WEE-RDP works to increase social and economic empowerment of poor rural women in all 34 provinces.
New support to private sector investments in Afghanistan’s energy sector

$52.5 million IDA grant for the Afghanistan gas project. This will provide sustainable supply of natural gas to independent power producers in northern Afghanistan. The project aims to support construction, operation, and maintenance of a gas pipeline from Sheberghan to Mazar-e-Sharif and a new natural gas desulfurization amine plant. It also aims to establish a strong institutional, regulatory, and contract management framework based on the principles of good governance in the gas sector.

$12.8 million IDA guarantee to support Sheberghan gas-to-power project, which will support the construction and operation of a greenfield 40 MW gas-to-power plant utilizing indigenous gas from Sheberghan gas fields in northwestern Afghanistan. The new plant is expected to contribute considerably to increasing overall domestic energy generation.

$86 million guarantee to support Mazar-e-Sharif gas-to-power project, which comprises a $12 million guarantee from IDA to backstop the ongoing payment obligation of Afghanistan’s power utility, Da Afghanistan Breshna Sherkat, $23.8 million senior loan and $15 million in client risk management swap from the International Finance Corporation, and $48.7 million from the Multilateral Investment Guarantee Agency as political risk insurance.

Afghan peace: hopes and economic challenges ahead

A recent World Bank Afghanistan report, “Navigating a Sea of Uncertainty”, finds that agricultural productivity increased after Afghanistan began to recover from drought, helping the Afghan economy grow by nearly 4.9 percent in 2019. But the report warns if uncertainty continues, it would discourage private sector confidence and investment.

As the Taliban enters intra-Afghan peace talks after signing a peace agreement with the United States, it will help remove most of the uncertainties and push the country toward prosperity if Afghans are able to cement a comprehensive peace agreement.

Another recently released World Bank report, “Financing Peace”, notes that Afghanistan will require $6 billion to $8 billion a year in international grants to finance its public expenditure of nearly $11 billion per year.

It will continue to need international support to finance its public expenditure, providing that international aid support continuing, and help realize its long-term growth and self-reliance prospects,” said Henry Kerali, World Bank Country Director for Afghanistan.

The report notes that with the impacts of drought diminishing and private sector confidence improving, growth is expected to accelerate to 3.3 percent in 2020. Over the medium term, growth is projected to hover around 4 percent, providing that international aid support continues and the security situation does not worsen. This indicates that the Afghan economy would flourish if intra-Afghan peace talks pave the way for lasting peace in the country.

However, recently improved revenues reaching $2.5 billion per year and increased private sector activities, which will improve employment and add new revenues, will not be able to offset Afghanistan’s dependence on foreign aid. It will continue to need international grants to finance its public expenditure of nearly $11 billion per year.
forms, particularly in the fiscal and public management and gender equality, as well as urban and service delivery, citizen engagement, anti-corruption, human capital development, and growth to create jobs, governance and strengthening horticulture export, access to finance, and environmental and social management, financial system management, and corporate governance enhancement, support for two projects in dairy and cashmere production.

The Multilateral Investment Guarantee Agency (MIGA) has $136.5 million of gross exposure for two projects in dairy and cashmere production. MIGA’s global priorities for FY 2018–2021 are support for foreign direct investment with high developmental impact in IDA countries and fragile and conflict-affected situations. Afghanistan is a key country for MIGA to deliver on these objectives. In 2013, MIGA launched its “Conflict Affected and Fragile Economies Facility” that uses donor partner contributions and guarantees, as well as MIGA guarantees to provide an initial loss layer to insure investment projects in difficult contexts. This facility could be used to boost the agencies’ exposure in Afghanistan.

Japan Social Development Fund

The Japan Social Development Fund (JSDF) was established by the Government of Japan in 2000 as a means of supporting activities that directly respond to the needs of poor and vulnerable groups, enhance their capacities, and strengthen their empowerment and participation in the development process. The fund is administered by the World Bank. The Government of Japan and the World Bank agreed to set up a special window within JSDF to support activities in Afghanistan under a multi-year program of assistance for the country’s reconstruction and transition to toward political, economic, and social stability. As of January 2019, JSDF’s total commitment had reached $85 million. A number of JSDF-financed projects have been completed.

For more information: http://go.worldbank.org/U5OQZVF200
Afghanistan Second Skills Development Project (ASDP II)

IDA grant $55 million

The project supports the Government of Afghanistan in its strategy to build market relevant vocational and technical skills for economic growth and development. Building on the former Afghanistan Skills Development Project, this program will continue to strengthen the Technical Vocational Education and Training (TVET) institutional system, improve performance of TVET schools and institutes, and improve teacher competencies.

In July 2017, the project was restructured to reemphasize its focus on the development objective of improving TVET teacher competencies and curriculum in selected priority trades. The purpose of restructuring was to support implementation of the significant new skills development reforms that the government has launched.

The project underwent two additional restructuring in 2018 and 2019 to respond to the emerging programmatic and operational priorities in the TVET sector.

The project supports:
(i) realignment of the TVET sector with labor market needs in eight priority trades, including areas with potential to improve women’s labor force participation;
(ii) assessment of the qualification of all TVET teachers;
(iii) training abroad offered to the best qualified;
(iv) mobilizing four lead institutes to support teacher assessments/training in seven priority trades;
(v) upgrading and standardizing competency-based curriculum across the priority trades; and
(vi) implementing a teacher policy framework to guide reforms in teacher recruitment, management, and training.

To streamline institutional capacity to deliver on the human capital development agenda, GoIRA has established a standalone TVET Authority (TVETA) based on Presidential Decree No. 11, dated April 21, 2018. The mandate for vocational education has been transferred from the Ministry of Education and Deputy Minister for TVET to the TVETA, which has been tasked to oversee the coordination and implementation of TVET policy. The TVETA was recently endorsed as an independent government entity by parliament.

The TVETA was recently endorsed as an independent government entity by parliament.

Upon request of the TVETA, the World Bank completed an institutional and capacity assessment of the Authority to improve its efficiency and capacity in service delivery. An action plan with concrete steps for improving TVETA’s implementation capacity is being developed.

ASDP II will support the new five-year TVET strategy recently adopted in Afghanistan. The strategy will provide a roadmap to develop and expand the TVET sector over the next five years to cover formal, non-formal, and informal TVET on a common strategic platform.

ASDP II is financing an academic partnership contract with Pune University in India, where 20 faculty members from the National Institute of Management and Administration and other TVET institutes are enrolled to pursue master’s degrees in ICT, accounting, and business administration.

In 2019, a new five-year TVET strategy (2020–2024) was developed and endorsed by the Human Capital Council. The strategy provides a roadmap for the development and expansion of the TVET sector over the next five years to cover formal, non-formal, and informal TVET on a common strategic platform.

The project also works on the concept of a select number of lead institutes located in Herat, Kabul, and Nangarhar for targeted support and capacity building to serve as hubs for teacher training and curriculum development. The project also supports an in-service Technical Teacher Training Institute.

The curriculum for the three priority trades of information and communications technology (ICT), accounting, and business administration have been redeveloped. The work on the revision and redevelopment of the curriculum for construction, auto-repair, and agriculture is ongoing.

ASDP II is financing an academic partnership contract with Pune University in India, where 20 faculty members from the National Institute of Management and Administration and other TVET institutes are enrolled to pursue master’s degrees in ICT, accounting, and business administration.

A total of 24 teachers have enrolled at Reva University in India for one-year training courses in accounting and business administration.

In addition, over 522 TVET graduates have been supported with scholarships through a voucher program, which facilitates further professional studies for meritorious students who have graduated from TVET institute.
EQRA will be implemented over the course of five years from 2018 to 2023. The project’s objective is to increase equitable access to primary and secondary education in selected lagging provinces, particularly for girls, and to improve learning conditions in Afghanistan.

Primary beneficiaries will be students in general education, out-of-school children in lagging provinces (never enrolled or dropped out), teachers, principals, and Ministry of Education staff. The system-level improvements in management will benefit all existing students as well as out-of-school children who will be brought into school. The project is expected to benefit about 7 million children who are attending school regularly from direct project interventions over the five-year implementation period.

Component 1: to increase access to education will be implemented in 17 selected provinces—Badghis, Balkh, Faryab, Ghazni, Helmand, Herat, Kabul, Kandahar, Khust, Kunduz, Logar, Nangarhar, Nooristan, Paktika, Urozgan, Wardak, and Zabul.

Constraints that limit school participation in Afghanistan, such as deteriorating security, cultural norms that undervalue education, opportunity costs to attending school, lack of gender-segregated latrines, and lack of female teachers, will be addressed through key interventions. These include:

- Improving school infrastructure, which will be implemented by the Ministry of Rural Rehabilitation and Development;
- Providing school grants; and
- Establishing community-based education classes.

To improve learning conditions, the project will support textbook development based on a new curriculum, dissemination of learning materials, and improvements in teaching quality through coaching and subject-specific training.

EQRA also seeks to enhance transparency and management capacity of the Ministry of Education and in the provinces by strengthening its Education Management Information System and data collection procedures, improving teacher recruitment and human resource management, and implementing budget planning and norm-based operations and maintenance budget allocation frameworks.

**Strengthening Women’s Economic Empowerment Project (SLEEP)**

SLEEP is a three-year pilot project implemented by the Aga Khan Foundation—Afghanistan in close coordination with the Ministry of Labor and Social Affairs. SLEEP was requested by the government to develop tools and methods and provide a platform to share experiences to inform the Women’s Economic Empowerment National Priority Program (see page 54).

The main beneficiaries will be poor women in select rural and peri-urban areas. SLEEP will support the development and capacity building of clusters (self-help groups comprising community-based savings groups), and provide them with training, business development services, and access to finance.

A baseline survey was completed in October 2018, followed by implementation of the project in November 2018.

Since December 2018, a total of 45 clusters have been formed in four provinces, regular monthly cluster meetings have been held, and subcommittees formed. Cluster members are being trained and expected to receive revolving loan funds in the next quarter.

