



**The World Bank**

Women's Economic Empowerment National Priority Program (P163267)

REPORT NO.: RES42778

RESTRUCTURING PAPER  
ON A  
PROPOSED PROJECT RESTRUCTURING  
OF  
WOMEN'S ECONOMIC EMPOWERMENT NATIONAL PRIORITY PROGRAM  
APPROVED ON AUGUST 22, 2017  
TO  
MINISTRY OF FINANCE

SOCIAL

SOUTH ASIA

|                           |  |
|---------------------------|--|
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## ABBREVIATIONS AND ACRONYMS



**Note to Task Teams:** The following sections are system generated and can only be edited online in the Portal.

## BASIC DATA

### Product Information

|                              |                              |
|------------------------------|------------------------------|
| Project ID                   | Financing Instrument         |
| P163267                      | Investment Project Financing |
| Original EA Category         | Current EA Category          |
| Approval Date<br>22-Aug-2017 | Current Closing Date         |

### Organizations

|                     |                     |
|---------------------|---------------------|
| Borrower            | Responsible Agency  |
| Ministry of Finance | Ministry of Finance |

### Financing (in USD Million)

## SUMMARY

|                    |   |
|--------------------|---|
| Total Project Cost | 0 |
| Total Financing    | 0 |
| Financing Gap      | 0 |

## DETAILS

**Project Development Objective (PDO)**

Original PDO

The Objective of the PPG to support the GoIRA to establish a National Priority Program on Womenâs Economic Empowerment (WEE-NPP) that advances women's access to economic assets and opportunities.

**Summary Status of Financing**

| TF | Approval | Signing | Effectiveness | Net     |            |           |             |
|----|----------|---------|---------------|---------|------------|-----------|-------------|
|    |          |         |               | Closing | Commitment | Disbursed | Undisbursed |
|    |          |         |               |         |            |           |             |

**Policy Waiver(s)**

Does this restructuring trigger the need for any policy waiver(s)?

No

**Note to Task Teams:** End of system generated content, document is editable from here.

**I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING**

- A. Background of the WEE-NPP:** The Women's Economic Empowerment National Priority Program (WEE-NPP) was officially launched by the Government of the Islamic Republic of Afghanistan (GoIRA) on March 8, 2017. The WEE-NPP forms the third pillar of the GoIRA's Gender Strategy which is encompassed in the broader Afghanistan National Peace and Development Framework (ANPDF) – the country's five-year development plan for 2017-2021. WEE-NPP is a whole-of-government commitment that aims to improve the economic operating environment for poor women in Afghanistan. Specifically, the six WEE-NPP pillars focus on: (i) increasing the availability and analysis of gender statistics; (ii) removing legal and regulatory barriers to participation; (iii) training in literacy, business management, and labor skills; (iv) ensuring sustainable and inclusive access to finance; (v) improving access to agricultural inputs, extension services, and markets; and, (vi) promoting access to creative economy markets.
- B. Background of the PPG:** At the request of the GoIRA, a 5 million-dollar project preparation grant (PPG) facility was approved from the Afghanistan Reconstruction Trust Fund (ARTF) in July 2016 for a duration of 3 years with a closing date of July 31, 2020 to support the preparation of the WEE-NPP and subsequently coordinate its initial implementation. Specifically, it aimed to mobilize a core coordination team and establish an umbrella program that finances technical assistance, capacity building and analytical work in the key LMs and institutions that fall under the WEE-NPP. It also aimed to and has since established an inter-ministerial Steering Committee for providing oversight and strategic guidance to the program. The three components of the PPG are: (i) WEE-NPP Coordination and Program Management (USD1 million); (ii) Technical Assistance, Analytic Work and Capacity Building (USD2 million); (iii) Innovation fund (USD2 million).
- C. PCO Transition to MoF:** The PPG is coordinated through a Program Coordination Office (PCO) which was originally established in the Ministry of Labor and Social Affairs (MOLSA). Following the recommendations of the Country



Portfolio Performance Review (CPPR) in February 2019, the PCO was moved to the Ministry of Finance (MoF) by way of a Level 2 project restructuring conducted in September 2019.

