



## 1. Project Data

<b>Project ID</b> P160567	<b>Project Name</b> Citizens' Charter Afghanistan Project		
<b>Country</b> Afghanistan	<b>Practice Area(Lead)</b> Social Sustainability and Inclusion		
<b>L/C/TF Number(s)</b> IDA-D1390,IDA-D2130,IDA-D7520,TF-A3827	<b>Closing Date (Original)</b> 31-Oct-2020	<b>Total Project Cost (USD)</b> 561,621,042.80	
<b>Bank Approval Date</b> 27-Oct-2016	<b>Closing Date (Actual)</b> 31-Dec-2022		
	<b>IBRD/IDA (USD)</b>	<b>Grants (USD)</b>	
Original Commitment	702,300,000.00	602,300,000.00	
Revised Commitment	623,162,155.94	360,462,155.94	
Actual	561,621,042.80	360,462,155.94	
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## 2. Project Objectives and Components

### a. Objectives

The Project Development Objective (PDO) was to improve the delivery of core infrastructure and social services to participating communities through strengthened Community Development Councils (CDCs).

Note: These services are part of a minimum service standards package that the Government was committed to delivering to the citizens of Afghanistan.



Revised PDO: The Project Development Objective for the Citizens' Charter Afghanistan Project was to improve the delivery of core infrastructure, emergency support, and social services to participating communities through strengthened Community Development Councils (CDCs).

For the purposes of this ICR review, the objective will not be broken into parts but will be assessed as one PDO. This is because many of the Results Framework (RF) outcome indicators measure results at the overall PDO level.

**b. Were the project objectives/key associated outcome targets revised during implementation?**

Yes

**Did the Board approve the revised objectives/key associated outcome targets?**

Yes

**Date of Board Approval**

30-May-2017

**c. Will a split evaluation be undertaken?**

Yes

**d. Components**

**1. Original components:**

**Component 1 – Service Standards Grants (cost at appraisal: US\$418.3 million; actual cost: US\$385.6 million)** - financed block grants for the subprojects aimed at developing community-based infrastructure. In rural areas, 12,000 rural communities (eight million residents) across 34 provinces would be supported; and investments would include water supply and a choice between basic road access, electricity, or small-scale irrigation. Allocations would be based upon an initial gap and needs assessment, following a needs-based approach. In urban areas, 600 urban CDCs and 120 Gozars in four major cities (Herat, Mazar-i-Sharif, Kandahar, and Jalalabad), with the total of 945,000 people, would be covered by investments in streets' upgrading, parks, lighting, provision of potable water, solid waste services, and other infrastructure services.

**Component 2 – Institution Building (cost at appraisal: US\$130.7; actual cost: US\$141.7 million)** - financed national and local governments' capacity building for community development (including Community Development Council (CDCs), CDC clusters, Gozar Assemblies (GAs), and Facilitating Partners (FPs) in rural and urban areas. The rural subcomponent would support capacity building of provincial and district staff to oversee, monitor and report upon project progress, Social Organizers, and engineering and technical support to communities across 34 provinces. The urban subcomponent would support the Oversight Consultants (OC) services for Independent Directorate of Local Governance (IDLG), and capacity building of municipality staff to supervise, monitor and report upon project progress.

**Component 3 - Evaluation and Studies (cost at appraisal: US\$5.0 million; actual cost: US\$5.4 million)** – financed thematic studies and evaluations, citizens' monitoring and scorecards, and activities to enhance data collection.



**Component 4: - Project Implementation and Management (cost at appraisal: US\$74.0 million; Actual cost: US\$90.8 million)** - financed management and oversight of the Project at national, provincial and district levels in rural areas and the municipal management units in the four regional hub cities.

## **2. Changes in components and indicators during implementation:**

### 1. First additional financing (AF1) (approved on May 30, 2017):

- **Component 5** was added: Social Inclusion and Maintenance and Construction Cash Grants, with the cost of **US\$169.6 million (the amount at closure was US\$48.6 million)**. The Component comprised two subcomponents: (i) Provision of Maintenance and Construction Cash Grants for the purpose of maintaining and constructing the infrastructure Sub-projects. (b) Provision of Social Inclusion Grants to initiate community food/grain banks and carrying out a program of activities aimed at providing community welfare support.
- One subcomponent was added to Component 3: Enhanced Displacement Data collection and Coordination Support;
- One PDO indicator was added in relation to the PDO amendment (as reflected in Section 2a): Number of targeted high internally displaced persons' (IDP)/returnee communities provided with emergency support.

