Key development issues and rationale for Bank involvement

1. More than three decades of war and civil conflict have devastated Afghanistan’s physical structures and human and institutional capacity, rendering labor markets dysfunctional and leaving Afghan youth with low educational attainment and few employment opportunities. In 2006, UNESCO estimated a maximum 20 percent literacy rate for adolescents and young adults, age 15-24 years. A large proportion of the population—both male and female—remains unemployed or underemployed, and generally lacking in skills demanded by potential employers. Barriers for both males and females deprive Afghanistan of a substantial contribution to its stock of human capital, a critical factor in its rapid reconstruction.

2. Women and girls face a particularly severe set of obstacles, however. Just after Taliban rule (1996-2001), which banished them from the education system, Afghan females’ literacy rates were as low as 10 percent in rural areas, where 80 percent of the population resides. Literacy rates have remained low throughout the 2000-2006 period, averaging 18 percent females and 51 percent for males in the 15-24 year age group nationwide. In spite of rapid growth in educational attainments since 2002, girls comprise less than one-third of the roughly 6 million Afghan children in school (2007 figures). Wage employment of females is in a dismal state: women’s participation in economic activities remains largely agricultural, household-based, and not monetarily compensated. In socially conservative areas, traditional norms restrict women’s work to that which is performed in the household.

3. The Afghanistan Female Youth Employment Initiative (FYEI) is designed to address these lacunae in the human capital attainments and paid employment opportunities for adolescent girls and young women. It is one of five proposed projects in low-income, conflict-affected countries (the others are Liberia, Nepal, Rwanda, and South Sudan) that are part of the Adolescent Girls Initiative (AGI) launched by the World Bank in partnership with Nike Foundation. Through this partnership, the Government of Denmark has committed US$ 3 million to support program activities in Afghanistan and cover related administrative costs. The World Bank, which is coordinating the Multi-Donor Trust Fund for Adolescent Girls that finances the country projects, stands committed to the promotion of

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gender equality in its development efforts. This commitment is evidenced, in part, by the Six World
Bank Group Commitments on Gender, announced by Bank President Zoellick’s in 2008,\(^2\) and the
Bank’s Gender Action Plan (GAP) to facilitate women’s economic empowerment, launched in 2006.\(^3\)

4. The proposed project will build on the significant progress achieved in gender mainstreaming of the
Bank’s lending portfolio in Afghanistan, thanks in large part to an ongoing GAP-funded program
designed to operationalize recommendations in support of gender equity and drawn directly from the
2005 Afghanistan Country Gender Assessment (CGA).\(^4\) The mainstreaming program, Operationalizing CGA Recommendations, has to date influenced project design across multiple
development sectors of the lending portfolio, including transport, agriculture and rural development,
and education and vocational training. The proposed project also builds on the Bank’s comparative
advantage in designing demand-driven approaches to job skills training and in conducting rigorous
impact evaluations of new initiatives. It will utilize lessons learned from and take advantage of
synergies with related Bank-supported projects already operating through the Government of
Afghanistan (GoA)—including the Education Quality Improvement Project (EQUIP I and II), and the
Technical and Vocational Education and Training (TVET)-focused Afghanistan Skills Development
Project (ASDP)—with a view to tapping into urban growth sectors and facilitating the economic
empowerment of Afghan women and girls.

Key Challenges

5. The obstacles Afghan girls and young women face in transitioning from schooling to the workplace
are part of more a holistic, negative cycle that would need to be approached in a way that (i)
positively mobilizes communities about training opportunities linked to wage employment in growth
sectors of the economy; (ii) raises community awareness about the importance of keeping girls in
school so that they can access sustainable employment in growth sectors of the economy. The current
situation of few to no job prospects for female graduates of secondary school (and higher) creates a
disincentive for families and communities to keep girls in school to complete even primary education,
let alone secondary and tertiary education.