- D. Implementation Status:** Despite a slow start to grant implementation, overall Project Implementation is rated **Moderately Satisfactory**. The WEE-NPP technical working group and steering committee meet on a regular basis and the implementing LMs have been making progress according to their agreed action plans and targets. The Results Framework for monitoring progress on the WEE-NPP was approved by the WEE-NPP Steering Committee, as per the Geneva Mutual Accountability Framework (GMAF) indicator. All PDO and intermediate results indicators for the PPG have been met.<sup>1</sup>
- E. Grant Disbursement:** The total disbursement since grant effectiveness is USD 0.5 million. The low level of disbursement is on account of a slow start of program activities and no progress made on the Innovation Fund (Component 3).

| Component                              | PPG amount             | Disbursement (as of 7/18/20) |
|--|------------------------|------------------------------|
| 1. Coordination and program management | \$ 1,000,000.00        | \$ 469,649.21                |
| 2. TA, analytics and capacity building | \$ 2,000,000.00        | \$ 30,825.13                 |
| 3. Innovation fund                     | \$ 2,000,000.00        | \$ -                         |
| <b>Total</b>                           | <b>\$ 5,000,000.00</b> | <b>\$ 500,474.34</b>         |

<sup>1</sup> PPG Results Indicators are as follows: PDO Indicator 1 (Hiring of WEE-NPP Technical Staff); PDO Indicator 2 (Establishment of an Inter-Ministerial Working Group for WEE-NPP); and Intermediate Results Indicator (Develop a National Results Framework on WEE).



- F. Achievement of PDO:** Despite the achievement of PPG results indicators, discussions between the GoIRA and the World Bank spanning the past year have identified key challenges in the design and implementation of the current Program that hamper its ability to achieve its development objective. Broadly speaking, the program has not been able to implement the original vision of performance and evidence-based budgeting for women's economic empowerment. These discussions have led to the conclusion that without a significant restructuring, the program is unlikely to achieve its development objectives. For this reason, the PDO rating was downgraded to **Moderately Unsatisfactory** in the most recent ISR (January 2020).
- G. Preliminary Discussion on WEENPP Phase 2:** In view of the challenges faced by the program and given the shift of the program to MOF, the Government and World Bank teams decided to 'reset' the program and see how it can be improved moving forward. Preliminary discussions between World Bank and GoIRA took place in late 2019/early 2020 to discuss the different challenges facing the program and what a revamped WEENPP might look like. A new stand-alone program could potentially combine disbursement linked indicators (DLI)/results-based financing with specific support to promote jobs and female entrepreneurship. It could also develop a stronger role for the Ministry of Women's Affairs (MoWA) – something that has been often requested by ARTF donors. It was agreed that the remainder of the PPG should be used to help design and develop this Phase-2 WEENPP. However, these discussions were suspended with the onset of the Covid-19 pandemic considering the immediate priority to realign the portfolio toward emergency response. In lieu of a standalone project, the proposal was to support WEE-NPP through existing mechanisms (e.g. the IP-DPG, A2F, etc.), with the overall coordination of WEE-NPP to be financed through the Fiscal Support Program (FSP).
- H. Omnibus Restructuring toward Covid-19 Response:** Based on the CD signed letter dated June 26<sup>th</sup>, 2020 amounts \$US4 million were cancelled under TF0A5400 and these have been manually processed in iLAP by WFA. FSP was also significantly affected by the omnibus cancellation. As such, it is no longer financially viable for FSP to take on the WEE-NPP Program Coordination Office (PCO) costs as previously envisioned. The current proposal is a partial cancellation (cancellation amount remains \$4m) and a no-cost extension of the PPG through the end of FY21 to finance the PCO to continue its regular coordination and monitoring functions and spearhead the process to design of a second phase of the WEE-NPP.
- I. Audit Reports and FM Status.** The Financial Management (FM) performance rating remains **Moderately Satisfactory** for the Project and there are no overdue FM actions in the operation. However, the audit for the entire country portfolio is overdue. The delay is beyond the Ministry of Finance's control due to the current pandemic-related constraints facing the Supreme Audit Office (SAO). The World Bank agreed with SAO for an extended deadline of October 21, 2020 for the submission of overdue audit reports. Per an internal WBG memo dated July 27, 2020, GGOAP and WFACS managers granted their exceptional approval to proceed with the proposed restructuring notwithstanding the outstanding audit report.

## II. DESCRIPTION OF PROPOSED CHANGES

- J. The proposed changes in this restructuring are:**
- Cancellation of \$US4 million (already processed manually). The implications of the cancellation on component-wise financing are as follows:
    - Component 1 (WEE-NPP Coordination and Program Management) will be reduced from \$1M to \$850,000.
    - Component 2 (Technical Assistance, Analytic Work and Capacity Building) will be reduced from \$2M to \$150,000.



