



RESTRUCTURING PAPER  
ON A  
PROPOSED PROJECT RESTRUCTURING  
OF  
AFGHAN WOMEN'S ECONOMIC EMPOWERMENT  
APPROVED ON MARCH 8, 2017  
TO  
AGA KHAN FOUNDATION

SOCIAL PROTECTION & JOBS

SOUTH ASIA

Regional Vice President:	Hartwig Schafer
Country Director:	Henry G. R. Kerali
Regional Director:	Lynne Sherburne-Benz
Practice Manager:	Stefano Paternostro
Task Team Leaders:	Shubha Chakravarty, Sarah Elizabeth Haddock



**ABBREVIATIONS AND ACRONYMS**

AKF-Afg	Aga Khan Foundation Afghanistan
BSDP	Business Development Service Providers
CBSG	Community-based Savings Groups
CDC	Community Development Councils
ESMF	Environmental and Social Management Framework
GoIRA	Government of Islamic Republic of Afghanistan
GRM	Grievance Redress Mechanism
IE	Impact Evaluation
ISM	Implementation Support Mission
JSDF	Japanese Social Development Fund
MIS	Management Information System
MOLSA	Ministry of Labor and Social Affairs
ORCD	Organization for Research and Community Development
RLF	Revolving Loan Fund
RMA	Rapid Market Assessment
SAR GIL	South Asia Region Gender Innovation Lab
SWEEP	Strengthening Women's Economic Empowerment Project
USD	United States Dollar
WB	World Bank
WfWI	Women for Women International



## BASIC DATA

### Product Information

Project ID P159291	Financing Instrument Investment Project Financing
Original EA Category	Current EA Category
Approval Date 08-Mar-2017	Current Closing Date 31-Mar-2021

### Organizations

Borrower Aga Khan Foundation	Responsible Agency Aga Khan Foundation
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### Financing (in USD Million)

## SUMMARY

Total Project Cost	0
Total Financing	0
Financing Gap	0

## DETAILS

### Project Development Objective (PDO)

Original PDO

The project development objective is to increase and enhance the participation of women, who are organized in community-based savings groups, in business support services and income-generating activities in pilot areas of Afghanistan.



Summary Status of Financing (US\$, Millions)

TF	Approval	Signing	Effectiveness	Closing	Net		
					Commitment	Disbursed	Undisbursed
TF-A4866	08-Mar-2017	07-Aug-2017	22-Jan-2018	31-Mar-2021	2.74	2.74	0

Policy Waiver(s)

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

No

I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

A. PROJECT STATUS

1. The project development objective (PDO) is to increase and enhance the participation of women, who are organized into community-based savings groups, in business support services and income-generating activities in pilot areas of Afghanistan. The project is designed around four components to improve women’s access to economic opportunities, inputs, and support services; increase their income through skills enhancement and business development support; and create an enabling environment at the community level through increased community support for women’s engagement in the economy. The pilot is funded by the Japanese Social Development Fund (JSDF), a World Bank administered trust fund, and implemented by Agha Khan Foundation Afghanistan (AKF-Afg) in close coordination with the Women’s Economic Empowerment National Priority Program (WEE-NPP).
2. The project was approved in March 2017 and became effective in January 2018. The project was restructured in January 2020 to accommodate revised safeguards and fiduciary requirements to the seed grants component and a no-cost extension until March 31, 2021. This restructuring paper is for a second no-cost extension beyond March 31, 2021.
3. The project has consistently maintained satisfactory ratings on progress towards achievement of PDO and overall implementation, including in the most recent ISR (December 2020). Despite some interruptions due to the COVID-19 pandemic, significant progress has been made, including an increase in disbursements from 36% (by July 2019) to 100% by December 2020. There are no outstanding audit reports.
4. To-date the project has engaged over 4,800 beneficiaries in community-based clusters that are supporting financial inclusion, training, and income generation for poor women in rural communities. In 2020, the project focused on disbursing revolving loan funds to clusters and implementing a business and soft skills training, with COVID-19 mitigating measures in place.
5. **Component 1: Formation of Cluster platforms.**



- (a) AKF-Afg established 47 clusters of CBSGs in four out of five provinces, and 2 clusters were established in Jalalabad by a sub-contractor, the Organization for Research and Community Development (ORCD).
- (b) AKF-Afg has been providing technical support to clusters for organization of meetings, selection of leaders/office bearers, capacity enhancement, sub-committee formation, awareness raising on Grievance Redress Mechanism (GRM) and Environmental and Social Management Framework (ESMF), and facilitation of Revolving Loan Funds (RLFs) process.
- (c) Between January and June 2020, a number of cluster meetings were held. However, some disruptions occurred for reasons including insecurity, inaccessibility of roads during winter and COVID-19. Capacity enhancement training was conducted between July and September 2020 when COVID-19 restrictions were eased.
- (d) AKF-Afg is providing ongoing technical support to the clusters and its activities.