6. Proposed objective(s)

A. The proposed project development objective (PDO) is to effectively pilot a program in urban and
peri-urban areas of Mazar-e-Sharif, Balkh Province that enhances the job skills of young women
and facilitates their access to wage employment.

B. The key performance indicators (KPIs) for the project will include but not be limited to the
following:

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\(^2\) The Fourth of the Six Commitments, announced in the April 11, 2008 session on “Ways to Bridge Gender Gaps” is: “To
launch a work program on ‘young women count for economic development, starting with an event prior to the 2008 Annual
Meetings,” with a note that “The event will convene private and public sector leaders on the development value of increasing

\(^3\) World Bank. 2006. “Gender Equality as Smart Economics: A World Bank Group Gender Action Plan (FY07-10).” World
Bank: Washington, DC.

Future. World Bank: Washington, DC. Also known as the Afghanistan CGA, this publication was officially endorsed by GoA
Ministry of Women’s Affairs in 2006. In 2007, Sr. Social Development Specialist Asta Olesen (TM of the CGA) successfully
applied for GAP funds to operationalize CGA recommendations in Afghanistan Lending Portfolio. One of these
recommendations, to develop socially acceptable skilled and unskilled employment opportunities for women in the urban sector,
directly informs this concept note.
(1) Increase in number of young women trained and employed in urban or peri-urban areas in the greater Mazar-e-Sharif area
(2) Increased enrollment of girls in secondary schools in the project area
(3) Increased awareness among local communities and employers of information sources that link job seekers to employers

C. The PDO and KPIs will be revised as needed during project preparation.

Preliminary description

7. The proposed project, of three years’ duration, will link to the social mobilization activities and institutions established by the Social Mobilization Unit (SMU) of the Bank-supported Education Quality Improvement Project (EQUIP), implemented by GoA’s Ministry of Education (MoE). Now in its second round, EQUIP already has created community-based institutions, School Management Shura (SMS) in urban and rural areas across the country. Each SMS has between 8-10 members, including the school principle, the local Imam, community businessmen/women, the Wakel Guzar (community leader), select parents of students (usually in an influential job/position, such as a government or NGO employee), a teacher, and Maharef dost (anyone interested in working on education issues). These members are divided into three committees: Finance Committee, Procurement Committee, and PTA (Parent-Teacher Association). Depending on the size of the community school, EQUIP gives a Quality Grant of US$3000 - $5000 to each school. Each school is required to make a School Improvement Plan (SIP), based on which schools can use the quality grant to improve the quality of education provided. While the SMS originally were established to connect with communities about education services and needs, the project can use these community institutions as entry points to disseminate information about skills training activities and other aspects of the project, as well as raise community awareness regarding the long-term benefits of keeping girls in school through the secondary level.

Targeting urban young women

8. In its role as a pilot in Balkh Province, the three-year project will target urban communities, where a burgeoning private sector is beginning to take advantage of the export corridor afforded by Balkh’s location on the border of Turkmenistan, Tajikistan, and Uzbekistan. The project proposes to provide skills training in skills required by jobs in urban growth sectors to girls and young women (age 15-27)—with particular attention to expanding skills beyond the traditional female activities mentioned above—to increase their chances at wage employment in formal labor markets. The target population will comprise girls and young women in this age range who dwell in the urban and peri-urban areas of Mazar-e-Sharif, the capital city of Balkh Province.

