



## AF Rural Enterprise Development Program (P110407)

SOUTH ASIA | Afghanistan | Agriculture Global Practice |  
IBRD/IDA | Specific Investment Loan | FY 2010 | Seq No: 14 | ARCHIVED on 15-Feb-2017 | ISR26424 |

Implementing Agencies:

## Key Dates

## Key Project Dates

Bank Approval Date:09-Mar-2010

Effectiveness Date:14-Jun-2010

Planned Mid Term Review Date:03-Sep-2012

Actual Mid-Term Review Date:01-Oct-2012

Original Closing Date:01-Jan-2015

Revised Closing Date:30-Jun-2017

## Project Development Objectives

Project Development Objective (from Project Appraisal Document)

Increased income and sustainable employment opportunities for men and women through supported rural enterprises.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

## Components

Name

Community-based Enterprise Development (Original Estimates: US \$37.35, Revised: US \$ 11.4 m):(Cost \$11.40 M)

Component B: SME Development (Original estimates: US \$ 23.3m, Revised: US \$ 6m):(Cost \$6.00 M)

Component C: Project Implementation Support (Original estimates US \$ 27.59: Revised to US\$17.7 m):(Cost \$17.70 M)

## Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Satisfactory	● Satisfactory
Overall Implementation Progress (IP)	● Satisfactory	● Satisfactory
Overall Risk Rating	● Moderate	● Moderate



## Implementation Status and Key Decisions

**Community-Based Enterprise Development Component:** Under this component, the program stopped the formation of new savings groups, enterprise groups and producer associations. A significant amount of loans and savings were recorded since May 2016. While the communities did continue to form village saving and loan associations (VSLAs) the program, being in a consolidation mode, was not able to provide the seed capital to these newly formed VSLAs. A total of 137 VSLAs have been verified to meet the seed capital criteria and will receive the funds in the next three months, subject to the fund availability. The program also continued the training, mentoring and capacity building activities for the SGs and EGs through the Business Development Service Providers (BDSPs).

**SME Development:** Business training and market linkage support continued throughout the last five months. These included i) provision of business standardization materials to 102 SMEs in form of labels, business cards, stamps and calendars, ii) provision of technical know-how training to 285 beneficiaries from 128 EGs by 6 different SMEs, iii) participation of 11 female SMEs at the ASIAN Bazar in India leader to sales of more than 3 million Afs. Since May 2016, 11 more SMEs have been graduated and introduced to the Ministry of Commerce and Industry as meeting their criteria for further technical support. In addition, 140 SMEs were supported in registering with FACT and ACCI.

**Employment Effects of AREDP on Female Beneficiaries:** The ultimate goal of AREDP is to improve employment and income-generating opportunities for the rural people – both male and female – through the development of integrated value-chains in rural areas. AREDP heavily benefited women – who represent 55 percent of total beneficiaries, 63 percent of beneficiaries in Enterprise Groups, 54 percent of beneficiaries in Saving Groups, and 13 percent of beneficiaries in SMEs. This is reflected in an upcoming study on Jobs from Agriculture and a 2015 impact assessment of AREDP on rural women entrepreneurs.

**Nomads (Koochies) and Persons with Different Abilities (PwDs):** In 2014, AREDP began working with Koochies (pastoral nomads) and Persons with Different abilities (PwDs), lacking access to many social and economic development opportunities. 136 enterprises run by PwDs and 98 enterprises run by Koochies have been supported in the past six months. The mission discussed possibilities of supporting a new special target group i.e. IDPs and returnees. This was discussed in light of the current surge in the number of returnees from neighboring countries and the large number of internally displaced Afghans in the north mainly from Kunduz province. AREDP team will explore the possibilities of addressing livelihoods and improving economic engagement of these groups in the areas of its coverage mainly Nangarhar, Balkh and Herat.



## Risks

### Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	● Substantial	● Substantial
Macroeconomic	--	● Substantial	● Substantial
Sector Strategies and Policies	--	● Substantial	● Substantial
Technical Design of Project or Program	--	● Low	● Low
Institutional Capacity for Implementation and Sustainability	--	● Moderate	● Moderate
Fiduciary	--	● Substantial	● Substantial
Environment and Social	--	● Moderate	● Moderate
Stakeholders	--	● Moderate	● Moderate
Other	--	● High	● High
Overall	--	● Moderate	● Moderate

## Results

### Project Development Objective Indicators

► 60% of Enterprise Groups (EGs) will have increased their net revenues by over 20%. At least 50% female. (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	64% overall	82% overall of this, 63% female	60% of Enterprise Groups
Date	14-Jun-2010	31-Mar-2016	31-Oct-2016	30-Jun-2017

#### Comments

This indicator was revised during the Additional Financing and the target increased from 40% to 60% of enterprises that show improvement in net revenue by at least 20%. Target for women enterprises increased from 35% to 50%.