### 2. Second additional financing (AF2) (approved on December 11, 2020).

- Two subcomponents were added to Component 1: (i) Peace Pilots in rural and urban areas; and (ii) Kuchi block grants;
- An activity was added to Component 2: facilitation for Kuchi and peace pilots;
- An activity was added to Component 5: COVID-19 relief;
- The target number of rural communities was lowered from 11,000 to 9,000 due to increasing conflict and dwindling accessibility, and due to implementation delays caused by COVID-19;
- The target number of urban communities in 10 cities was increased from 400 to 500.

## **e. Comments on Project Cost, Financing, Borrower Contribution, and Dates**

Project Cost: The appraisal estimate was US\$628.0 million, and the actual project cost (the amount disbursed at closure) was US\$561.6 million (ICR, pages 2-3). The amount disbursed at closure is below the total component cost at closure, which is reported in the ICR as US\$672.0 million (ICR, page 45). The difference equals to US\$110.4 million. This is due to the lack of data of disbursement by component at closure.

Project Financing: The project was financed by an International Development Association (IDA) grant (US\$100.0 million at appraisal and US\$201.2 million at closure); an Afghanistan Reconstruction Trust Fund (ARTF) grant (US\$ 400.0 million at appraisal and US\$360.5 million at closure).

Borrower/Recipient contribution: Borrower financing was planned as US\$128.0 million at appraisal but was US\$0 million at closure.



### Changes in project financing due to AFs and restructurings:

- AF1 amounted to US\$172.0 million, of which \$127.7 million was funded by IDA and US\$44.3 was provided by the ARTF;
- AF2 amounted to US\$193.0 million, of which US\$35 million was financed by IDA and US\$158 million was funded by the ARTF;
- At AF2, Borrower contribution was reduced from the previous amount of US\$128 million to US\$40 million.
- The remaining amount of US\$241.8 million was cancelled in April 2022 due to the August 2021 government takeover and the phasing out of the WBG portfolio in the country.

Project Dates: The project was approved on October 27, 2016 and became effective on January 23, 2017. The mid-term review (MTR) was on January 26, 2020. The original closing date was October 31, 2020. At AF1, the closing date was extended by 12 months, from October 31, 2020 to October 31, 2021. At AF2, the closing date was extended by 14 months, from October 31, 2021 to December 31, 2022. Due to the collapse of the government in August 2021 and the following political turmoil, the WBG's country portfolio, including the project, was suspended on February 17, 2022 and then phased out. Actual closing was on December 31, 2022.

Reverse Split Evaluation – Due to the collapse of the government in Afghanistan, this evaluation will undertake a reverse split evaluation approach as approved by OPCS.

## **3. Relevance of Objectives**

### **Rationale**

Country context: At project approval, Afghanistan was experiencing economic stagnation and deterioration, an increasing conflict, and deepening internal political fragmentation. Average annual GDP growth fell to 2.5 percent between 2015-2020, below the rate of population increase. The impact of COVID-19 was significant and led to a two-percent economic contraction and a sharp increase in poverty. An estimated 60-70 percent of the population lived in poverty at the end of 2020. The collapse of the government in August 2021 triggered further economic crisis and a withdrawal of most international aid.

Relevance to the national priorities at approval: The PDO was relevant to the country conditions and well-aligned with national priorities, specifically to the new reform agenda outlined in the paper *Realizing Self-Reliance: Commitments to Reforms and Renewed Partnership*, which was issued by the new National Unity Government in December 2014. The paper outlined a reform agenda and prioritized seven programmatic areas of critical importance for reform, including the following: Ensuring Citizens' Development and Securing Human Rights. Within this area, the Government promised to develop a Citizens' Charter that will set a threshold of core services to communities and help make CDCs inclusive and representative bodies.

Relevance to the WBG's assistance Strategies at approval: The World Bank country strategy at approval was organized around three pillars: (i) building strong and accountable institutions; (ii) supporting inclusive growth; and (iii) expanding and deepening social inclusion (Country Partnership Framework (CPF), 2016). Both the Bank's Systematic Country Diagnostic (SCD, 2016) and CPF pointed out the extreme fragility and



high risk of operating in Afghanistan. The Project contributed to the first CPF pillar by strengthening the capacity of Community Development Councils (CDCs) to plan, monitor, and provide quality control to local service delivery. The Project also contributed to the second and third CPF pillars considering that it supported the CDCs, which are non-governmental, community-based organizations, democratically elected by communities in all 34 provinces of the country.