9. The proposed project foresees the target population to have completed at least some higher secondary education (Grade 10 and above) for two key reasons: (a) so that the pilot trainees have better chances of absorbing and applying the skills acquired; and (b) to encourage a critical mass of females who do acquire jobs after attaining some secondary education and thereby impress upon families and communities the benefit of girls continuing their education past the primary level (Further targeting details remain to be determined during the preparation phase of the project.) Another reason for piloting the program in urban areas, as discussed above, is the lack of job creation programs for urban women—particularly in comparison to the attention that rural development projects currently are giving to improvement of rural females’ livelihoods opportunities.
10. Training packages will be designed to meet the current and future job market needs of the pilot area in Balkh Province, with attention to links to national job market needs. MOLSAMD’s National Skills Development Project (NSDP), an arm of the Bank-supported Afghanistan Skills Development Project (ASDP), and MRRD’s Rural Enterprise Development Program Project Implementation Unit (PIU) together already has conducted several market studies (2006, 2008) that will inform this aspect of training design. Project preparation, however, likely will require additional studies of local labor markets.

11. Given that most current training is geared toward traditional skills associated with very low demand and compensation, the proposed project will put in place two mechanisms to promote linkages to the demand side of the labor market and hence maximize the probabilities of training graduates’ employment. First, the project will ensure that training providers are aligned with the national accreditation system (a part of NSDP) and international accreditation standards for skills training that prepares for wage employment. Second, a private sector advisory council will be formed to advise training providers on which type of skills and occupations will be needed to secure jobs at the private sector.

The initial proposal is for a project with four components:

12. Component 1: Social Mobilization of targeted communities: The objective of this component is to build awareness and promote the importance of higher education and skills enhancement opportunities available for females; as well as to foster an enabling environment within families, community members and potential employees for continued female education.

13. Component 2: Marketable skills training for wage employment for girls/women age 15-27. Training will be provided by experienced NGOs or private sector training institutes (such as Business Development Services), based on competitive bidding. MoE will be in charge of competitive bidding execution, subject to Bank contracting rules. Key criteria for selection will include quality of training curriculum, track record of delivering training, and indicators that the providers understand the demand for the skills in addition to experience working on girls/women’s skill training. With high emphasis on marketable skills, the training curricula will address some of the crucial barriers to the adolescent girls’ development in Afghanistan, including early marriages and barriers to female movement and educational attainment. Training providers are granted performance-based contracts in order to improve the demand-side linkages of the labor market. Providers with successful placement of all their trainees will be awarded a performance bonus by getting a contract extension; those that are less successful may have their contracts cancelled.

14. The project will establish partnerships with the private sector in Balkh Province to take advantage of in-kind donations to training activities. Several private sector leaders from the area have expressed an interest in providing in-kind support in the form of: (i) outreach and information and dissemination programs using the SMS as entry points for communities; (ii) training facilities; (iii) job internships for women that would provide secure transportation.

15. The project will screen applicants to assess their current skills set and determine their eligibility and what training they would need to be eligible for available jobs, as identified by preparatory studies. Accepted trainees will be placed in training for a period of 6-12 months (depending on training needs) and paid a stipend of 50 Afs (approximately US$2 per day to cover transportation and subsistence costs. At the end of the training period, trainees will be placed at an employer’s organization for four days per week to gain practical experience and work-based training. One day per week will be spent off-site where trainees will be exposed to training aimed at further increasing future employability, as
necessary. Based on the work performance of each trainee and the existence of vacancies within the employer’s organization, she may be offered a position on a more permanent basis. The implementation partners will assist all those who successfully complete training to identify permanent job opportunities.

16. **Component 3: Institutional strengthening of GoA partners and IPs for training, social mobilization**