► At least 35% of participating enterprises will have increased direct and/or indirect employment by at least 30% (Of these at least 35% will be women) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	59% overall	36% overall	At least 35% of



of this, 59% female participating SMEs and EGs or their members will have increased direct or indirect employment by at least 30%. Of these at least 50% will be women.

Date	14-Jun-2010	31-Mar-2016	31-Oct-2016	30-Jun-2017
------	-------------	-------------	-------------	-------------

**Comments**

This indicator was revised during the Additional Financing. The target has been moved up given that actual results surpassed the original targets.

► 80% of EGs supported by the Project will still be operating 2 years after start up. At least 35% will be female (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	91%	94%	80% of EGs
Date	14-Jun-2010	31-Jul-2015	31-Oct-2016	30-Jun-2017

**Comments**

The target was scaled up from 40% to 80%.

► Direct project beneficiaries (Number, Core)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	69,427.00	69,427.00	68,500.00
Date	14-Jun-2010	31-Mar-2016	31-Oct-2016	30-Jun-2017



#### Comments

Target for percentage women beneficiaries increased from 35% to 50%.

#### ▲ Female beneficiaries (Percentage, Core Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	52.20	56.00	50.00

#### ▶ At least 90% of project beneficiaries have access to financial services (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	95.00	100.00	90.00
Date	14-Jun-2010	31-Jul-2015	31-Oct-2016	30-Jun-2017

#### Comments

Target was revised and increased from 60% to 90%.

#### Overall Comments

#### Intermediate Results Indicators



► 25% of SG members have accessed and repaid loans (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	79%	37%	25% SGs
Date	14-Jun-2010	31-Jul-2015	14-Nov-2016	30-Jun-2017

► At least 70% of viable SGs federate into VSLAs (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	70%	70%	60% / Est. 3,900 SGs and 390 VSLAs
Date	14-Jun-2010	31-Jul-2015	14-Nov-2016	01-Jan-2015

► At least 30% increase in direct/and or indirect employment (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	25.6%	25.6%	20% increase
Date	14-Jun-2010	31-Jul-2015	13-Nov-2016	01-Jan-2015

► VSLAs maintain at least 95% repayment rate on loans and at any given time have at least 60% of loanable funds (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	92%	92%	95% repayment rate.
Date	14-Jun-2010	31-Jul-2015	14-Nov-2016	30-Jun-2017



► At least 60% SGs and 80% VSLAs receive seed capital (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	30.00	38.00	60.00
Date	14-Jun-2010	31-Jul-2015	14-Nov-2016	30-Jun-2017

Comments

Due to shortage of funds in the previous year, the percentage is low.

► At least 40% of loan-able funds are in circulation at any given time (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	65%	95%	40% of loanable funds
Date	14-Jun-2010	31-Jul-2015	14-Nov-2016	30-Jun-2017

► 50% of the supported SMEs report increased net revenues (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	77.00	77.00	50.00
Date	14-Jun-2010	31-Mar-2016	14-Nov-2016	30-Jun-2017

► At least 15% of project supported SMEs are female owned (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	15.00	13.00	15.00
Date	14-Jun-2010	31-Mar-2016	14-Nov-2016	30-Jun-2017



► Project management takes and records all necessary actions related to findings of regular monitoring, evaluation and learning reports (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	90%	100%	Satisfactory
Date	14-Jun-2010	31-Jul-2015	14-Nov-2016	30-Jun-2017

► All complaints received by Project and field staff are addressed within an established timeframe and according to agreed standards (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No complaints	88% of the received complaints are addressed	99% of the received complaints are addressed	100% disposed
Date	14-Jun-2010	31-Jul-2015	14-Nov-2016	30-Jun-2017

► Project management's development and accreditation of technical and professional service providers results in at least 20 project supported BDS service providers providing paidfor services (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	176.00	20.00	20 standing offers for services delivered/provinces
Date	14-Jun-2010	31-Jul-2015	14-Nov-2016	30-Jun-2017

#### Comments

At average, 20 project supported business development service providers are paid for services in each province





► Project management satisfactorily addresses the findings of the statutory audit conducted by the Auditor General for all IDA-financed/managed projects; and findings from an additional commercial audit (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No issues	Findings addressed within 3 months	Findings addressed within 3 months	Findings addressed within 3 months
Date	14-Jun-2010	31-Jul-2015	14-Nov-2016	30-Jun-2017