Risk analysis at approval. The ICR reports that the risk analysis completed during project appraisal in 2016 accurately anticipated that the security situation posed a great risk to the project, and the project would need to adjust accordingly by shifting to more accessible areas of the country and by having CDCs negotiate access with anti-Government elements when needed. The Project worked through the High-Risk Area Implementation Strategy (HRAIS) that made modifications to the project design and optimized the project's flexibility in Taliban-controlled areas. Other identified risks at the time of appraisal included corruption and rent-seeking behavior, and a CDC elite capture. Financial management and procurement risks were considered Substantial at the time of project appraisal. Many of the mitigation measures for these risks, identified during preparation, proved to be effective. For example, to mitigate the risk of CDC elite capture, the Project relied upon ballot-based voting in neighborhood elections, grievance redress mechanisms, and strong M&E oversight and response. (ICR, page 19)

Relevance at the time of the government takeover (August 2021). The PDO remained relevant to the national priorities and the WBG's Assistance strategies until the takeover in August 2021. The project was fully consistent with the priorities and approach established in the World Bank Group's CPF for fiscal years 2017-2020 discussed by the Board on October 27, 2016 (Report #108727-AF) and subsequently extended by the Performance and Learning Review for two additional years to cover FY21 and FY22. These priorities were fully consistent with the Government strategy.

The relevance of objectives is rated high due to its full alignment with the country strategy and government priorities at appraisal and up to the suspension of the WBG's country program due to the August 2021 government takeover.

## Rating

High

## 4. Achievement of Objectives (Efficacy)

### OBJECTIVE 1

#### Objective

To improve the delivery of core infrastructure and social services to participating communities through strengthened Community Development Councils (CDCs).

#### Rationale

The theory of change (ToC), developed for the ICR, showed a direct, logical causal chain from inputs to outputs. Service improvement block grants, institution building activities, citizen monitoring and studies, as



well as social inclusion grants (inputs) were intended to provide newly constructed infrastructure, capacity building to CDCs and the government, and emergency grants to IDPs and to the population in relation to COVID-19 (outputs). The PDO outcomes are described as “delivery of core infrastructure, emergency support, and social services is improved in participating communities through strengthened CDCs”, which is a repetition of the PDO, and supported by the PDO targets from the results framework (RF), as well as one actual expected result of the Project: “Citizen participation and engagement in service delivery are strengthened”.

The TOC has the following shortcomings: (i) the intermediate outcomes are missing, making it hard to understand how exactly the delivered outputs will amount to the achievement of the PDO; (ii) the PDO outcomes are not formulated as results but rather as the PDO itself, amended by three PDO indicator targets (with the exception of one actual result, quoted above); and there are no arrows showing how the elements of the ToC relate to each other. Overall, the ToC amounts to the list of inputs and outputs, rather than engaging more broadly in an overview of the transformation expected. As such, it does not fulfill the ToC function of showing the logic of the Project: the results chain or the expected cause-effect relationships among inputs, outputs, intermediate results, PDO outcomes, and long-term outcomes. The ToC would have benefited from better reflecting the Project logic embedded in the RF.

#### **Outcomes:**

1. Overall, the Project directly benefited 13,790,631 people at closure, exceeding the original target of 8,500,000 people. This number includes those who were provided with basic infrastructure services and benefited from community mobilization. The ICR reports that the project was on its way to completing the majority of its subprojects by its closure on December 31, 2022.

2. Most of the original RF outcome targets for Components 1-4 were met at closure in urban areas, but not in rural areas. The following detailed outcomes should be understood in the following context: due to the intensified fighting, especially in 2020 and 2021, the insecurity in the Project’s rural areas increased, and reaching expected outcomes became challenging. Eventually, the targets for rural areas had to be reduced across the RF indicators. At the same time, many of the urban area targets were adjusted up. The ICR reports that from this perspective, the Project was a good practice example: the CDC service delivery platform was able to adapt to the fluid country conditions. (ICR, page 12) Specifically:

- By closure, the number of CDCs able to plan and manage their own development projects was:
  - In rural areas: 7,414, against the original target of 10,000. The target was not achieved.
  - In urban areas: 850, against the original target of 500. The target was exceeded.
- By closure, the number of communities meeting all minimum service standards in infrastructure access, health and education was:
  - In rural areas: 2,678, against the target of 8,600. The target was not achieved.
  - In urban areas: 474, against the original target of 400. The target was exceeded.

4. All gender outcome targets were either almost reached or exceeded at closure:

- Forty-nine percent of the beneficiaries were women, which was achieved through community mobilization and quotas for women on CDCs, against the target of 50 percent. The target was almost reached.