**Access to Finance Project**

The Access to Finance Project aims to build institutional capacity to improve access to credit of micro, small, and medium enterprises. The project has the following components:

**Component 1:** Improving access to financial services for micro and small enterprises. This component aims to provide continuing support to the microfinance sector through the Microfinance Investment Support Facility for Afghanistan (MISFA), as well as, supporting MISFA to take on a broader role as a catalyst for innovations to increase access and usage of financial services from the lower end of the market according to its new strategic plan. It should, however, be underlined that the role of MISFA is primarily that of market facilitator, rather than direct technical assistance provider.

Under component 1, MISFA has initiated a series of activities, including expanding the Targeting the Ultra Poor (TUP) program in six provinces (Balkh, Kabul, Kandahar, Kunar, Laghman, and Takhtah), where it has been successful in targeting and initiating meaningful improvements in the well-being of ultra-poor beneficiaries.
When Shukria’s husband died in 2009, she was left alone with four young children in a rented house in Nahr-e-Shahi district in Balkh province with no support or money. Having no job skills made it difficult for her to provide for her children. “When my husband was alive, we had a rented house, but after his death, I wasn’t able to afford the rent, and there was no one to help us,” says Shukria, 40. Her last option to survive was to beg on the streets of Mazar-e-Sharif city. “We were very poor. One day we’d have something to eat, the next day nothing,” she recalls.

In 2016, Shukria’s life changed when she received a cow and a calf through the Targeting the Ultra Poor (TUP) program. She now lives in a mud house, taking care of her livestock and a tire repair micro business. “Now I’m not begging,” she says. “Thank God! I have money and a cow. I’m so happy.”

At the end of the program in 2017, she sold one of her cows for 33,000 afghanis (about $450) and invested the money in a small kiosk for repairing punctured tires, where her 18-year-old son works. Following TUP support, Shukria has the income to support her family and send her two daughters to school.

Transforming Lives
The TUP program aims at “graduating” participants from safety nets programs to income-earning activities, linking them with microfinance programs. Building on lessons learned from pilot programs and international experience, the TUP program provides participants a one-year package of inputs, including the transfer of productive assets (such as livestock), training (classroom and practical work), subsistence support (monthly stipend as 12-month income support), and basic health care through community-based health services. The program also helps participants send their children to school.

Shukria is among the thousands of recipients the TUP has successfully reached across the country. Research measuring the program’s impact confirms that Shukria’s story is not an isolated case. One year after the end of the program, per capita consumption of TUP households increased by almost a third and a fifth moved above the national poverty line.

The TUP program has made many positive impacts on ultra-poor families. We have provided them training on health and livestock and linked them to the market. They sell the milk at the market and their economic condition has improved."

– Hijratullah Omari Wardak, TUP project monitoring officer, Balkh province

DESTITUTE FAMILIES SEIZE OPPORTUNITY to make a living in Balkh province

• Ultra-poor families in a village in Balkh province have had to eke out a living from almost nothing.
• Their lives have taken a positive turn since participating in the Targeting the Ultra Poor (TUP) program, enabling them to earn a sustainable livelihood. The program provides livestock and training, and facilitates access to various services.
• Research has shown per capita consumption of TUP households increased by almost a third and a fifth moved above the national poverty line.

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• Research has shown per capita consumption of TUP households increased by almost a third and a fifth moved above the national poverty line.
An impact evaluation of the program, carried out jointly with the Development Impact Evaluation, has been completed in Balkh province. Tracking households from before the interventions started to one year after the program ended. The baseline survey showed that the TUP selection process was effective in identifying households that—across a range of dimensions—were worse off than the average resident in target areas, and arguably more in need of support to help shift them closer to sustainable livelihoods.

The results of the impact evaluation published in June 2019 show that the TUP program in Balkh led to a significant reduction in the incidence of extreme poverty, increased consumption, and improved food security among the beneficiaries, over 90 percent of whom are women. A fifth of participating households in Balkh moved above the national poverty line (roughly equivalent to $1 per person per day). Their spending was up by a third. Psychological well-being, the number of hours spent working, financial inclusion, and the empowerment of women all rose too.

A follow-up survey will be undertaken in 2020 to measure long-term consumption impact and other dimensions. Based on the success of the program, the TUP has been scaled up to reach close to 4,000 additional households in two more provinces (Parwan and Nangarhar). The two TUP projects are expected to be completed at end-June 2021.

Component 2: Improving access to financial services for small and medium enterprises (SMEs). Through support to the expansion of the Afghanistan Credit Guarantee Facility and technical assistance to financial institutions to strengthen their SME lending capacity, this component aims to increase commercial bank and microfinance institution lending to SMEs and thus facilitate their access to financial services. Component 2 supports the provision of credit guarantees for SMEs.

Implementation of component 2 started in June 2017, after an implementation partnership agreement was signed between the Ministry of Finance and the Afghanistan Credit Guarantee Foundation. As of end-September 2019, the outstanding guaranteed SME loan portfolio of three partner financial institutions is $19.6 million, down from $25.7 million at the beginning of 2019. This is explained by the current operating environment, which affects the investment decisions of and ensuing demand for loans by SMEs, as well as the risk appetite of financial institutions. The revised project closing date is June 30, 2021.

Afghanistan Incentive Program Development Policy Grant (IP-DPG)

- IDA Grant $160 million
- ARTF Grant $240 million

The IP-DPG operation supports continued progress on key reforms under the Afghanistan National Peace and Development Framework. The operation will provide up to $400 million of recurrent cost support to the Government of Afghanistan to support vital services, mobilized against a series of high priority policy and institutional reforms.

This is the third of three planned operations aligned with the government’s current three year program of policy reforms. Supported reforms are organized under two pillars: (i) strengthening the policy framework to support state effectiveness, private investment, and social inclusion; and (ii) improving the policy and institutional framework for public financial management.

The IP-DPG focuses on reforms to address corruption, improve the management of public resources, and manage current economic and political risks. Reforms under the first pillar support development of e-payments, civil service reforms, access to finance, power sector reform, land titling, and water productivity reforms under the second pillar support an improved public investment management system, tax administration, and accountability of public finances.
The Afghanistan Revenue Service (MoR) Project (FSP)

The Fiscal Performance Improvement Support Project (FSP) supports the Afghan Revenue Service Department, which is implementing a transparent digital taxation system that will reduce opportunities for corruption and provide public with up-to-date information, building trust in the tax system.

**FSP supports the Afghan Revenue Service Department, which is implementing a transparent digital taxation system that will reduce opportunities for corruption and provide the public with up-to-date information, building trust in the tax system.**

**Fiscal Performance Improvement Support Project (FSP)**

- **IDA Grant $25 million**
- **ARTF Grant $75 million**
- **Government of Afghanistan $100 million**

FSP is designed to improve management of public finances in Afghanistan by strengthening the capacity of the Ministry of Finance (MoF), National Procurement Authority (NPA), and Supreme Audit Office. It supports the implementation of the Afghanistan Fiscal Performance Improvement Plan (FPIP) through recipient-executed investment financing.

The project aims to improve domestic revenue mobilization and public expenditure management, and to reinforce a performance-oriented management culture in MoF. FSP, which came into effect in January 2018, provides strategic support at a critical moment in Afghanistan’s development.

**Project objective**

The project objective is to support the development of government-to-person (G2P) payments in Afghanistan. Advisory assistance to the recipient’s Ministry of Finance, Da Afghanistan Bank, and beneficiary entities on improved legal and regulatory frameworks and operational processes will complement investments in physical IT infrastructure as well as incentives to spur private-sector-led delivery of financial services.

The project comprises four components:

1. **Supporting a biometric identification system for civil servants and pensioners**
2. **Integrating the identification, verification, and payment systems**
3. **Expanding financial services and access points for digital cash out and cashless payments**
4. **Project management**

The project was approved by the World Bank Board on April 25, 2019, and became effective on September 25, 2019.

**Payments Automation and Integration of Salaries in Afghanistan (PAISA) Project**

- **IDA Grant $10 million**
- **ARTF Grant $15 million**

The project objective is to support the development of digital government-to-person (G2P) payments in Afghanistan. Advisory assistance to the recipient’s Ministry of Finance, Da Afghanistan Bank, and beneficiary entities on improved legal and regulatory frameworks and operational processes will complement investments in physical IT infrastructure as well as incentives to spur private-sector-led delivery of financial services.

The project comprises four components:

1. **Supporting a biometric identification system for civil servants and pensioners**
2. **Integrating the identification, verification, and payment systems**
3. **Expanding financial services and access points for digital cash out and cashless payments**
4. **Project management**

The project was approved by the World Bank Board on April 25, 2019, and became effective on September 25, 2019.
The World Bank Group in Afghanistan

Country Update / ONGOING OPERATIONS

Afghanistan

Sehatmandi (Health) Project

- IDA Grant $140 million
- ARTF Grant $425 million
- Global Financing Facility Grant $35 million

The project aims to increase the utilization and quality of health, nutrition, and family planning services across Afghanistan.

The project comprises three components:

Component 1: To improve service delivery, this component will finance performance-based contracts to deliver the Basic Package of Health Services and Essential Package of Hospital Services across the country.

Component 2: To strengthen the health system and its performance, this component will support a systematic organized approach to establish a performance management culture in the Ministry of Public Health (MoPH) and among stakeholders.

Component 3: To strengthen demand and community accountability for key health services, the third component will finance a range of activities, including communication campaigns aimed at raising overall awareness of health rights as well as specific health behaviors to support MoPH and service providers to be more responsive to community health needs.

The Afghan health system has made considerable progress during the past decade thanks to strong government leadership, sound public health policies, innovative service delivery, careful program monitoring and evaluation, and development assistance. Data from household surveys (between 2003 and 2018) show significant declines in maternal and child mortality.

Despite significant improvements in the coverage and quality of health services, as well as a drop in maternal, infant, and under-five mortality, Afghanistan health indicators are still worse than the average for low-income countries, indicating a need to further decrease barriers for women in accessing services.