#### Overall Comments

### Data on Financial Performance

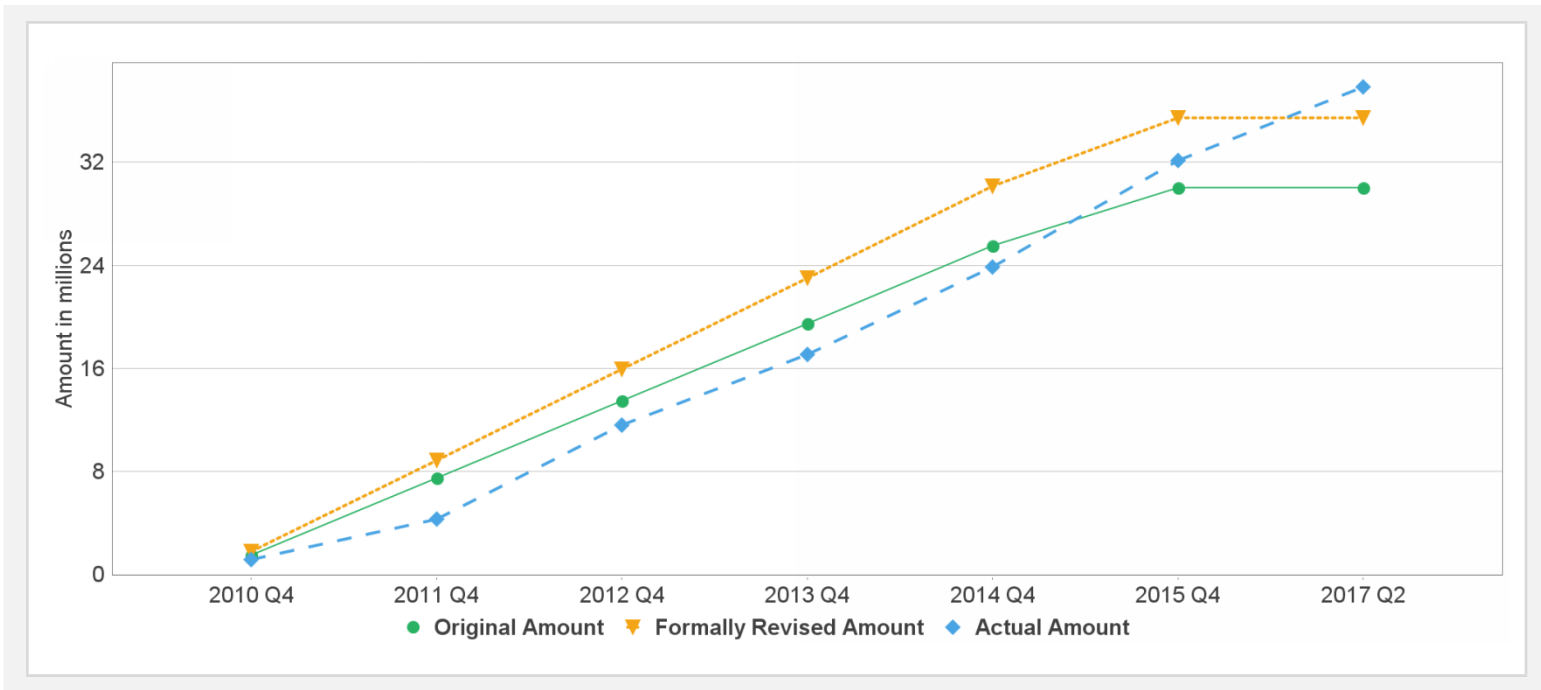
#### Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P110407	IDA-H5310	Effective	USD	30.00	30.00	0.00	28.38	0.02	95%
P110407	TF-98045	Closed	USD	16.00	6.23	9.77	6.23	0.00	100%
P110407	TF-A3502	Effective	USD	4.70	4.70	0.00	3.25	1.45	69%

#### Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P110407	IDA-H5310	Effective	09-Mar-2010	11-Apr-2010	14-Jun-2010	01-Jan-2015	30-Jun-2017
P110407	TF-98045	Closed	27-Oct-2010	27-Oct-2010	27-Oct-2010	01-Jan-2015	01-Jan-2015
P110407	TF-A3502	Effective	11-Oct-2016	07-Nov-2016	07-Nov-2016	30-Jun-2017	30-Jun-2017

#### Cumulative Disbursements



### Restructuring History

Level 1 Approved on 18-Dec-2013 ,Level 2 Approved on 10-Dec-2015

### Related Project(s)

There are no related projects.