**6. Component 2: Training, business development services and increase access to market.**

- (a) Informed by the findings from Rapid Market Assessments and the on-going income-generating activities (IGAs) of CBSG members, the project identified and trained Business Development Service Providers on business management and service delivery, and provided business start-up support, including equipment. AKF-Afg also organized exposure visits for BDSPs to learn business models and best practices from other experienced firms. AKF-Afg also identified and trained Women Resource Persons (WRPs) on production and operation management and marketing and were also provided with some small tools/equipment. Next steps include ongoing support to strengthen BDSPs and WRPs capacity and contributing to market linkages creation.
- (b) After a comprehensive curriculum desk-review, Women for Women's International (WfWI) training curriculum was selected to be delivered under SWEEP. This curriculum is the only one that combines business and soft skills, has already been delivered and rigorously evaluated in Afghanistan and is tailored to women with low literacy. Curriculum adaptation was conducted in the first half of 2020. WfWI conducted a training of trainers (ToT) among AKF-Afg staff in October 2020 and training to CBSG members commenced shortly thereafter.
- (c) AKF-Afg continues to deliver the aforementioned training to beneficiaries. Training monitoring is ongoing, and data collected will be analyzed in the upcoming months. The project continues to work with BDSPs and WRPs.

**7. Component 3: Increasing access to finance.**

- (a) Clustering community-based savings groups have been proven effective in allowing women access to finance, quality training and coming together in safe spaces. AKF-Afg supported clusters on loan application planning and opening of bank accounts for seed grant disbursement. Cluster accounts were opened in early 2020 and AKF-Afg began making seed grant disbursements in mid-March and completed by June. Each cluster has received a US\$5000 seed grant to establish a RLF.
- (b) AKF-Afg continues to support clusters to help them revolve funds till project closing date.

**8. Component 4: Project management, monitoring and evaluation, knowledge dissemination.**

- (a) The Bank undertook a qualitative data collection effort to better understand the gender barriers and program perceptions. After some minor delays due to security, the qualitative fieldwork (key informant interviews and focus group discussions) is now completed. The qualitative report findings are expected in March 2021 with the objective to inform the quantitative end-line survey.
- (b) Plans for the project's impact evaluation end-line survey are underway. A firm is expected to be on-board by early 2021. The end-line survey instruments will be finalized in February 2021, and fieldwork is expected to commence in March/April. Preliminary IE results are expected by mid-2021.



- (c) Because of Covid-19, AKF-Afg has carried out only essential M&E activities in 2020. In addition to in-person monitoring where/when possible, AKF-Afg conducted phone surveys every two weeks with 450 key informants.
- (d) A firm was contracted in July 2019 to develop, test and support the project’s management information system (MIS). The MIS customization has been completed and deployed to the AKF-Afg server. Digitization of administrative data is ongoing.

**B. RATIONALE FOR RESTRUCTURING**

- 9. The recipient submitted a request for a no-cost extension. Current closing date is March 31, 2021. Requested revised closing date is June 30, 2021. The rationale is the following:
  - (a) The COVID-19 global pandemic impacted implementation of SWEEP activities, delaying the technical and handholding support to clusters. Limitations due to COVID-19 protocols and various other constraints remain.
  - (b) The project requires providing technical support to clusters to help them revolve loan funds at least for 1 to 2 cycles, to CBSGs members to work on their businesses, and to clusters for their self-functioning, networking and linkages. The extension of these activities will increase the likelihood of these community structures to sustain themselves after project closure.
  - (c) The ongoing pandemic, security and development situation in Afghanistan, warrant the project’s continued commitment to women’s empowerment, and SWEEP has significant potential to deliver impact and develop best practices for the Government and development partners.

**II. DESCRIPTION OF PROPOSED CHANGES**

- 10. The proposed changes included in this restructuring are: (i) extend closing date by 3 months (June 30, 2021), and (ii) revise the results framework to incorporate the new closing date. These changes will accommodate the completion of implementation of all four components, and allow for adequate time for follow-up and coaching to ensure the sustainability of the community groups after the project closes. All project disbursements are completed.
- 11. In the next few months, the project plans to fulfill its remaining activities including completion of implementation of business and soft skills training, various monitoring efforts and clusters support. The follow-up survey of the project’s randomized impact evaluation is planned for March/April 2021.
- 12. The remaining activities will be finalized within the requested extension period to achieve the intended project development objectives. No additional funds are required. Below is the revised action plan and disbursement schedule:

Action	Due Date
Delivery of business and soft skills training to beneficiaries	February/March 2021
Disbursement of RLF	June 30 2021
Ongoing Cluster support	June 30 2021
Ongoing Cluster support in Nangarhar	June 30 2021