The project comprises three components:

Component 1: To improve service delivery, this component will finance performance-based contracts to deliver the Basic Package of Health Services and Essential Package of Hospital Services across the country.

Component 2: To strengthen the health system and its performance, this component will support a systematic organized approach to establish a performance management culture in the Ministry of Public Health (MoPH) and among stakeholders.

Component 3: To strengthen demand and community accountability for key health services, the third component will finance a range of activities, including communication campaigns aimed at raising overall awareness of health rights as well as specific health behaviors to support MoPH and service providers to be more responsive to community health needs.

Recent estimates show that the Maternal Mortality Ratio in Afghanistan has fallen significantly in recent years. The decline in maternal death has been helped by reforms, under the Sehatmandi project, in health clinics, such as this one, which have resulted in provision of better health care and improvement in prenatal and postnatal practices.

HEALTH INDICATORS ON POSITIVE TREND

UNDER-FIVE MORTALITY RATE DROPPED from 191 to 50 per 1,000 live births from 2006 to 2018.

NEWBORN MORTALITY RATE FELL from 53 to 23 per 1,000 live births from 2003 to 2018.

NUMBER OF FUNCTIONING HEALTH FACILITIES INCREASED to more than 2,800 in 2018 from 496 in 2002, while at the same time the proportion of facilities with female staff increased.

BIRTHS ATTENDED BY SKILLED HEALTH PERSONNEL AMONG THE LOWEST INCOME QUINTILE INCREASED to 58.8 percent from 14.9 percent.

PENTA3 IMMUNIZATION COVERAGE MORE THAN DOUBLED (a combination of five vaccines in one covering diphtheria, Pertussis, tetanus, Hemophilus influenzae type b, and hepatitis B) from 29 percent to 61 percent among children age 12 to 23 months in the lowest income quintile.

CONTRACEPTIVE PREVALENCE RATE INCREASED (using any modern method) from 5.3 percent to 17.4 percent between 2000 and 2018.
On a cold, early morning, Mirza Murad, 60, walks toward the Hazrat Sultan Comprehensive Health Center (CHC), gripping a cane in his trembling hand. Murad is a laborer and earns a living working for others on their farmland. The hardships of labor and years of suffering from stomach issues have made him a very thin man. Murad routinely visits the health center for check-ups and medicine, located just 5 kilometers from Gargari village where he lives. It is a short distance compared to the 24 kilometers he had to travel to Aybak, the provincial capital of Samangan, to seek medical care. The shortened journey allows him to visit the health center more frequently. “Everyone from our village comes here for treatment and the [health center] personnel treats us nicely,” Murad says. “The health center is helpful as it treats our problems.”

The CHC is located in the remote district of Hazrat Sultan in Samangan province in northern Afghanistan. It was established more than 40 years ago as a health outpost but was converted to a health center in 2017. It now offers a basic package of health services (BPHS), which include outpatient, midwifery, vaccination, nutrition, and mental health treatment. It also has a pharmacy and an ambulance. There are 20 health and support staff members, serving 24,000 inhabitants in the district. Hazrat Sultan CHC is one of 47 health facilities delivering BPHS in Samangan province, bringing quality health services closer to residents in remote areas. The Ministry of Public Health has contracted nongovernmental organizations, like the Social and Health Development Program (SHDP), to provide BPHS in these health facilities.

Afghanistan Sehatmandi Project, which aims to increase the utilization and quality of health, nutrition, and family planning services across the country.

As a result, general knowledge of health issues has increased and with it, demand for quality health care, says Dr Nisar Ahmad Jawid, SHDP Deputy Technical Project Manager of the Sehatmandi Project in Samangan province. “In the past, people would request that we establish more health centers. Now they ask us to increase the quality of the health services they receive, which means people understand their needs,” he says.
Afghanistan Digital CASA 1 Project
- IDA Grant $51 million

The project, which came into effect in March 2018, aims to increase access to affordable internet, attract private investors to the sector, and improve the government’s capacity to deliver digital government services by supporting a regionally integrated digital infrastructure and creating an enabling environment. The Ministry of Communications and Information Technology is the implementing agency.

Afghanistan Strategic Grain Reserve Project
- IDA Grant $20.5 million
- JSDF Grant $9.7 million

The project will enable the Ministry of Agriculture, Irrigation and Livestock to establish a strategic wheat reserve to be available to Afghan households to meet their needs following any unforeseen emergency situation that affects access to wheat for their consumption, and to improve the efficiency of grain storage management. The project supports the establishment of a governmental semi-autonomous corporation to be in charge of managing the grain reserve of the country and coordinate its activities with other governmental agencies and donors.

For the storage of grains, the project will upgrade two existing storage facilities, build four new large facilities, as well as build national capacity in human resources to operate these facilities according to international standards. It is estimated that by end of this five-year project, the overall storage capacity for wheat will reach 200,000 metric tons, sufficient for the consumption of 2 million Afghans for six months.

Progress has been recorded including: (i) Bid Evaluation Report (BER) for construction of steel silo in Kabul was completed on December 2019 but the contract was not awarded because the qualified bidder failed to provide an audit report and a similar contract and was disqualified. Based on this, the Project Management Unit has redesigned/revised the bidding document to re-advertise it, and (ii) BER for the silos in Herat and Kandahar sites is expected to be completed in March 2020.

The Grain Reserve Managing Charter has been developed and included in the Ministry of Justice’s legislative plan. The first draft of three operational guidelines has been completed. The project is benefiting from technical assistance from the UN World Food Programme, especially on the construction of physical infrastructure.

Central Asia South Asia Electricity Transmission and Trade Project (CASA-1000)
- IDA Grant/Credit $526.5 million, including $316.5 million IDA grant to Afghanistan

CASA-1000, covering Afghanistan, Kyrgyz Republic, Pakistan, and Tajikistan, will put in place the commercial and institutional arrangements as well as the infrastructure required for the silos in Herat and Kandahar sites is expected to be completed in March 2020.

The Grain Reserve Managing Charter has been developed and included in the Ministry of Justice’s legislative plan. The first draft of three operational guidelines has been completed. The project is benefiting from technical assistance from the UN World Food Programme, especially on the construction of physical infrastructure.

Nurek power plant in Tajikistan) to Pakistan and Afghanistan.

At approval, CASA-1000 included the engineering design, construction, and commissioning of high voltage alternating current (HVAC) transmission lines and associated substations in Kyrgyz Republic and Tajikistan, high voltage direct current (HVDC) transmission lines from Tajikistan to Pakistan via Afghanistan; and three new HVDC converter stations in Tajikistan, Pakistan, and Afghanistan. However, in 2016, the four countries restructured the project, in which the converter station in Kabul was dropped. Of the total project financing, Afghanistan has received a $40 million grant from the ARTF for the CASA Community Support Program (see page 43).

Afghanistan is expected to receive 300 MW of electricity import from Tajikistan and Kyrgyz Republic through the existing 220 kV AC lines from Sangtuda substation, and Tajikistan to Chimitala substation in Kabul via Pul-e-Khumri. Da Afghanistan Breshna Sherkat (DABS), Afghanistan’s electricity company under the Ministry of Energy and Water, is the implementing agency for the Afghanistan portion of this project, which in...
includes a Security Management Plan for both the construction and operation phase. CASA-1000 came into effect in January 2018. Three contracts for the HVDC transmission line in Afghanistan were signed in December 2017. Survey and design works are in the final stages. Construction of the line in Herat province is ongoing with the switchyard in progress. Supply of control rooms have been completed and work is on-site and installation is in progress.

Herat Electrification Project

- **Component 1:** Electrification of four districts in Herat province. This component supports investments for building a new 110 kV transmission line and four 110/20 kV substations and medium and low voltage distribution networks in Chesht, Karokh, Obe, and Pashtun-Zarghoon districts.

- **Component 2:** Grid densification, extension and off-grid pilots in Herat province. This component supports investment for supply and installation of a capacitor bank at 24-Hoot substation to improve the voltage profile of the existing network of Herat city including the industrial park. Component 2 also supports extension of a 220 kV transmission line, construction of a substation at Pol-e-Hashimi, and upgradation of the distribution network. It also covers piloting a solar mini-grid.

- **Component 3:** Technical assistance. This component will finance project management and implementation support to ensure timely and quality compilation of the project. It also supports the review of existing standards and procedures, and the preparation of a grid code for the Afghan power system. Contracts have been awarded for the construction of the 110 kV transmission line, the four 110/20 kV substations, and electrification of the four districts. Major equipment for the 110 kV transmission line to Karokh is on-site and installation is in progress. Boundary walls and structural work of control rooms have been completed and work on the switchyard is in progress. Supply of distribution equipment for electrification of the four districts has been completed and installation work is underway.

Contract for supply and installation of the grid code has been signed and work on preparation of the grid code is in progress.

Irrigation Restoration and Development Project (IRDP)

- **Component 1:** Rehabilitation of irrigation systems serving the four districts in Herat province. To improve water management and infrastructure under the project, the Government of Afghanistan and the World Bank Group provide $3.5 million.

- **Component 2:** Rehabilitation of four districts in Herat province. This component supports investment for building a new 110 kV transmission line and four 110/20 kV substations and medium and low voltage distribution networks in Chesht, Karokh, Obe, and Pashtun-Zarghoon districts.

- **Component 3:** Technical assistance. This component will finance project management and implementation support to ensure timely and quality compilation of the project. It also supports the review of existing standards and procedures, and the preparation of a grid code for the Afghan power system. Contracts have been awarded for the construction of the 110 kV transmission line, the four 110/20 kV substations, and electrification of the four districts. Major equipment for the 110 kV transmission line to Karokh is on-site and installation is in progress. Boundary walls and structural work of control rooms have been completed and work on the switchyard is in progress. Supply of distribution equipment for electrification of the four districts has been completed and installation work is underway.