- The share of female CDC members: (i) in rural areas, it was 50 percent, above the targeted 35 percent; revised 40; and (ii) in urban areas, it was 49.9 percent, exceeding the target of 40 percent.
- The share of sampled CDCs/communities whose CDPs include at least one women's priority activity was 91 percent, above the target of 60 percent. The target was exceeded.

5. Satisfaction with the Project's outcomes exceeded the targets:

- The share of sampled community respondents satisfied with subproject investments was 72 percent, against the targeted 60 percent. The target was exceeded.
- The share of sampled community respondents satisfied with the CDC's performance in their mandated roles was 73 percent, against the targeted 60 percent. The target was exceeded.

**Outputs:**

1. The target for the number of subprojects completed at closure was reached in urban but not in rural areas (please see the explanation under Outcomes, point 3); specifically:

- In rural areas: 6,184, below the original target of 8,600 subprojects.
- In urban areas: 1,195, exceeding the original target of 400 subprojects three-fold.

2. The outputs on CDC functioning were mostly exceeded:

- The target for the number of jurisdictions where Citizens' Charter coordination meetings are held between government authorities and CDC clusters/Gozaars was either reached or exceeded: (i) it was 123 in rural districts, against the original target of 70; and (ii) it was 4 in the cities, against the original target of 4.
- The target for the number of provinces whose abilities are strengthened in engineering, project management, FM and procurement was reached: it was 34, against the original target of 34.
- The target for the number of municipalities whose abilities are strengthened in engineering, project management, FM and procurement was reached: it was 4, against the targeted 4.
- The target for the share of CDCs' cross-visits that include women CDC members was exceeded: (i) in rural areas, it was 86 percent, against the targeted 20 percent; and (ii) in urban areas, it was 100 percent, exceeding the targeted 50 percent.

Overall, under the Original project, almost all expected outcomes and outputs were achieved or exceeded by Project closure, with the exception of three results related to rural subprojects. The ICR explains this limitation as a consequence of the increased military action and insecurity, as well as by the COVID-19 closures (ICR, page 12). Later, at AF2, the rural subprojects' targets were reduced, and urban subprojects' targets were increased. The Original Project efficacy rating is Substantial due to the achievement of most of the expected outcomes and outputs, the justification of the non-achievement of the three rural results (active fighting), and because this non-achievement was balanced by the exceeded expected targets for other result indicators.

**Rating**  
Substantial



## **OBJECTIVE 1 REVISION 1**

### **Revised Objective**

To improve the delivery of core infrastructure, emergency support, and social services to participating communities through strengthened Community Development Councils (CDCs).

### **Revised Rationale**

Please see discussion of the ToC under the Original Project.

The first revision was implemented under AF1 when the PDO was amended by the emergency support, and a related component was added (Component 5 *Social Inclusion and Maintenance and Construction Cash Grants*), together with the RF indicators to measure the results under this component.

### **Outcomes:**

All outcomes for the delivery of emergency support significantly exceeded the original targets, both in rural and urban areas. Specifically, the share of the CDCs activities (outside of the subprojects) to benefit marginalized and vulnerable groups such as women, IDPs/returnees was 98 percent, compared to the original target of 35 percent. Also, by closure, both the rural and urban targets for the number of high IDP/returnee communities provided with emergency support were exceeded: (i) in rural areas, 2,452 communities received support, against the original target of 2,000; and (ii) in urban areas, 642 communities were helped, against the original target of 200.

### **Outputs:**

All output targets for emergency support were significantly exceeded:

- Number of vulnerable households receiving MCCG support: 288,719 against the target of 115,000.
- Number of vulnerable IDP/R households receiving MCCG Support
- Number of communities in rural areas receiving MCCG grants within 6 months after AF effectiveness/COVID-19 outbreak: 326 against the target of 700. The target was not reached.
- Number of vulnerable IDP/R households benefitting from social inclusion grant: 73,325 against the target of 20,000. The target was exceeded.
- Number of vulnerable female-headed households benefitting from social inclusion grant: 19,974 against the target of 10,000.

Overall, under Revision 1, the results related to the emergency support were exceeded. At the same time, the results related to Components 1-4 were, as described under the Original Objective, rated Substantial. Therefore, the efficacy rating under Revision 1 is Substantial.

### **Revised Rating**

Substantial

## **OBJECTIVE 1 REVISION 2**



### Revised Objective

At restructuring, the objective stayed the same, but several RF targets were revised.

### Revised Rationale

Please see discussion of the ToC under the Original Project.

For the purposes of this review, the period after revision 2 includes the time after the government takeover on August 2021. This is because the AF2 became effective on December 20, 2020, eight months before the takeover, and there was not enough time to make progress against the new activities and the revised targets.