Prolonged armed conflict, under-investment in human and institutional capacity, and lack of engagement with the international community until 2002 have undermined local capacity for project implementation and financial management in key ministries. Though many government agencies already are counterparts in Bank projects, most still require considerable improvement in project management skills. Although MoE has considerable capacity to meet many of its challenges, there is scope for increasing capacity that existing projects have lacked the funds to cover completely, such as the community outreach activities of EQUIP’s SMU (see above), and, in particular, to fulfill the promise of useful partnerships with MOLSAMD. With MoE acting as the Lead Implementing Agency, an Inter-Ministerial Steering Committee will be formed, with representation from MOLSAMD, the Ministry of Women’s Affairs (MoWA), and any other agencies relevant to program objectives. Institutional strengthening will concentrate on three areas: (i) basic introduction to/review of World Bank operations and fiduciary issues; (ii) procurement and financial management of World Bank operations; and (iii) results-oriented monitoring and evaluation systems, with attention to community outreach and gender-disaggregated indicators. The project also will make concerted efforts to build capacity of local (provincial) directorates of MoWA, MoE, and MOLSAMD to strengthen linkages and take advantage of synergies in creating a more effective information networking system to match job seekers with local employers. This component will begin with an institutional assessment of EQUIP’s SMU, as well as national and lower-level job registry bureaus in MoE, MoWA, and MOLSAMD.

17. **Component 4: Monitoring and impact evaluation.** The component will facilitate various governance, implementation, coordination, monitoring & evaluation, learning and quality enhancement efforts for successful project implementation. This pilot initiative has the potential and possibility of scaling up not only in other urban areas in the country, but also in Afghanistan’s rural areas, where the community focus of program information dissemination and awareness raising activities can easily be adapted to the CDCs established by NSP. A detailed impact evaluation design will be developed as the project moves to the next stage, early in the preparation process and in close consultation with MoE and skills training providers.

18. **Safeguard policies that might apply**

**POTENTIAL RISKS AND MITIGATION**

19. The potential risks for this initiative include factors beyond the influence of the project, such as macroeconomic conditions (e.g., Afghanistan’s high dependence on foreign aid, which makes the country highly vulnerable to adverse impacts of the global financial crisis) and a deteriorating security situation that could physically interfere with project implementation. The upcoming presidential elections in August 2009, moreover, are likely to exacerbate security threats. Project design cannot mitigate but at least can attempt to create a buffer against, these risks by: (a) identifying skills training linked to growth sectors of the economy, including export products for which there is increasing international demand; and (b) locating operations in an area (Balkh Province) that has one among the lowest incidence of armed conflict in the country, and allowing for extra time during project preparation to compensate for possible delays in August. Those risk factors that fall within the project’s area of influence include: (a) GoA’s limited capacity to meet
Bank procurement, financial management, and disbursement policy requirements; and (b) possible resistance from communities to project activities, due to the cultural sensitivity regarding interventions that involve young Afghan women. The project will mitigate against these risks by adopting the following measures, respectively: (a) although the project will be implemented by a MoE, a GoA ministry with a relatively strong history of adhering to procurement, etc. guidelines, the project incorporates a component on institutional strengthening that enhances capacity in these areas of the executing agency and training providers; and (b) a key aspect of the project is its efforts to use local actors and culturally appropriate methods to positively mobilize communities regarding the benefits and opportunities provided by skills training and networking activities.

Social and Environmental Safeguards

20. The proposed activities under the FYEI are not expected to have adverse environmental impacts. Because skills training activities will occur in facilities already used for job skills training (e.g., existing training programs provided by private sector entities who will bid for contracts to implement the initiative, as well as facilities offered as in-kind donations from private sector leaders in Balkh Province), no land acquisition or involuntary resettlement is expected under the project. The gender-sensitive nature of the FYEI implies its integral consideration of vulnerable sectors of the population, as it targets young women who lack livelihoods opportunities—a decidedly vulnerable group within urban populations. To mitigate any risk of community resistance and/or backlash in response to an intervention that aims to increase involvement of Afghan young women in the workplace and elsewhere in the public sphere, the project will rely heavily on community mobilization institutions and techniques that already have been established by local actors (MoE’s EQUIP SMU), comprise community members, and are now accepted and used by local communities of the target population. Because social and environmental management of development projects currently suffers critical capacity constraints, through institutional strengthening (Component 2) the project will ensure training of operational staff in safeguards compliance and regular monitoring and reporting of Environmental and Social Management Framework (ESMF) implementation.

21. Tentative financing

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22. Contact point

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