Contract for supply and installation of the grid code has been signed and work on preparation of the grid code is in progress.
In the hydro-met component, installation of 127 hydrological stations and 56 snow and meteorological stations located in various locations on the five river basins in the country is completed and operations and maintenance (O&M) work is ongoing. In addition, 40 cableway stations for flow measurement at selected hydrology stations have been installed and installation of 30 cableways are ongoing. Further, a national O&M team has been established to take care of O&M mobile teams of all hydrological stations.

Progress to date also include: Basin Development Plan for Upper Kabul and Panj-Am River Master Plan are under procurement; terms of reference for hydrogeology drilling test wells and geophysical survey for seven cities (Farah, Herat, Jalalabad, Kabul, Kandahar, Mazar, and Zaranj) have been completed; bids for construction work for the three provinces of Nimroz, Helmand, and Khost are under procurement; and recruitment of the implementing company for Kabul and Herat cities is done. Hydrogeological maps have been prepared for the Preliminary National Ground Water Potential Map and National Data Availability/Well Depth-Water Level/Water Quality Maps.

**Afghanistan Rural Access Project (ARAP)**

- IDA Grant $125 million
- ARTF Grant $312 million

ARAP aims to enable rural communities across Afghanistan to benefit from improved access to basic services and facilities through all-weather roads. The project is expected to increase the number of people living within 2 kilometers (km) of all-season roads, reduce travel time to essential services, and enable rural communities to access essential services more frequently.

As of January 31, 2020, construction of 750 km of secondary gravel roads, 265 km of secondary asphalt roads, and 1,500 km of tertiary roads has been completed. In addition, 1,480 linear meters of secondary bridges and 1,980 linear meters of tertiary bridges have been built.

Routine and periodic maintenance of 670 km of secondary roads has been undertaken as well as routine and periodic maintenance of 3,500 km of tertiary roads.

The project was scheduled to close on March 15, 2020, but has been extended until December 31, 2020 on government request to complete all ongoing civil work contracts and launch the process for the implementation completion report.

**Citizens’ Charter Afghanistan Project (Citizens’ Charter)**

- IDA Grant $227.7 million
- ARTF Grant $444.3 million

The Citizens’ Charter is the successor to the highly successful National Solidarity Programme (NSP), which introduced a community-driven development approach toward rural infrastructure and service delivery and reached about 35,000 communities over 14 years.

The project will support the first phase of the Government of Afghanistan’s 10-year Citizens’ Charter National Program and will target one third of the country. The first phase of the program is expected to be implemented over a period of four years, ending by 2020.

The Citizens’ Charter aims to improve the delivery of core infrastructure and social services to participating communities through strengthened Community Development Councils (CDCs). These services are part of a comprehensive service package that the government is committed to delivering to the citizens of Afghanistan.

The project has been set up as an inter-ministerial program for the delivery of a package of basic services and is structured around four components:

Thousands of villagers across Afghanistan are enjoying easier access to health care, schools, and markets, which has improved their quality of life. The improved access is the work of the ARAP, which has turned rural dirt roads into all-weather ones. “Before, we had to walk at least two hours to get to the main highways,” says a villager. “but now it takes less than an hour by foot or 15–20 minutes by car.”
Country Update / ONGOING OPERATIONS

Component 1: Service Standards Grants. This component supports two types of grants to CDCs:

(a) Rural Areas Service Standards Grants. The Ministry of Rural Rehabilitation and Development (MRRD) has overall responsibility for the implementation of the grants. This subcomponent supports delivery of minimum service standards on rural infrastructure. Allocations per community will be needs-based and on an initial gap and needs assessment against the minimum service standards. The investments include water supply and a choice between basic road access, electricity, or small-scale irrigation.

(b) Urban Areas Block Grants. The Independent Directorate of Local Governance (IDLG)—the project’s urban implementing agency—has overall responsibility for the grants to 600 urban CDCs and 120 Guzars (neighborhoods) in four major cities (Herat, Jalalabad, Kandahar, and Mazar-i-Sharif) to fund small infrastructure works. The menu of options includes street upgrading, parks, lighting, provision of potable water, solid waste management arrangements, and women’s economic activities. This subcomponent supports delivery linkages between the CDC, cluster/Guazar, urban district, and municipality.

Component 2: Institution Building. This component supports capacity building, technical assistance, and community facilitation services. In rural areas, MRRD works with 14 facilitating partners (JPs) in undertaking capacity building and training of provincial and district staff to oversee, monitor, and report on project progress, as well as Social Organizers. The ministry provides engineering and technical support to communities across all 34 provinces.

In urban areas, IDLG works with UN Habitat, which serves as an Oversight Consultant, as well as four FPs on capacity building and training of municipality staff to supervise, monitor, and report on project progress.

Component 3: Monitoring and Knowledge Learning. This component includes robust supervision and learning activities from village to national levels, exchange visits across communities, especially for women, and support for thematic studies and evaluations. It covers a range of participatory monitoring and evaluation tools, including the rollout of simple citizens' scorecards to be completed by CDCs and Social Organizers to report on the minimum service standards.

Component 4 (new under Additional Financing): Project Implementation and Management. This component supports the management and oversight of the project at national, provincial, and district level in rural areas and the municipal management units in the four regional hub cities. This includes areas such as policy and operational planning, capacity building, management information systems, grievance redress mechanisms, human resource management, communications; donor and field coordination; financial management and procurement functions; and safeguards oversight.

Component 5 (new under Additional Financing): Social Inclusion and Maintenance and Construction Cash Grants (MCCGs). This component will provide emergency short-term employment opportunities through labor-intensive public works, as well as support for collective action activities beyond public works that are aimed to foster greater social inclusion and protect the ultra-poor/vulnerable in communities.

There are two subcomponents:

(i) Social Inclusion Grants and Collective Action Activities. The Citizens’ Charter is involving in women and giving them leadership opportunities to build their confidence and ensure the future. Women are involved in the decision-making processes of their communities as elected representatives of Community Development Councils. The Kuchies Development Sub-Program (KDSP) is an additional sub-program to the Citizens’ Charter. The sub-program was officially launched in April 2019 and aims to reach semi-nomadic and fully nomadic Kuchies communities in Afghanistan. It adheres equally to the principles of equity, inclusion, participation, accountability, and transparency and KDSP is expected to comply with the guidelines described in the Citizens’ Charter.

EXPECTED CITIZENS’ CHARTER RESULTS

Results expected under the first phase include:

• 10 million Afghans reached.
• 3.4 million people gaining access to clean drinking water.
• Improvements to quality of service delivery in health, education, rural roads, and electrification.
• Increase in citizen satisfaction and trust in government.
• 35 percent return on investment for infrastructure projects.

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(ii) MCCGs are to serve as quick-disbursing mechanisms; human resource management; communications; donor and field coordination; financial management and procurement functions; and safeguards oversight.

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(ii) MCCGs are to serve as quick-disbursing emergency grants for work/labor-intensive public works schemes that are targeted at vulnerable households within the communities and managed through a community-driven development approach. The cash for work will include repairs, rehabilitation, cleaning, expansion, or construction. Cash for work will target ultra-vulnerable households that cannot participate in public works.

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KDSP will support the provision of development services to the Kuchies communities in the areas of health, education, road construction, safe drinking water, electricity, and drainage systems. Additionally, the sectoral menu for KDSP will include specific services tailored to the unique development needs of the nomadic communities, which include electricty through solar or biogas systems and modernization of water reservoirs.

Implementation progress to date includes: more than 12,000 subproject proposals prepared, more than 11,500 Community files (CPs) completed, and more than 12,000 subproject proposals prepared.

In rural areas: Over 11,800 community profiles (CPs) completed, over 11,700 new CDCs elected, more than 11,500 Community Development Plans (CDPs) completed, and

**Women's Economic Empowerment Rural Development Project (WEE-RDP)

**Component 1: Community Mobilization and Institution Development.**

Component 2: Access to Finance. It comprises (i) providing seed grants to eligible SHGs and VSLAs to establish long-term revolving funds; and (ii) facilitating access to financial services for rural women through partnerships with microfinance institutions and commercial banks to promote financial inclusion of women groups; developing relevant financial products and services with commercial banks and microfinance institutions; eliminating institutional constraints on women’s access to formal financial services; exploring feasibility of piloting a system, enabled by information technology, for delivery of financial products; and financial capacity building.

Component 3: Enterprise Development and Market Linkages.** It comprises (i) providing technical assistance and supporting promotional activities to strengthen the capacity of EGs, PAs, and individual women entrepreneurs to access markets and manage their businesses, (ii) providing catalytic funds to eligible EGs and PAs; and (iii) supporting EGs, PAs, and/or individual women entrepreneurs through facilitating their partnerships with business enterprises to improve the supply of business development services and access to markets.

The pace of social mobilization under WEE-RDP has been remarkably high and more than 4,000 self-help groups (SHGs) have been created as of July 2019, over 1,200 of which were created over an eight-month period. The number of new SHGs already exceeds the total number created for women before the start of the project.

Overall, 78 percent of SHG members belong to the “poor” and “poorest” categories, according to the Well-Being Analysis carried out by the Citizens’ Charter, which WEE-RDP uses to identify target beneficiaries. The SHGs have cumulatively saved over $125,000 and have issued more than 4,500 loans to their members, amounting to some $76,000. The project will engage in 76 districts and 5,000 villages across Afghanistan and will work closely with other rural development programs.
While out in the field, we have seen that women are badly affected by poverty in rural areas and the value of the services they provide at home are often overlooked. Traditional norms have made it difficult for rural women to get a loan, start a business, and access financial information that can influence the way they earn, budget, and spend money.

Yet, women who are empowered and given the opportunity to develop economically have made significant contributions to the growth and development of their community as well as the larger society. These women have established thriving businesses and reduced household poverty, especially in the rural areas.