### Revised outcomes:

- Overall, the Project directly benefited 13,790,631 people at closure, exceeding the revised target of 10,000,000 people.
- The Project did not achieve the revised target for the number of CDCs able to plan and manage their own development projects. In rural areas, it achieved 7,414 CDCs, against the revised target of 9,000. In urban areas, it achieved 850, against the revised target of 1,050.
- The Project did not achieve the revised targets for the number of communities meeting all minimum service standards in infrastructure access, health and education. In rural areas, the number of such communities was 2,678, against the revised target of 3,000. In urban areas, it was 474, against the original target of 500.
- All revised gender targets were achieved.

### Revised outputs:

- The revised output target of the number of subprojects completed at closure was reached in urban but not in rural areas. In rural areas, 6,184 subprojects were completed, against the revised target of 9,000. In urban areas, 1,195 subprojects were completed, above the revised target of 900.
- The revised output targets on CDC functioning were either reached or exceeded.

**Sustainability after the government takeover on August 15, 2021.** The ICR notes that while the Project was suspended along with the rest of the country portfolio after the government takeover, CDCs as a national service delivery mechanism continued to operate. Two WB-sponsored rapid surveys in February 2022 indicated that CDCs were still active and, in many cases, helping to coordinate assistance in their communities and used by the UN agencies and non-governmental organizations (NGOs) in the humanitarian and development activities. Respondents reported that CDCs were operational in 30 of 34 provinces. Sixteen out of 19 surveyed NGOs reported currently working with CDCs. UN agencies also reported working with CDCs in several provinces. More recent consultations with the international and local NGOs in July 2022 confirmed that they were all working with CDCs in their areas and continuing to consult with CDCs to deliver services. CDCs were also continuing to be used as an entry point for reaching women. The ongoing operationalization of CDCs as an institutional framework and service delivery platform post- August 15, 2022 is an important indicator of sustainability and resilience of the Project. (ICR, pages 13-14)

Overall, under Revision 2, the Project achieved most of its revised outputs (with the exception of the rural area subproject number) and has demonstrated sustainability after the government takeover, it was less



effective in relation to achieving outcome targets. The overall achievement of the Project objectives under Revision 2 is assessed as partial, and the rating is Modest.

**Revised Rating**  
Modest

## **OVERALL EFFICACY**

### **Rationale**

For the Original Project, efficacy is Substantial. The Project achieved or exceeded most of the expected outcomes and outputs; and the non-achievement of three rural results is explained by active fighting.

### **Overall Efficacy Rating**

Substantial

## **OVERALL EFFICACY REVISION 1**

### **Overall Efficacy Revision 1 Rationale**

For Revision-1, efficacy is Substantial. The results related to the emergency support were exceeded. The rest of the results were as under Original Objective.

### **Overall Efficacy Revision 1 Rating**

Substantial

## **OVERALL EFFICACY REVISION 2**

### **Overall Efficacy Revision 2 Rationale**

For Revision 2, efficacy is Modest. The overall achievement of the Project objectives under Revision 2 is assessed as partial.

**Overall Efficacy Revision 2 Rating**  
Modest

**Primary Reason**  
External shock



## 5. Efficiency

**At appraisal**, economic analysis for the Project was not conducted. The PAD notes (PAD, pages 36-37) that such analyses was done for the Government's National Solidarity Program (NSP) II and NSP III, where the economic rate of return (ERR) for similar infrastructure investments as under the Project was 69.3 percent and 41.1 percent, respectively. In addition, an impact evaluation conducted for NSP found positive impact on female participation in public life, mobility, and school attendance.

**During implementation**, in February 2020, the Third Party Monitoring Agent (TPMA) undertook a financial analysis of a sample of 59 subproject investments in water supply, irrigation, and roads infrastructure under the Project. The economic internal rate of return (EIRR) was positive and differed significantly across subprojects: it ranged from 19 percent for rural tertiary roads subprojects to 239 percent for rural small-scale irrigation schemes. Subprojects were found to provide substantial benefits to users especially when time savings were considered. The TPMA also undertook unit cost comparisons with similar subprojects implemented by other constituencies and found that except for local roads, the costs were lower under the Project.

**At closure**, no economic analysis was conducted, considering the circumstances under which the Project was cancelled (government takeover and the phasing out of the WBG portfolio in the country). Given the considerable limitations of the replacement government, it is unlikely the original expected EIRR for subprojects will remain. Support is likely to be tempered by fiscal constraints, and operations and maintenance will be limited. Thus, while the benchmarking exercise would be helpful, it would have limited utility in light of the considerable political changes.