Qualitative survey	February/March 2021
Endline survey	March/April 2021
Dissemination of IE results	June 2021
<b>Disbursement schedule</b>	<b>Amount (US\$)</b>
January 2021	NA (100% of funds have been disbursed in Q1/Q2 of FY21)

### III. SUMMARY OF CHANGES

	Changed	Not Changed
Results Framework	✓	
Loan Closing Date(s)	✓	
Disbursement Estimates	✓	
Implementation Schedule	✓	
Implementing Agency		✓
Project's Development Objectives		✓
Components and Cost		✓
Cancellations Proposed		✓
Additional Financing Proposed		✓
Reallocation between Disbursement Categories		✓
Disbursements Arrangements		✓
Change in Overall Risk Rating		✓
Safeguard Policies Triggered		✓
EA category		✓
Legal Covenants		✓
Institutional Arrangements		✓
Financial Management		✓
Procurement		✓
Other Change(s)		✓
Economic and Financial Analysis		✓
Technical Analysis		✓



Social Analysis		✓
Environmental Analysis		✓

**IV. DETAILED CHANGE(S)**

**RESULTS FRAMEWORK**

**Project Development Objective Indicators**

Increase in share of direct beneficiaries participating in income-generating activities (percentage point).

Unit of Measure: Percentage

Indicator Type: Custom

	Baseline	Actual (Current)	End Target	Action
Value	0.00	0.00	9.00	Revised
Date	24-May-2018	16-Dec-2020	30-Jun-2021	

**Male**

Unit of Measure: Percentage

Indicator Type: Custom Breakdown

	Baseline	Actual (Current)	End Target	Action
Value	0.00	0.00	5.00	Revised
Date	24-May-2018	16-Dec-2020	30-Jun-2021	

**Female**

Unit of Measure: Percentage

Indicator Type: Custom Breakdown

	Baseline	Actual (Current)	End Target	Action
Value	0.00	0.00	10.00	Revised
Date	24-May-2018	16-Dec-2020	30-Jun-2021	

Increase in average annual earnings among direct beneficiaries (percentage).

Unit of Measure: Percentage

Indicator Type: Custom

	Baseline	Actual (Current)	End Target	Action
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Value	0.00	0.00	50.00	Revised
Date	24-May-2018	16-Dec-2020	30-Jun-2021	

**Male**

Unit of Measure: Percentage

Indicator Type: Custom Breakdown

	Baseline	Actual (Current)	End Target	Action
Value	0.00	0.00	35.00	Revised
Date	24-May-2018	16-Dec-2020	30-Jun-2021	

**Female**

Unit of Measure: Percentage

Indicator Type: Custom Breakdown

	Baseline	Actual (Current)	End Target	Action
Value	0.00	0.00	70.00	Revised
Date	24-May-2018	16-Dec-2020	30-Jun-2021	

**Increase in average annual earnings among direct beneficiaries**

Unit of Measure: Percentage

Indicator Type: Custom

	Baseline	Actual (Current)	End Target	Action
Value	0.00	0.00	70.00	Revised
Date	24-May-2018	16-Dec-2020	30-Jun-2021	

**Intermediate Indicators****Clusters that have produced development plans and are operational. (number)**

Unit of Measure: Number

Indicator Type: Custom

	Baseline	Actual (Current)	End Target	Action
Value	0.00	47.00	42.00	Revised
Date	24-May-2018	09-Dec-2020	30-Jun-2021	

Number of beneficiaries directly participating in business support services and/or training through the project. (number)



Unit of Measure: Number Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	1,246.00	1,950.00	Revised
Date	24-May-2018	09-Dec-2020	30-Jun-2021	
Cluster members receive a loan from the RLF. (percentage) Unit of Measure: Percentage Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	649.00	600.00	Revised
Date	24-May-2018	09-Dec-2020	30-Jun-2021	
Cluster funds are preserved. (percentage) Unit of Measure: Percentage Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	100.00	90.00	Revised
Date	24-May-2018	09-Dec-2020	30-Jun-2021	
Share of project beneficiaries that feel the project is responsive to their needs. (percentage) Unit of Measure: Percentage Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	0.00	80.00	Revised
Date	24-May-2018	16-Dec-2020	30-Jun-2021	
Increase in median number of days women leave their compound/dwelling (number) Unit of Measure: Number Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	0.00	6.00	Revised
Date	24-May-2018	16-Dec-2020	30-Jun-2021	



**LOAN CLOSING DATE(S)**

TF	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
TF-A4866	Effective	01-Apr-2020	31-Mar-2021	30-Jun-2021	30-Oct-2021

**DISBURSEMENT ESTIMATES**

Change in Disbursement Estimates

Yes

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

Fiscal Year	Annual	Cumulative
2017	38,957.32	38,957.32
2018	435,884.82	474,842.14
2019	945,762.92	1,420,605.06
2020	1,319,394.94	2,740,000.00
2021	0.00	2,740,000.00
2022	0.00	2,740,000.00

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