Although urban centers, like Kabul, continue to grow and thrive in post-conflict Afghanistan, poverty is on the rise. Poverty in Afghanistan increased from 38.3 percent in 2012 to 54.5 percent in 2017, according to the Afghanistan Living Conditions Survey by the National Statistics and Information Authority. This is due to rural areas struggling to compete in the modern market. As a national push for development, the Afghan government has taken steps to engage rural areas where growth is stagnant according to poverty statistics.

In response to the growing poverty of rural women, the Government of Afghanistan launched the Women’s Economic Empowerment – Rural Development Project (WEE-RDP) in October 2018. The project is a national program that empowers rural women by helping them to mobilize into self-help groups, open small businesses, and access financial services.

Before rolling out any project in the rural areas, we asked ourselves which spheres we needed to invest in that could help alleviate poverty. Increasing women’s participation in the local economy and linking women producers with regional and national markets are lined up as key potential targets for WEE-RDP to achieve. With support from the project, rural women will create savings and credit groups that will help them start and expand businesses and enter new markets.

The project will operate nationwide in 5,000 villages in 76 districts throughout Afghanistan, where potential rural businesswomen are expected to create income-generating opportunities in Afghan villages that will benefit more than half a million rural people.

Since its inception, WEE-RDP has started to work in over 25 provinces and received a warm welcome from local government entities, people’s representatives, women, and the media.

Opportunities for business development
A woman who applies for a bank account needs to produce a national identification card (Tazkira), but as most rural women don’t have identity documents, the WEE-RDP plans to facilitate and support women’s applications for identity cards. We hope to see a surge in national identity applications, which would help women register their businesses and seek loans.

We learned from the Afghanistan Rural Enterprise Development Program, the program that preceded WEE-RDP, that rural women represented a target group who were interested in business development, but were often ignored when it came to mobilizing resources for them. WEE-RDP will build on AREDP’s work and reach the most vulnerable women as we believe that to build a strong Afghanistan requires empowering women and providing them with equal opportunities for growth.

Rahmatullah Quraishi is the Executive Director of WEE-RDP at the Ministry of Rural Rehabilitation and Development. Yaqub Sulliman is the Regional Manager for WEE-RDP.
Trans-Hindukush Road Connectivity Project

- **IDA Grant $250 million**

The project aims to support the government’s efforts to improve road transport links across the Hindukush mountain range, including the rehabilitation of the Salang road and tunnel. It will develop existing mountain crossings into dependable, all-season roads that will allow the vital transport of passengers and goods to cross the Hindukush mountain range throughout the year.

There are currently only two road crossings over the mountain range, with the Salang highway carrying most of the cross-Hindukush traffic and an unpaved secondary crossing between Baghlan and Bamyan. The project will carry out civil works for the upgrading of the Baghlan to Bamyan (B2B) road (312 km) into a paved road as well as the rehabilitation of the Salang road and tunnel (87 km).

Four out of the six segments along the B2B road are under construction, namely segments 1, 2, 5, and 6. The procurement process of segments 3, 4a, and 4b are well advanced. The Construction Supervision Unit of the Ministry of Transport is supervising the implementation of the segments under construction. Physical progress on segment 1 and segment 6 currently stands at roughly 28 percent and 15 percent of the work, respectively.

The design consultancy for the Salang Tunnel rehabilitation has advanced as per schedule but the government has changed the scope of the rehabilitation to include the design of a new tunnel bore adjacent to the existing tunnel. This will require a time extension on the consultancy work.

The grievance redress mechanism is operational at various levels. Mid-term review of the project was completed on June 20, 2019. The outcome of the review suggests that project restructuring should take place soon, tentatively by June 2020.

Afghanistan Land Administration System Project (ALASP)

- **IDA Grant $25 million**
- **ARTF Grant $10 million**

The project’s objective is to support the development of the Afghanistan land administration system and provide the population in selected areas with improved land registration services, including issuance of titles and occupancy certificates (OCs).

The project aims to (i) establish an effective land administration system in Afghanistan that provides transparent land services, contributing to stability and growth; (ii) help close the gaps and further develop the policy, legal and institutional framework for land administration; (iii) provide the building blocks for a modern land administration system in Afghanistan; and (iv) support building capacity of the Ministry of Urban Development and Land (MUDL) and improving its governance structure to enhance institutional effectiveness and accountability.

ALASP has made progress, including (a) advancing the transition to an administrative form for deeds issuance, with the signing of a protocol for transferring deeds transactions from the Supreme Court to MUDL, as part of this process, the Deeds Automation Regulation and Procedures have been approved, a deed automation test software developed, and the Deed Automation Office opened in Herat; (b) preparation of the administrative, legal and technical implementation approach document for OC issuance, taking into consideration lessons learnt and challenges; (c) the Occupancy Certificates Regulations were amended to reflect recommendations made during project preparation to speed up OC issuance and manage social risks better; and (d) a five-year Strategy for Women Empowerment and Gender Equity has been prepared and anti-harassment procedures developed.
Eshteghal Zaiee – Karmondena Project (EZ-Kar)

- **IDA Grant $150 million**
- **ARTF Grant $50 million**

EZ-Kar aims at strengthening the enabling environment for economic opportunities in cities where there is a high influx of displaced people. The project objective will be pursued by increasing returnees’ access to civil documents, providing short-term employment opportunities, improving market-enabling infrastructure, and supporting investor-friendly regulatory reforms.

The project targets Afghan refugees living in Pakistan and in 13 Afghan provincial capital cities with the highest influx of recent returnees. The 13 cities are Asadabad, Firozkoh, Herat, Jalalabad, Kabul, Kandahar, Khost, Kunduz, Maimana, Mihtarlam, Paroon, Puli Khumri, and Taloqan. The project has five components:

**Component 1:** Regional and national integration of displaced persons. The component is implemented by the Ministry of Foreign Affairs.

**Component 2:** Short-term employment opportunities, reforms, and market-enabling infrastructure and municipal-level regulatory reforms in 12 cities implemented by the Independent Directorate of Local Governance (IDLG).

**Component 3:** Prioritized urban investments in four provincial capital cities—Herat, Jalalabad, Kandahar, and Khost—implemented by IDLG.

**Component 4:** Market-enabling infrastructure and regional and national-level regulatory reforms in 12 cities implemented by the Independent Directorate of Local Governance (IDLG).

**Component 5:** Red carpet, project coordination, and national-level regulatory reforms implemented by the Ministry of Economy, which is also responsible for overall project coordination.

The project was launched in February 2019. As of February 2020, it is finalizing the procurement of facilitating partners to mobilize communities to implement labor-intensive public works and market-enabling subprojects through Community Development Councils, Guzars, and Business Guzars.

At the municipal level, prioritized urban projects are being identified and developed in Kabul Municipality and the four target provincial capital cities. As part of support for business-friendly regulatory reforms, construction permits regulatory reform action plans have been finalized for the municipalities of Herat, Jalalabad, Kabul, and Kandahar, the implementation of which will continue to be supported by the project.

The EZ-Kar Project supports cities with the highest influx of recent returnees. It works to increase job opportunities for returnees and to mobilize communities to implement labor-intensive public works and market-enabling projects through Community Development Councils and other local councils.

Tackling Afghanistan’s Government HRM [Human Resource Management] and Institutional Reforms (TAGHIR)

- **IDA Grant $25 million**
- **ARTF Grant $50 million**

TAGHIR is a follow-on to the Capacity Building for Results (CBR) Facility. It assists the Government of Afghanistan deliver its key policy priorities by having more qualified and competent civil servants in key positions and administrative reforms in 16 line ministries.

The project supports up to a total of 1,500 civil service positions to enable the ministries to meet objectives and deliver on their priorities. The 1,500 positions include around 600 legacy positions from CBR. The Independent Administrative Reform and Civil Service Commission (IARCSC) leads the project implementation.

TAGHIR will also help the government establish and operationalize a functional Human Resources Management Information System (HRMIS) for over 400,000 civil servants in the Afghan Civil Service.

Progress toward achievement of the project objective and overall project implementation is currently rated as “Satisfactory.” Key implementation developments secured to date include:

**Component 1:** Human Resource Capacity Injection. A total of 616 “legacy” CBR positions, identified by the government as strategically relevant to the key higher-level objectives of this component, has been fully transitioned to TAGHIR. As part of the project’s financing partnership, the Pay & Grading (Base) component of these civil servants’ pay is now directly financed on core government budget.

For new human resource capacity injection, strategic staffing plans and accompanying performance benchmarks have been endorsed for 14 of the 16 priority ministries and independent agencies. Strategic staffing plans have identified around 400 new staffing positions, of which 34 have been recruited and a further 108 positions are in various stages of recruitment.

**Component 2:** Personnel and Payroll Management. Development of a national HRMIS has been considerably advanced with six modules completed: (i) **TAGKESKEL (Organizational Structure);** (ii) **SAWANIH (Personnel Profile);** (iii) **Biometric Collection;** (iv) **Biometric Enrollment;** (v) **TANZIMAT (Settings);** and (vi) **Users.** A Payroll module has been developed and is currently under testing. Biometric and
biographic data collection, carried out in co-
ordination with the National Statistics and
Information Authority and in line with the
biometric standards it has set, has been com-
pleted for over 338,000 civil servants of 52
ministries and independent agencies in all 34
provinces.

Component 3: Support to Administrative
Reforms. Following its amendment of the
Civil Servants Law and its approval by Cabinet
in March 2013, IARSCC has advanced in de-
veloping and enacting critical subsidiary
policies, regulations and procedures required
to support implementation of the amended
law. These include a Civil Service Pay Policy; a
Policy for Increasing Women’s Inclusion, cus-
toms, human resources, and procurement
cadre regulations; a mass recruitment gener-
al procedure; and a Deputy Ministers recruit-
ment regulation.

IARSCC also has developed a new five-year
strategic plan and is completing functional
reviews of three line ministries and an inde-
pendent agency (the Ministry of Education;
Ministry of Agriculture, Irrigation and
Livestock; Ministry of Communications and
Information Technology; and the Supreme
Audit Office).