- iii. Component 3 (Innovation Fund) will be marked for deletion in its entirety (\$2M).
- b. No-cost extension of the grant until June 30, 2021 in the amount of approximately \$USD 578,868.61 (the remaining grant balance plus the Designated Account balance as of 7/26/2020). The no-cost extension will allocate \$USD 450,000 under Component 1 and the remaining undisbursed funds (\$128,868.61 as of 7/26/2020) under Component 2.
- K. EA Category: The project was previously rated Category B due to ESS issues raised by the Innovation Fund (Component 3). However, with the cancellation of the Innovation Fund, the restructured grant will only finance technical assistance and advisory policy work. There are no longer any significant ESS implications and the project categorization can change from B to C.
- L. In the coming year, the PCO will focus on four key priorities:
- Continued regular coordination and monitoring of WEE-NPP commitments across the Line Ministries (LMs).* Following up with each of the LM's to monitor their WEE-NPP commitments and the implementation of their Action Plans is a core function of the PCO that must continue over the next year as the next steps for the project are determined. In the coming year the team will also develop an MIS system to facilitate better monitoring of the WEE-NPP commitments.
  - Support to LM's on COVID-19 measures in Women's Economic Empowerment.* The WEE-NPP PCO will provide a coordination function across the Line Ministries to help share experiences, resources and lessons learned related to their Covid-19 response. As part of this effort the PCO will monitor each LM's response to Covid in WEE and disseminate good practice (for example, the WEE-RDP has a COVID-19 awareness campaign/promotional package that may be picked up and used/adapted in other interventions and government services).
  - Design of a WEE Pillar in the Incentive Program Development Policy Grant (IP-DPG).* The team will engage with the WB task team for the IP-DPG and Government including MOWA to discuss a WEE-Pillar. The team will review experiences from other countries and regions to propose a model that is based on global good practices on WEE in DPG instruments.
  - Design of a second phase of the WEE-NPP.* As discussed above, a key task for the PCO in the coming year will be spearheading the design of a second phase of the project that responds to some of the key challenges experienced in the first phase. The PCO will lead high-level dialogue with GoIRA and with the ARTF donors to agree on a strategic and outcome-oriented approach that is aligned with the budget process.

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### III. SUMMARY OF CHANGES

|                        | Changed | Not Changed |
|------------------------|---------|-------------|
| Components and Cost    | ✓       |             |
| Loan Closing Date(s)   | ✓       |             |
| Disbursement Estimates | ✓       |             |
| EA category            | ✓       |             |



|  |  |   |
|--|--|---|
| Implementing Agency                          |  | ✓ |
| Project's Development Objectives             |  | ✓ |
| Results Framework                            |  | ✓ |
| Cancellations Proposed                       |  | ✓ |
| Additional Financing Proposed                |  | ✓ |
| Reallocation between Disbursement Categories |  | ✓ |
| Disbursements Arrangements                   |  | ✓ |
| Change in Overall Risk Rating                |  | ✓ |
| Safeguard Policies Triggered                 |  | ✓ |
| Legal Covenants                              |  | ✓ |
| Institutional Arrangements                   |  | ✓ |
| Financial Management                         |  | ✓ |
| Procurement                                  |  | ✓ |
| Implementation Schedule                      |  | ✓ |
| Other Change(s)                              |  | ✓ |
| Economic and Financial Analysis              |  | ✓ |
| Technical Analysis                           |  | ✓ |
| Social Analysis                              |  | ✓ |
| Environmental Analysis                       |  | ✓ |

#### IV. DETAILED CHANGE(S)

##### COMPONENTS

| Current Component Name                                    | Current Cost (US\$M) | Action              | Proposed Component Name                                   | Proposed Cost (US\$M) |
|---|----------------------|---------------------|---|-----------------------|
| WEE-NPP Coordination and Program Management               | 1.00                 | Revised             | WEE-NPP Coordination and Program Management               | 0.85                  |
| Technical Assistance, Analytic Work and Capacity Building | 2.00                 | Revised             | Technical Assistance, Analytic Work and Capacity Building | 0.15                  |
| Innovation fund   | 2.00                 | Marked for Deletion | Innovation fund   | 0.00                  |
| <b>TOTAL</b>  | <b>5.00</b>          |                     |   | <b>1.00</b>           |

**LOAN CLOSING DATE(S)**

| TF | Status | Original Closing | Revised Closing(s) | Proposed Closing | Proposed Deadline for Withdrawal Applications |
|----|--------|------------------|--------------------|------------------|---|
|    |        |                  |                    |                  |   |