**Administrative efficiency.** The project experienced delays in the implementation of the rural activities due to increased military action during Project implementation, especially in 2020-2021. Financial management (FM) was a particular concern with delays in disbursements and replenishments, and the WB FM specialists supported the Project to help resolve bottlenecks, especially during 2020-2021. Specific FM issues included delays with the Statement of Expenditure replenishments, with the approval of annual budgets by the Parliament and the Ministry of Finance; and with the budget and reimbursement process.

Efficiency is rated Modest given that the expected EIRR is unlikely to remain and the overall sustainability is low.

### Efficiency Rating

Modest

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 <input type="checkbox"/> Not Applicable
ICR Estimate		0	0 <input type="checkbox"/> Not Applicable



\* Refers to percent of total project cost for which ERR/FRR was calculated.

## 6. Outcome

### Original Project:

Relevance of objectives: High

Efficacy: Substantial

Efficiency: Modest

Outcome: Moderately Satisfactory (a value of 4).

### Revision 1:

Relevance of objectives: High

Efficacy: Substantial

Efficiency: Modest

Outcome: Moderately Satisfactory (a value of 4).

### Revision 2:

Relevance of objectives: High

Efficacy: Modest

Efficiency: Modest

Outcome: Moderately Unsatisfactory (a value of 3).

The Original Project is rated as Moderately Satisfactory, the Revised-1 Project is rated as Moderately Satisfactory, and the Revised-2 Project is rated as Moderately Unsatisfactory. The disbursed funds were: US\$0 at first restructuring (May 30, 2017); US\$461.3 million (or 82.1 percent of the disbursement at closure) at second restructuring (December 11, 2020); and US\$561.6 million at closure (the last disbursement was made on October 21, 2022). Considering disbursed funds at restructurings as percentage of total disbursement at closure, the Overall Project Outcome rating is Moderately Satisfactory:  $(0.821*4)+(0.179*3) = 3.821$

### a. Outcome Rating

Moderately Satisfactory

## 7. Risk to Development Outcome



The ICR reports that despite the abrupt stop to the WBG engagement in Afghanistan after the August 2021 government takeover and the following cancellation of the Project, the CDCs continued to be functional. They have been used by the NGOs and the UN agencies in many locations to help identify the poorest and most vulnerable and coordinate assistance. The WB is now undertaking limited re-engagement in Afghanistan through health, livelihoods, and agriculture assistance, and the first project was the Afghanistan Community Resilience and Livelihoods Project, approved on May 4, 2022. It uses CDCs to help deliver urgent livelihoods and basic services, including for women and the most vulnerable. Another WBG project - the Health Emergency Response Project - supports the delivery of community health and nutrition services through; and it also functions through the CDCs. It remains to be seen if these structures prove sustainable in light of considerable change in the governance structures. The CDC model does demonstrate the potential sustainability of some of the Project outcomes. (ICR, page 25)

## **8. Assessment of Bank Performance**

### **a. Quality-at-Entry**

The ICR reports that the risk analysis and planned mitigation measures outlined during project preparation were accurate. The risk analysis accurately anticipated security risks, especially in rural areas. The Project worked through the High-Risk Area Implementation Strategy (HRAIS) and optimized the Project's flexibility in Taliban-controlled areas. The risks of corruption, rent-seeking, and CDC elite capture were also identified at appraisal. Financial management and procurement risks were considered Substantial. All these risks were mitigated during preparation. Also, consultations with the stakeholders were part of Project preparation. The President's Office, Ministries of Finance, Health, Education and Agriculture, the implementing agencies, as well as the NGOs involved in supporting the NSP, provided inputs into the design of the Project. For the team, it was a hands-on experience, and during the preparatory phase, the TTL spent 50 percent of their time in country discussing the design with counterparts. (ICR, page 19, 24)

### **Quality-at-Entry Rating**

Highly Satisfactory

### **b. Quality of supervision**

The ICR reports that the Bank undertook three implementation support missions per year. The international members of the task team spent 40-50 percent of their time in the country to ensure coordination with counterparts, facilitating partners, and donor partners. The team was in daily discussions with the Project's government counterparts. Implementation support was especially important for financial management, procurement and M&E. FM was a particular concern with delays in disbursements and replenishments. The TPMA also served a useful purpose in providing regular monthly and quarterly field reports. (ICR, page 25) This was done despite the very difficult circumstances: from 2019 to 2021, according to the Global Peace Index, Afghanistan was the least peaceful country in the world. This included increased violence, with millions of IDPs fleeing the fighting. It was difficult to access Project areas and necessary to constantly replan to keep staff safe. (ICR, page 19) Additional issues were created by the cancellation of the



government counterpart financing, leading to delays in reaching several project targets. At appraisal, the Project was a national flagship program, and the Government proposed to provide financing. However, this proposal turned out to be overly ambitious as the fiscal situation deteriorated due to the instability combined with reduction in government revenues because of COVID-19. (ICR, page 21)