/ URBAN DEVELOPMENT

Cities Investment Program (CIP)

ID Grant $25 million

The project aims to introduce sustainable
municipal finance and management systems in
nine participating provincial capital cities
(PCCs) and rehabilitate municipal infrastruc-
ture in five participating PCCs.

The project is providing financing for in-
frastructural and institutional development to
five PCCs—Herat, Jalalabad, Kandahar,
Khost, and Mazar-e-Sharif. All participating
municipalities have met specific performance
criteria to access 50 percent of the allocated
financing. On infrastructure development, 18
priority road projects are in various stages of
procurement and civil works are expected to
commence in the second quarter of 2020.

An additional 100 priority projects have been
identified and are in the process of feasibili-
ity and detailed design. These projects will
be implemented over the course of the next
three years, covering medium-scale munici-
pal infrastructure, including roads, parks, bus
stations, drainage, and streetlights.

In addition, the project has also begun
working on institutional development. Work
has started on Own Source Revenue enhance-
ment strategies and baseline assessment for
the implementation of the Afghan Financial
Management Information System in the
municipalities.

Urban Development
Support Project

ID Grant $11.47 million

The project will support the Ministry of Urban
Development and Housing (MUDH) to create
an enabling policy framework and enhance
urban policymaking capacity in relevant agen-
cies at the national level, as well as strength-
en city planning, management, and service
delivery capacity in five selected provincial
capital cities. These cities are Herat, Jalalabad,
Kandahar, Khost, and Mazar-e-Sharif.

The project consists of the following
components:

Component 1: Urban Information: An
Urban Management Information System.
Technical assistance for the government to
create a database and web architecture for
key statistics, maps, and geographic informa-
tion system data to facilitate better urban
planning and results monitoring. Building a
municipal finance performance database to
support implementation of the Municipal
Incentive Fund.

Component 2: Urban Institutions: In-
stitutional and Capacity Development
Undertaking a functional review of current
planning functions, practices, and capacities
at MUDH and the five PCCs, and developing
an action plan to address deficiencies in le-
gal/regulatory issues, processes, and staffing.

Support for four “work streams” to provide di-
agnosis and recommendations on key policy
areas, including urban planning and land use
management, affordable housing, urban re-
generation, and municipal finance.

Component 3: Urban Integration-
Strengthening Urban Planning at National
and Local Levels. Financing the completion
of Strategic Development Framework (SDF)
for each of the PCCs that will identify me-
dium-term development goals, based on a
consultative stakeholder engagement pro-
cess. The SDFs will draw from data inputs in
component 1, identify key challenges and
development goals, and propose activity and
investment plans to achieve them. The com-
ponent will also build a culture of planning
through development of curriculum for ur-
ban planning practitioners.

Component 4: Urban Investments-
Feasibility and Design Studies for Urban
Infrastructure Preparation of a pipeline of
priority projects (no regret, quick-win pro-
jects) in the five PCCs, including detailed fea-
sibility and design studies
The International Finance Corporation's key prong of engagement has been through advisory support focused on improving the investment climate and building capacity, while supporting selective investments in sectors with high development impact and job creation. IFC's current strategy is aligned with the ongoing World Bank Group’s Country Partnership Framework, 2017 to FY 2020 (extended to FY 2022).

Investment Portfolio
IFC provides a mix of investments services in Afghanistan, with a focus on financial inclusion, telecommunications, agribusiness, and infrastructure. IFC’s current cumulative committed portfolio stands at over $238 million, including investment in Roshan Telecom, First Microfinance Bank, Afghanistan International Bank, and Afghan Processing Plant (Rikweda).

IFC investments have had a transformational impact in access to finance and outreach, particularly in the microfinance and telecommunication sectors. IFC will continue to seek new investment opportunities and engage with local players to support the development of Afghanistan’s private sector.

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Corporative Governance (CG)
The CG project aims to address foundational market failures in Afghanistan’s banking sector: Through scoping activities, a combination of market failures has been identified at all levels, i.e., individual bank, regulatory, and sector.

IFC is working with banks to help them improve their performance (improved decision-making, risk management, operating efficiency, profit, and valuations) and increase access to finance (reduced costs of capital, improved loan terms, and increased access to investors) by promoting better CG practices among the banks in Afghanistan.

Strengthening Afghanistan Horticulture Exports
IFC is working to develop Afghanistan’s horticultural exports by helping agriculturists enhance efficiency and supporting the extension of market opportunities, both nationally and internationally. This project aims to improve the livelihood of horticulture farmers by linking them to fruit processing companies through contract farming and supporting processing companies to expand their export markets.

Investment Climate
The program is designed to tackle business and investment climate challenges of the country. The overarching goal of the program is to support improvements in the business environment and help the government facilitate investment and trade.

The program aims to improve the quality of business regulations, strengthen mechanisms for trade facilitation and export promotion, and enhance mechanisms for investment attraction and retention to reduce private sector’s cost of compliance (cost savings) in Afghanistan.

IFC is currently working to support the government in promoting an investment and business climate that is conducive to private sector growth through the investment climate program’s subprojects: (i) Business Licensing Reform Project; Phase II; (ii) Business Enabling Environment Project; and (iii) Agribusiness Export Competitiveness Project.

Scaling Solar
Scaling Solar is a “one stop shop” program for governments to rapidly mobilize privately funded grid connected solar projects at competitive tariffs. The program brings together a suite of World Bank Group services under a single engagement based on a template approach to create viable markets for solar power in each client country.

IFC’s transaction advisory team is supporting GoIRA to attract private sector participation in the development of a solar power plant of up to 40 MW under the Public Private Partnership model.

The first Scaling Solar project is located in Herat province (40 MW) and, being the largest renewable plant in the country, will have a significant impact on the energy landscape as Afghanistan currently relies on imported electricity.
The objectives of the ARTF are to:

- Position the national budget as the key vehicle to align the reconstruction program with national development objectives.
- Promote transparency and accountability of reconstruction assistance.
- Reduce the burden on limited government capacity while promoting capacity building over time.
- Enhance donor coordination for financing and policy dialogue.

The ARTF’s support of the government’s priority programs, policy reform agenda, and the non-security operating costs of government operations contributes to the achievement of Afghanistan’s national strategic goals.

The Recurrent Cost Window (RCW) Grant $5.057 billion

The objective of the Recurrent Cost Window is to provide a coordinated and incentive-driven financing mechanism, enabling the Afghan government to make predictable, timely, and accurate payments for approved recurrent costs—related to salaries and wages of civil servants, and non-security related government operating and maintenance expenditures.

The Recurrent Cost Window was set up in 2002 to help the Afghan government meet its recurrent (operating) budget needs. The RCW has been restructured several times, most recently in 2018. For the first time, RCW support is being provided through standard World Bank instruments, including an annual $300 million Development Policy Grant supporting key structural and policy reforms. To date, the ARTF has disbursed $5.5 billion through the government’s non-security operating budget. Domestic revenues continue to be insufficient to cover the costs of government. The ARTF RCW has therefore ensured the basic functioning of government, including the delivery of services such as health care and education. Given that around 60 percent of the non-uniformed Afghan civil service is accounted for by teachers, the Ministry of Education has in general received about 40 percent of total ARTF resources. The Ministries of Public Health, Foreign Affairs, Labor and Social Affairs, and Higher Education have also been major recipients.

It should also be highlighted that the RCW resources are national in scope, ensuring the payment of salaries of around 63 percent of non-uniformed civil servants in all 34 provinces of the country. Steady year-on-year increases in operating costs across government mean the RCW accounts for a declining share of the overall budget. Nevertheless, the RCW still finances around 16 to 20 percent of the government’s non-security operating budget.

The Recurrent Cost Window reimburses the government for a certain portion of eligible and non-security related operating expenditure every year. The Investment Window provides grant financing for national development programs in the development budget.

The ARTF has a three-tier governance framework (Steering Committee, Management Committee and Administrator) and three working groups. This sound framework has enabled the ARTF to adapt to changing circumstances and development priorities with consistency and consensus. The World Bank is the administrator of the trust fund. The Management Committee consists of the World Bank, Islamic Development Bank, Asian Development Bank, United Nations Development Programme, Ministry of Finance, and United Nations Assistance Mission in Afghanistan as an observer. The Management Committee meets regularly in Kabul to review ARTF finances and approve funding proposals.

The ARTF Strategy Group, consisting of donors and MoF, meets monthly to review the implementation of the ARTF program and to discuss strategic issues.

How the ARTF works

Donors contribute funds into a single account held by the World Bank in the USA. The ARTF Management Committee makes decisions on proposed allocations at its regular meetings, and those decisions are translated into funds through Grant Agreements signed between the World Bank as administrator of the trust fund and the Government of Afghanistan.

ARTF allocations are made through four ‘windows’: (i) Recurrent Cost Window; (ii) Investment Window; (iii) Advisory Services, Implementation Support, Technical Assistance Facility (ASIFT), and (iv) Anti-Corruption and Results Monitoring Action Plan (ACReMAP).

The Recurrent Cost Window reimburses the government for a certain portion of eligible and non-security related operating expenditure every year. The Investment Window provides grant financing for national development programs in the development budget.

ASIFT was developed in answer to GOIRA’s request to the World Bank to provide more direct hands-on advisory services, implementation support, and technical assistance to ensure more effective implementation of ARTF programs and strengthening of government institutions and capacity in the development and execution of national priority programs.

The ‘window’ to fund ACReMAP is a reallocating of the World Bank’s commitment to further ramp up its efforts on anti-corruption and results monitoring in Afghanistan, where the Bank had already applied a more stringent set of oversight mechanisms than elsewhere. The World Bank, as a trustee and administrator of the ARTF, is committed to strengthening its fiduciary oversight of ARTF-financed projects both to minimize risks of fraud, corruption, and misuse of funds and to maximize the funds’ development impact.