**DISBURSEMENT ESTIMATES**

Change in Disbursement Estimates

Yes

**Expected Disbursements (In US\$)**

| Fiscal Year | Annual | Cumulative |
|-------------|--------|------------|
| 2018        | 0.00   | 0.00       |
| 2019        | 0.00   | 0.00       |
| 2020        | 0.00   | 0.00       |
| 2021        | 0.00   | 0.00       |
| 2022        | 0.00   | 0.00       |

**Environmental Assessment (EA) Category**

|                       |                      |
|-----------------------|----------------------|
| Change of EA Category | Original EA Category |
| Yes                   |                      |
| Current EA Category   | Proposed EA Category |
|                       | Not Required (C)     |

**Note to Task Teams:** End of system generated content, document is editable from here.**Annex 1: Summary of Pillar-Wise WEE-NPP Achievements**

- Under the Gender Statistics pillar, the National Statistics and Information Authority (NSIA) has developed an action plan for undertaking training on gender statistics across all Government Ministries and has recruited a Gender Statistics Specialist with support from WEENPP.



- Under the Removing Gender Barriers pillar, numerous laws, regulations and policies have been drafted, reviewed and revised by the Ministry of Women's Affairs (MoWA) and Ministry of Justice (MoJ) to ensure that these do not create barriers to women's economic participation in the country. Summary of these set of laws, regulations, policies and plans includes Elimination of Violence against Women (EVAW) Law, Courts Act Law, Marriage Registration Law, Women's Property Rights and Inheritance Law, Emergency Assistance Fund Regulation for Women Victimized by crucial violence, Small Loans Policy for Women, Privacy Policy and Media Policy for Support Public Disclosure Authorized Public Disclosure Authorized Public Disclosure Authorized Public Disclosure Authorized The World Bank Implementation Status & Results Report Women's Economic Empowerment National Priority Program (P163267) 1/10/2020 Page 2 of 4 Centers, Civil Servants Pension Rights Regulations, Women's Marketing Management Plan. The Ministry of Haj and Islamic Affairs (MOHIA) MoHIA has provided 26 articles on women's dowry, women right to education and employment, women's economic and ownership rights, elimination of violence against women, etc as part of this pillar.
- In the pillar on Training, Literacy, and Skills, various LMs have completed training and capacity building programs to thousands of women around the country. Of the 18,073 schools nationwide, 2,693 are assigned to women, which makes up more than 15 per cent of total schools, and the total number of female teachers reached 81,662 in 1398, making up 36 per cent of all teachers. By conducting 3,961 adult literacy courses in the first six months of the year, 6446 adult women were provided with literacy training programs to learn how to read and write by the Ministry of Education (MOE). In the higher education sector, Ministry of Higher Education (MoHE) has facilitated provision of 328 bachelor, masters and PhDs scholarships to female students and 300 scholarships for disadvantaged female students in 2019. The ministry's support to female students also include provision of 50 coaster minibus vehicles in various provinces, benefitting 2,000 female students. Meanwhile, the Ministry of Public Health (MoPH) completed a number of midwifery training programs, benefiting 160 midwifery students, as well as community learning nursing programs were conducted to reach 360 nursing students. MoPH also trained another 840, 88 and 3864 female students in the area of nutrition counsellors, psychosocial counsellors and female health-care providers respectively in many provinces of Afghanistan.
- In the area of access to finance, the Women's Economic Empowerment Rural Development Project (WEE-RDP) helped establish 2,716 female SGs, with a total of 30,103 women members and approximately AFN 197 million in savings in the first half of 2019. Separately, the Microfinance Investment Support Facility for Afghanistan (MISFA) partners provided a total of 42,559 loans worth around AFN 4 billion is distributed to women entrepreneurs across Afghanistan over the past year.
- With respect to agriculture and extension services, the Ministry of Agriculture, Irrigation, and Livestock (MAIL) and its donor partners' agriculture and livestock services have benefited thousands of women in all 34 provinces of Afghanistan through provision of machinery, kitchen gardens, green houses, poultry farms, extension services, capacity building, and livestock.
- Finally, under the Creative Industries pillar, the Ministry of Commerce and Industry (MoCI) has helped establish the "Made by Afghan Women (MBAW)" logo to promote exports by Afghan women entrepreneurs. MOCI also increased the participation of women in domestic exhibitions by allocating free exhibition space to women entrepreneurs. The MoCI's national exhibitions for 100 business women in Bagh Babur and for 100 women entrepreneurs in Bagh Chehlstoon are examples.