However, the Project was able to adapt by updating operational manuals/guidelines, development of a performance list of sub-projects, revision and updating technical engineering guidelines, continuous improvements in the project Management Information System (MIS) and simplifying documentation requirements at different levels, and decentralizing approvals and authorization of operational expenses. The expansion of the Project as a national platform to deliver services to the most vulnerable, including women, and in times of emergency, depended to a significant extent upon the Project's ability to adapt to field monitoring information – positive and negative findings - in a timely manner. (ICR, page 21)

### **Quality of Supervision Rating**

Satisfactory

### **Overall Bank Performance Rating**

Satisfactory

## **9. M&E Design, Implementation, & Utilization**

### **a. M&E Design**

Overall, the Project's RF adequately reflected the Project interventions and was sufficiently linked to the PDO. All indicators were quantitative, time-bound, and attributable to the Project. Most of the indicators had baselines and targets (with the exception of two indicators with no targets). There were several gender indicators. The RF extensively measured the Project's outputs and outcomes, was very detailed, and covered all areas of Project investments. The PDO indicators were reflective of the main Project outcomes, while the intermediate indicators reflected both intermediate outcomes and outputs. The RF covered both physical results (such as the number of infrastructure subprojects completed), institutional results (such as the number of cities where coordination meetings are held), and the level of satisfaction with Project's results (such as share of community members satisfied with CDC's performance). The ToC, which was created for the ICR, would have benefited from reflecting the Project logic embedded in the RF.

The ICR reported that the implementing agencies were reporting on the RF regularly, benefiting from the external studies from the TPMA and other development agencies provided additional information on what impact the Project had on citizens' participation, monitoring, women's engagement, and access to services. The TPMA's survey questionnaires were created collaboratively by the WB team, the M&E teams of the implementing agencies, and the TPMA. This participatory approach at the outset created a sense of ownership for the implementing agencies (Ministry of Rural Rehabilitation and Development (MRRD) and Independent Directorate of Local Governance (IDLG)) and built their M&E capacity. (ICR, page 22)



## **b. M&E Implementation**

The ICR reports that MRRD and IDLG did an exceptionally good job collecting monitoring data. By 2021, IDLG was using Kobo toolbox to collect some data in urban areas, and MRRD had developed an app to use in areas where it was possible to use tablets. The Project's management information system (MIS) was sophisticated and well maintained. The M&E units of the implementing agencies regularly monitored the field sites and provided reports on citizens' scorecards and internal monitoring. The data was then verified with TPMA independent reports. The WB was also able to collect additional information through surveys in February 2022 to better understand the functioning of NGOs, CDCs and women's participation using the CCAP network of development actors and CDCs. (ICR, page 22)

## **c. M&E Utilization**

The ICR reports that the Project data was often used to report to the President, national parliament, Ministry of Finance, the Government Steering Committee for the Project, the WB, and the ARTF donors. By 2021, the WB task team was providing one to two briefings per month to ARTF donors. Project data was used to make the necessary adjustments during implementation.

A good practice example of M&E utilization is the Project's citizens' scorecards. Results were reported to the President's Office as well as Ministries of Health and Education at the national and provincial levels to improve performance, and the scorecards facilitated citizens' engagement on important service delivery issues in these sectors. Another example are the TPMA's regular reports verifying key performance achievements related to CDC activities, women's participation, subproject progress, environmental and social safeguards compliance, and the proper use of funds. The government implementing agencies would need to rectify monthly any negative findings from those reports, and the WB would track progress on resolution. This clear utilization and action taken using the M&E for the project made it relevant and visible to the project's recipients.