Donor Contributions

Donor contributions have increased year after year, with both old and new donors contributing to the ARTF. Over the last few years the “preferred” portion of donor contributions has been the main factor driving growth. The agreed ARTF rule is that donors may not “prefer” more than half of their annual contributions. This rule is based on the fact that the ARTF has sufficient funding to finance the Recurrent Cost Window and that it retains some flexibility in the approval of projects in support of government priorities.
The World Bank Group in Afghanistan

Country Update

Afghanistan On-Farm Water Management Project (OFWMP)
Grant $70 million
Closed on December 31, 2019

The project objective was to improve agricultural productivity in project areas by enhancing the efficiency of water used. By its closure, OFWMP had made good progress in achieving the agreed targets and disbursing grant proceeds. The cumulative disbursement rate reached 95 percent.

By December 31, 2019, over 742 km of canals against the cumulative target of 186 km, serving around 7,700 hectares of land, had been rehabilitated, while 621 Irrigation Associations against the target of 500 had been established.

The project-supported Farmer Call Center continues to receive calls from both male and female farmers and herders around the country and provides technical advice via a cadre of experts. By project end, over 47,000 farmers, about 4,300 of whom were women, had contacted the center for technical assistance.

The 120 Land Laser Leveling units distributed by the project to private operators continue to provide services to farmers on a full cost basis. To date, about 1,400 hectares of land have been served by these units.

The project team showcased high efficiency irrigation technologies at 51 demonstration sites and supported 122 Farmer Field Schools, covering over 4,000 farmers.

In addition, OFWMP provided support to the Ministry of Agriculture, Irrigation and Livestock (MAIL) in various areas, including surveying and designing several irrigation canals to be financed by the ministry and other donor-funded projects. This support among others included a feasibility study of the Khush Tepa, Andkhoy, and Hairatan irrigation canal, which flows through Farah, Jowzjan, and Balkh provinces in northern Afghanistan; 60 gabion protection wall subprojects; five irrigation schemes in the Nahr-e-Shahi canal of Balkh province, and 34 pipe irrigation schemes.

Central Asia South Asia-1000 Community Support Program (CASA-CSP)
Grant $40 million

CASA-CSP supports communities along the CASA transmission line in Afghanistan. The project was restructured last year and is now being implemented in alignment with the Citizens’ Charter Afghanistan Project and in close collaboration with CASA-1000.

Initially, the implementation was a challenge because the route had not been finalised and there were more route alignment changes proposed for the transmission line, while the agreement is that CSP will cover communities within the four-km “corridor of influence” (COI) along the transmission line. However, as of February 2019, the final CASA-1000 transmission line has been finalised and CSP has started mobilisation activities along the COI.

Implementation has begun, with all agreed positions filled, procurement processes revised, and implementation and disbursement plans prepared and submitted to the World Bank. After the route was approved, the Ministry of Rural Rehabilitation and Development carried out an initial mapping of the communities along the COI and 461 communities were identified.

After the visit of the Implementation Support Mission, the number of communities increased from 461 to 636 as a result of actual physical verification of communities along the COI by MRRD engineers and social organizers on the ground.

In addition, there are 395 communities in areas not covered by the Citizens’ Charter. MRRD has started mobilisation in 268 of these communities, but there are two districts in Baghlan, and one each in Kunduz and Laghman that are extremely insecure and MRRD has not been able to enter these districts as yet.

The communities that are overlapped by the Citizens’ Charter have been mobilised and their Community Development Plans (CDPs) revised.

Newly rehabilitated irrigation canals, such as this one, have resulted in even distribution of water, less water wastage, faster water flow, more cultivable land, greater crop diversity, and better incomes for farmers. The work of the now closed OFWMP has led to long-lasting benefits for thousands of farmers across the country.
Overall, project implementation efforts have progressed well and social mobilization is well underway. In communities overlapping with the Citizens’ Charter, CSP social mobilizers have focused on subproject implementation and building support for the transmission line and have satisfactorily communicated the additional benefits provided by CSP to the targeted communities. To date, 48 subproject proposals have been surveyed, designed, and prepared based on revised CDPs, out of which 32 are in the MIS database for verification and disbursement.

**DABS Planning and Capacity Support Project**

**Grant $6 million**

The project aims to improve Da Afghanistan Breshna Sherkat (DABS) capacity in distribution investment planning, implementation, and operation and maintenance. This project has two components:

**Component 1:** Staff capacity building, which aims to support DABS capacity to plan and implement new investments in distribution systems and to operate and maintain the investments properly.

**Component 2:** Development of a training center in Kabul. DABS does not have any training facility for its staff, and this has been identified as a critical gap in its overall capacity building efforts.

The project is supporting the preparation and implementation of annual O&M plans for six major load centers using new procedures based on good international practice adjusted for local conditions. The project-supported training and a new training center are expected to improve skills of 90 percent of DABS planning and O&M staff.

The project provided internship opportunities for new women engineering graduates to work at DABS. Twelve female engineers were hired as interns in DABS and assigned to different departments.

A contract with a consultancy firm for staff capacity building was signed in May 2019 and training has started. The contract for construction of the training center was also awarded in June 2019, with construction activities already started. Procurement of equipment for the training center is delayed due to an unsuccessful bidding process. However, DABS is currently working on alternative options for the procurement of the equipment.

**Higher Education Development Project (HEDP)**

**Grant $55 million**

HEDP aims to increase access to higher education in Afghanistan, as well as improve its quality and relevance. HEDP uses an Investment Project Financing instrument based on the Results-based Financing modality.

Under component one, project funds are being disbursed against selected line items in the annual budget of the Ministry of Higher Education (MoHE) up to capped amounts, and on condition that the agreed set of disbursement-linked indicators (DLIs) are achieved.

The DLIs reflect the priorities for development. These include intermediate outcomes that build cumulatively over the lifespan of HEDP to improve access to the higher education system and raise its quality and relevance. This component supports the reforms initiated through the National Higher Education Strategic Plan II and focuses on outcomes and results rather than inputs.

The project started in September 2015 and MoHE is on track to meet the fourth round of the DLIs, which include training and practice of Outcome-Based Education (OBE) and Student-Centered Learning (SCL) by at least 5,000 university academics, establishment of functional ICT centers at seven universities for ICT-based higher education, and establishment of Internal Quality Assurance Units functioning to international standards at 10 universities.

Enrollment in key priority disciplines (those that contribute to economic and social development) has increased substantially from 64,200 at the project baseline to about 81,900 to date. The special focus on increasing female enrollment has also paid substantial dividends with female enrollment increasing from 11,400 to about 16,900.

MoHE has developed a policy and by-law for the practice of e-learning. This will support gradual introduction of blended learning, incorporating e-learning into the university curriculum, as well as recognition of blended learning toward program credits.

In the pilot phase, a select number of online courses have been uploaded on AfghanEx and supplement courses taught at public universities. AfghanEx has been developed based on the EdX platform for online teaching and learning. Promotion of e-learning in higher education to improve access and qual-
Thousands of Kabul residents are enjoying better air quality and cleaner streets after a roadworks project paved the dirt streets and built drains in their neighborhood. "We have much less dust on our streets and our children are healthier now," says a resident.

Kabul Municipal Development Program (KMDP)

Grant $110 million

Kabul Municipality is responsible for implementing the project. The project objectives are to (i) increase access to basic municipal services in selected residential areas of Kabul city; (ii) redesign Kabul Municipality’s Financial Management System to support better service delivery; and (iii) enable early response in the event of an eligible emergency. KMDP is expected to deliver welfare and human development benefits to over 1 million people through services provided in some 3,000 hectares of private land. The implementation of the plan is underway, which will enhance Kabul Municipality’s institutional capacity.

The project received additional financing of $5 million in 2018, mainly to expand the following successful project interventions to scale up project impact and development effectiveness: (i) provision of faculty scholarships (150 postgraduate scholarships to public university academics in priority disciplines with one third allocated to female academics); (ii) training of teaching faculty in OBE and SCL; (iii) grants to support individual and group research projects at universities.

The project closing date has been extended from December 31, 2020, to December 21, 2022, to allow sufficient time for completion of the additional activities and achievement of the final targets.

Kabul Urban Transport Efficiency Improvement Project (KUTEI)

Grant $90.5 million

KUTEI aims to improve road conditions and traffic flow on select corridors of Kabul city. The project will focus on improving road infrastructure and providing technical assistance to Kabul Municipality in specific areas. Investments in key road infrastructure will improve connectivity and make Kabul more inclusive, while technical and knowledge support will gradually transform Kabul

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Municipality into a modern planning and implementing agency by adopting best international practice. Kabul Municipality will be responsible for project implementation, including procurement and financial management.

Project objectives will be measured against the following indicators: (i) traffic capacity improvements, measured by average vehicle speed during off-peak hours; (ii) people (within a 500-meter range) in urban areas provided access to all-season roads; and (iii) percentage of Kabul city’s trunk road network in at least “fair” condition.

Project implementation is progressing well and all planned civil works contracts have been awarded. To date, nine civil works contracts, totaling 32 kilometers of roadway, have been completed and the roads are opened to traffic. Implementation of the remaining four civil works contracts started early this year and all the contracts are expected to be completed by June 30, 2020. The project will close on December 31, 2020.

Naghlu Hydropower Rehabilitation Project (NHRP)

Grant $83 million

NHRP aims to improve dam safety and sustainability of hydropower and to increase the supply of electricity at the Naghlu Hydropower Plant (NHP). NHP is of strategic importance to Afghanistan’s power generation portfolio as it provides more than half of Kabul’s electricity.

The project came into effect in January 2016. In November 2018, NHP started operating at full capacity (100 MW) after the rehabilitation of turbine units 1 and 3. Unit 2 also requires overhauling as it has operated for over 40,000 hours. The bidding document for procurement of spare parts for five years of operations and maintenance of the power plant will be finalized and advertised in April 2020.

Work on dam safety enhancement is also underway. Submersible water pumps have been installed inside the dam’s drainage gallery to release upward water pressure. The contract for procurement of two additional pumps, required to completely drain both galleries, is signed and the pumps are expected to be installed in April 2020.

