirement, restrictions on interaction with customers and business partners, exclusion from educational and professional development opportunities, and the constant surveillance and intimidation by authorities significantly constrain women's economic participation. These restrictions not only affect women entrepreneurs but also impose economic costs on households by reducing productivity, disrupting education, and increasing dependence on male intermediaries.

The findings further suggest that much of women's current economic activity is driven by necessity rather than opportunity. Many women who previously worked in government institutions, NGOs, schools, or other sectors have been pushed into small-scale and home-based activities after losing access to formal employment and education. While these businesses provide an important source of income for families, they often operate with limited market access, weak institutional support, and few opportunities for growth. As a result, women's economic participation increasingly reflects a strategy for household survival rather than meaningful economic empowerment.

Across provinces, women demonstrated strong entrepreneurial capacity highlighting opportunities to expand production, access regional and international markets, strengthen digital commerce, create jobs, and contribute more meaningfully to economic recovery if barriers to mobility, market access, financing, and business development could be reduced. Women entrepreneurs and male business owners also expressed strong support for the UN-led Doha Process Private Sector Development Working Group and viewed it as a potential platform for identifying practical solutions to Afghanistan's economic challenges. Participants stressed the importance of meaningful consultation with women entrepreneurs and representatives of small and medium-sized enterprises before Working Group meetings.

Ultimately, the study suggests that Afghanistan's economic recovery and long-term stability will remain difficult to achieve without greater efforts to support women's economic participation and strengthen small and medium-sized enterprises. Women-owned businesses and SMEs are important sources of income, employment, and economic activity in both urban and rural communities.

Annexes

. About Strategizing a Seat at the Table Initiative (SSTI)

The SSTI seeks to address the notable absence of women in the peace processes of Afghanistan by developing a cohesive strategy and action plan for their inclusion both locally and internationally. Initiated in September 2023, the SSTI has brought together Afghan women politicians, academics and researchers, diplomats, civil servants, members of civil society groups, and experts in the private sector, human rights, economic development, and education. The SSTI Initiative links to the United Women for Peace Initiative, a network of women peacebuilders that Women for Peace and Participation has built to highlight the importance of women in peace negotiations.

Through this cross-sector collaboration, the SSTI has become a strategic space to addresses the meaningful and full participation of Afghan women in all policy dialogues, processes and decisions relating to security, peace, economic, humanitarian, and socio-cultural issues. This work bridges the gap between advocacy and action to work towards achieving inclusive and long-lasting peace in Afghanistan around a shared vision for the future of the country.

Our eco-system-based strategy leverages the complementarity of Afghan women's perspectives, capabilities and approaches of Afghan women within our broader networks, both inside and outside of Afghanistan. This strategic alignment enables a cohesive, multidimensional approach to advocacy and capacity building. Rather than creating an additional network our objective is to fortify existing networks of Afghan women, fostering strategic collaboration that is vital to sustaining their impact during this critical period for Afghanistan.

By building on established networks, we aim to cultivate a unified front that maximizes the collective impact of Afghan women's contribution to peace, resilience and national development. SSTI is initiated and hosted by a diaspora organisation, Women for Peace and Participation (WPP), working on inclusive approaches to Peace and Security in Afghanistan and internationally.

During its recent convening in Rome in July 2025, SSTI's core members collectively identified a set of strategic priorities. At the top of this list was the need to provide targeted support to Afghan women participating in UN-led technical working groups. A key recommendation emerging from that meeting was to identify and convene groups of Afghan subject-matter experts—particularly women—who can contribute specialized knowledge and analysis to the two thematic working groups established under the UN-led Doha Process in 2024.

The objective of this approach is to ensure that Afghan women participating in these working groups are equipped to provide informed, rigorous, and evidence-based analysis that reflects lived realities inside Afghanistan, while also accounting for global trends, policy frameworks, and the constraints shaping international engagement with the country. By strengthening technical capacity and collective expertise, SSTI seeks to enhance the quality, credibility, and impact of Afghan women's participation in international policy discussions and decision-making.

To advance this objective, SSTI is currently identifying a broader network of Afghan women subject-matter experts in private sector development, counter-narcotics, and livelihoods. In parallel, SSTI has tasked two of its members with conducting focused studies on private sector development and counter-narcotics and livelihood. These research efforts are designed to support the formation of subject-matter expert networks to ensure that Afghan women engaged in the UN-led working groups have access to timely, high-quality analysis. Findings will be developed in close collaboration with the network of experts and shared with women members of the working groups, as well as with other relevant stakeholders, to support coherent and strategic engagement. Participation in an advisory role as members of the subject-matter network is voluntary and involves providing insights and feedback on study questionnaires and draft reports. Where appropriate, network members may also meet with members of the UN-led working groups to share knowledge and technical expertise.

B. Private Sector Research Questions

1. Regulatory Environment & Governance

How do national and subnational policies, directives, and administrative practices regulate women's participation in the private sector, and which formal and informal institutions or actors play influential roles in law enforcement across provinces and districts?

2. Political Economy & Space for Engagement

What political, economic, and social incentives influence the Taliban's approach to women's economic participation and private sector development, and where do flexibility or pragmatic openings exist to improve inclusion?

3. Implementation & Local Dynamics

How are policies translated into practice at local levels, and how do variations in enforcement, local power structures, and governance affect women entrepreneurs?

4. Market Systems & Business Constraints

How do current restrictions impact different segments of the private sector and value chains, particularly for women-owned businesses, in terms of growth, formalization, and operations?

5. Finance & Economic Infrastructure

How do constraints in formal financial systems affect women's access to capital,

and what informal or alternative financial mechanisms are emerging and scalable?

6. Economic Impact of Exclusion

What are the broader economic costs of women's exclusion for productivity, household income, market systems, and long-term economic recovery?

7. Policy Pathways & Engagement (Doha Process)

What actionable and mutually beneficial policy measures can be advanced—particularly through the Doha Process—to support women's participation in the private sector?

8. Scalable Opportunities for Women's Businesses

What viable pathways and sectors can support the transition of women-led businesses from informal, home-based activities to sustainable and growth-oriented enterprises, and how can these businesses be enabled to access regional and global markets by addressing standardization, quality assurance, certification, and other international market requirements?