## **M&E Quality Rating**

High

## **10. Other Issues**

### **a. Safeguards**

Environmental and Social Safeguards. The Project was classified as Category B and triggered the Environmental Assessment Policy (OP/BP 4.01). The Project adopted an Environmental and Social Framework (ESMF) and used it to screen environmental and social risks. The Project's environmental and social safeguards performance was rated Moderately Satisfactory during most of the implementation. There was one significant case of safeguards violation when in early 2019, IDLG evacuated several shopkeepers and residences located on state land as part of a park subproject in Jalalabad. With guidance from the WB team, IDLG had to initiate a safeguards corrective action plan which was assessed as satisfactory and verified by the TPMA. The TPMA reported regularly on environmental and social safeguards compliance, and performance was generally rated satisfactory by the TPMA. (ICR, page 23)



**b. Fiduciary Compliance**

Financial Management (FM). The ICR reports that the Project’s FM risk rating remained High throughout the life of the Project, as it was across the Afghanistan’s WBG portfolio, and the Project applied a series of measures for fiduciary oversight developed for the WB-financed projects in the country. The Project also used the FM Manual for IDA-ARTF financed projects that specifies detailed internal controls for every financial management process. The implementing agencies did extensive work to collect, compile, and archive the CDCs' expenditure documentation. The MIS functionality was enhanced to scan and archive the CDC expenditure documents. The TPMA reported an error rate of less than one percent in expenditure documentation. The Project used an enhanced fiduciary framework. MRRD hired an international Financial Management Advisor and 34 finance associates to assist with the subgrant expenditure reporting.

However, there were delays and cashflow challenges. By the last supervision mission in June 2021, there remained several areas for improvement. The implementing agencies’ internal audit departments had limited capacity to perform the internal audit of the project on regular basis, and their fixed assets and cash management procedures required improvement. An enhanced fiduciary framework incorporating additional specific internal controls had been agreed upon as part of the 2020 additional financing to manage the high risk. (ICR, page 24)

Procurement. The project’s procurement risks remained High throughout implementation. It was complicated due to a large number of small subgrant procurements throughout the country. FP contract procurement and contract extensions were also a source of implementation delays as packages oftentimes needed to be approved by the National Procurement Authority and/or National Procurement Committee, which could take weeks to months. (ICR, page 24)

**c. Unintended impacts (Positive or Negative)**

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**d. Other**

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**11. Ratings**

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Moderately Satisfactory	Moderately Satisfactory	
Bank Performance	Satisfactory	Satisfactory	
Quality of M&E	High	High	
Quality of ICR	---	Substantial	



## 12. Lessons

The following lessons are based on the ICR, with minor adjustments. They can be used in the FCV context beyond Afghanistan.

1. The operational challenges in a rapidly changing, highly political, and insecure operating environment require constant engagement of the project team. Contingency planning, problem solving, regular communications with stakeholders, and adaptive management were crucial factors in achieving Project's objectives. The lesson is that the importance of the ongoing engagement, adaptation to the changing country dynamics, and high risk tolerance cannot be overestimated.
2. In highly corrupt countries, such as Afghanistan, which was ranked 174 out of 180 countries in Transparency International's corruption perception index in 2021, corrupt behavior and nepotism can affect project implementation. In these cases, it is critical to investigate complaints quickly and alert the country management unit. The Project made a mistake of directly involving senior government officials in the Project's staffing, procurement, and financial management, creating opportunities for mis-recruitments and poor programming decisions, which turned into serious tension amongst project staff and the implementation agencies' leadership. Political interference in staffing positions caused considerable implementation delays, and the WB had to intervene. The lesson is that in highly corrupt countries, corruption and nepotism risk mitigation at design and throughout implementation is critical for both project performance and the compliance with the WBG ethical standards.
3. Community-based service delivery platforms can be resilient in the FCV context and support projects' sustainability. CDCs' existence over the past 18 years and their continuation even after the political crisis in August 2021 reflect the ability and resilience of this community platform to help deliver services in the most difficult times and foster inclusive development for Afghan women and men. The investments by the donor community in supporting these community-based institutions over the past several years have provided a foundation to continue delivering services to the most vulnerable. The CDCs are operating in the post-government takeover (of August 2021) political context and helping to provide assistance in 2022. This is testament to their durability, popularity, and resilience.

## 13. Assessment Recommended?

No

## 14. Comments on Quality of ICR

The ICR provides a good justification of the PDO relevance; robust evidence; a clear linking of evidence to findings; and sufficient basis for the ratings. The ICR has internal consistency. The lessons learned are linked to the narrative and the ratings and are useful for operations in the FCV countries.



In addition, the overview, context and articulation of the design features for the project are extremely well made and there is strong analytical engagement with the FCV nature of the intervention and how it builds on other work in the country.

However, the ICR could have included more detailed information on the numerous revisions, as well as some of the ramifications of implementing a complex project in an FCV country. The ToC also had some deficiencies, presenting lists of inputs and outputs, but limited engagement with the important intermediate outcomes and/or causal links. Despite these shortcomings, the overall quality of the ICR is substantial.

**a. Quality of ICR Rating**  
Substantial