A bathymetric survey of the Naghlu dam reservoir will be performed by DABS personnel with support from the Ministry of Energy and Water and Food and Agriculture Organization (FAO) team. DABS undertook market research and, with the advice of the FAO expert, purchased an eco-sounder. The FAO expert provided Naghlu plant personnel training on conducting the bathymetric survey using the eco-sounder in January 2020. The bathymetric survey is expected to be conducted in April 2020.

Terms of reference for hiring a consultancy firm to carry out a dam safety and hydromechanical audit were finalized and the tenders advertised in March 2019. After the shortlisting process, three shortlisted firms sent their proposals in February 2020, which are now under evaluation by DABS.

The contract for the associated procurement of a consultancy firm for conducting the Environmental and Social Impact Assessment (ESIA) of Naghlu dam is expected to be signed in March 2020. As the ESIA audit results for proper management of sediment will be available only later, DABS will perform an internal interim sediment assessment and prepare a limited environmental assessment report. Sediment has been delivered to the ranges of the dam for evaluation by DABS and the results for proper management of sediment will be available only later.

The bidding document for sediment assessment and selective removal, including unexploded ordnance, will be finalized.

NHRP also has a benefit-sharing program for the local population, which includes electrification of villages in surrounding districts. Construction of the Sorobi 20 MW substation was completed in April 2019, supplying power to some Sorobi villages. Extension of the distribution system to 17 out of 18 villages in Sorobi district has been completed. Villages in Tagab district have been surveyed and the distribution system is at design stage.

The project also included vocational training for villagers. However, during consultation with the villagers, it was agreed that instead of vocational training, the project will facilitate extension of services of the National Horticulture and Livestock Project. Under the first phase that started in January 2019, poultry and training of its upkeep

RESULTS EXPECTED UNDER THE NHRP

- Revived 50 MW of previously nonoperational capacity of Naghlu Hydropower Plant by rehabilitating Unit 1 and overhauling Unit 3.
- Improved routine operation and maintenance of the power plant for five years.
- Improvement of Naghlu Dam safety measures and re-activation of the dam bottom outlet and flash out gate.
- Enhanced staff capacity to operate and maintain the power plant.
- Residents living near NHP connected to electricity and facilitated NHLP extension services, i.e., poultry farming, kitchen gardening, and establishment of orchards.
- Enhanced security and safety measures of the NHP.
- Renovate and revive full capacity of Darunta Hydropower Plant.
- Preparation of ESIA and RAP for Kajaki II project.
National Horticulture and Livestock Project (NHLP)

Grants: $190 million
Afghan Farmers’ Contribution: $28.2 million

NHLP aims to promote the adoption of improved production and post-harvest practices and technologies by target farmers in the horticultural sector and to support the livestock sector, with gradual rollout of farmer-centric agricultural services systems and investment support.

The project has three components: (i) horticultural production; (ii) animal production and health; and (iii) implementation management and technical assistance support. These activities were initially implemented in 120 focus districts in 23 target provinces.

The original budget of the project was $190 million, but based on the high demand for NHLP services, the project received an additional financing of $90 million to allow expansion of its work programs to more farmers and add new activities.

The project covers 291 districts in all 34 provinces, and, so far, has reached over 580,000 farmers/beneficiaries, including around 242,000 women.

To date, NHLP has financed the establishment of almost 32,520 hectares (ha) of new pistachio and fruit orchards in 34 provinces. In addition, over 32,000 ha of existing orchards have been rehabilitated and more than 143,000 kitchen gardening schemes established.

The project has supported construction of about 1,300 small water harvesting structures, improving farmers’ resilience to weather change by allowing harvest and storage of water during the rainy season and gradual release in the growing period based on crop needs. This has been implemented in partner-ship with Community Development Councils.

To strengthen market supply, a large number of the targeted farmers, both male and female, have been trained on harvesting and post-harvest practices for horticultural crops. They have also been provided with a large number of essential tools (e.g., pruning shears, ladders, bags) for proper harvesting of their products.

Farmers are encouraged to work together through the establishment of Producers Marketing Organizations (PMOs) with 508 PMOs set up so far, having a membership of over 1,900 farmers. This structure helps farmers with outsourced inputs and access to markets. Over 2,000 raisin drying houses have been constructed on a cost-sharing basis to reduce post-harvest losses of grapes and improve the quality of raisins produced.

Regarding livestock activities, NHLP continues to focus on key activities, including poultry production and animal health and extension services, while expanding work programs to other areas such as fishery and dairy.

Under the National Brucellosis Control Program in 360 districts, about 17 million animals have been vaccinated against brucellosis diseases. More than 2.5 million young female calves and over 13.5 million young female sheep and goats have been vaccinated to ensure sustainability; the project is gradually handing over this activity to the General Directorate of Animal Health under the Ministry of Agriculture, Irrigation and Livestock.

To date, the project has supported 205,360 livestock farmers ($36,088 women and 69,272 men), clustering them into producers’ groups, including poultry producer groups, to benefit from animal production and health services. It has also extended its activities to new geographical areas under sanitary mandates and is supporting MAMEC relevant directorate to implement them.

NHLP activities are based on cost-sharing, accordingly it is expected that farmers will contribute $28.2 million to the cost of services and inputs received.
HIGH-DENSITY FARMING DIVERSIFIES CROPS and boosts farmers’ incomes

- High-density farming, which increases yields without increasing planting space, has shown to be highly effective in Bamyan province, where farmers grow vegetables between their fruit trees.
- The strategy and modern technique, introduced by the National Horticulture and Livestock Project, means greater crop diversification and better incomes for farmers.
- Greater diversification has stabilized local food prices and provided more sources of income as farmers are less reliant on a single crop.

On a neat patch of land enclosed by a chain-link fence just outside of Bamyan city center, Aminullah, 52, and his three employees are busy tending his crops.

Although the farm in Sar Asyab village is just 2 jeribs (0.4 hectares), it keeps the four men busy because of its adoption of high-density planting. Amin grows a variety of flowering and root vegetables, such as cabbage and white radish, between his 450 apple trees.

Today, Amin is teaching his workers how to spray the apple trees to protect them against disease, a technique he learned from National Horticulture and Livestock Project (NHLP) staff, who taught him the techniques of high-density planting as well as provided the medicine to spray the trees.

The techniques of high-density farming allow farmers to use their land more efficiently, increasing yields without increasing space devoted to planting. More importantly, high-density farming shows farmers without much land that they too can make a living from farming, contrary to the common belief that successful farming is land intensive.

Amin is among the thousands of farmers in Bamyan province benefiting from high-density farming with NHLP support. “The high-density orchards have been 100 per cent successful because it has good results,” says Amin, who adopted the new technique in 2015.

His income has doubled from his previous income generated by cultivating apples alone. “Now I can profit from both the ‘upper’ and ‘lower’ levels of my farmland,” Amin says. He expects to see a further rise in his income in the next two years. “It has been three years since I began high-density farming with NHLP help and in another two years, my [annual] income will quadruple to 250,000–300,000 afghanis (about $3,300–3,900),” he says.

Amin’s high-density farm was set up on an NHLP budget of 60,000 afghanis (about $790). The NHLP high-density farming program does not give participants funds, but instead supplies them with various plants, tree saplings, and supplies, such as pesticides, to start and upkeep their farms. NHLP staff provide constant guidance to farmers under the program.

Crop Diversification a Success

Mohammad Nabi Sirat, 36, NHLP provincial manager in Bamyan, believes that the crop diversification through high-density planting is the greatest NHLP achievement in the province. Greater diversification has stabilized local food prices and provided more sources of income as farmers are less reliant on a single crop.

“Before the NHLP program started its work in Bamyan, local farmers produced [mainly] potatoes. This made the price of potatoes low and the price of other produce high in the local markets,” Nabi explains. “We have now established around 4,000 new high-density orchards in Bamyan province, which not only grow fruits, but also a variety of vegetables. We supply them the seeds to do so.”

It has been three years since I began high-density farming with NHLP help and in another two years, my [annual] income will quadruple.

—Aminullah, farmer, Sar Asyab village, Bamyan province
Women’s Economic Empowerment National Priority Program (WEE-NPP)

Grant $5 million

The objective of the WEE-NPP is to advance women’s agency, autonomy, and well-being by expanding women’s access to economic resources. The WEE-NPP is led by a Project Coordination Office (PCO) in the Ministry of Finance. The PCO is responsible for overseeing WEE-NPP activities across six pillars: (i) increasing the availability of gender statistics; (ii) removing legal barriers to participation; (iii) training in literacy, business management, and labor skills; (iv) inclusive access to finance; (v) access to agricultural inputs, extension services, and markets; and (vi) access to creative economy markets.

The three-year Project Preparation Grant (PPG) has three components: (i) coordination and program management; (ii) provide technical assistance and capacity building for line ministries carrying out WEE activities and conduct relevant analytic work; and (iii) establish and operate an Innovation Fund to support women’s economic activities.

Despite a slow start, implementation progress of the WEE-NPP Coordination Support PPC has improved considerably. The WEE-NPP Secretariat is functioning well and shifted from the Ministry of Labor and Social Affairs (MoLSA) to MoF in October 2019. WEE-NPP action plans and targets for the current fiscal year that have been agreed on by the majority of the implementing line ministries are in place.

Furthermore, the Monitoring and Results Framework for the program has been developed, but has yet to be approved by the WEE-NPP Steering Committee. The Steering Committee and technical working group meet regularly.

The upcoming closing of the PPG in July 2020 and the transition from MoLSA to MoF has occasioned a review of the challenges faced by the overall program and a discussion about a potential Phase 2 of WEE-NPP.

The program has faced numerous challenges during implementation, including frequent staff turnover, slow progress, and a complex design for evidence-based budgeting and coordination across line ministries that has not come to fruition.

A second phase would offer a chance to redesign the program, add new activities, and create more effective incentives for line ministries to deliver on their WEE-NPP commitments.

Note: All dollar figures are in US dollar equivalents.

IDA, the International Development Association, is the World Bank’s concessional lending arm.