

ARTF SCORECARD 2019



Integrated Performance and Management Framework

January – December 2019



Afghanistan
Reconstruction
Trust Fund



PREPARED BY THE ARTF ADMINISTRATOR

In consultation with
the Ministry of Finance
of the Islamic Republic of Afghanistan
and the ARTF Strategy Group



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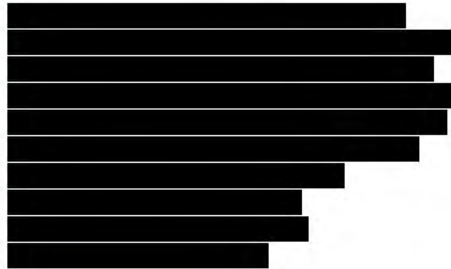
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The ARTF Strategy Group and Gender Working Group provided inputs on the draft document.

ABBREVIATIONS AND ACRONYMS

AAIP	AFGHANISTAN AGRICULTURE INPUTS PROJECT	LMA	LINE MINISTRY AND INDEPENDENT AGENCY
ACREMAP	ANTI-CORRUPTION AND RESULTS MONITORING ACTION PLAN	LTO	LARGE TAXPAYER OFFICE
AFMIS	AFGHANISTAN FINANCIAL MANAGEMENT INFORMATION SYSTEM	MA	MONITORING AGENT
AHP	AD HOC PAYMENTS	MAIL	MINISTRY OF AGRICULTURE, IRRIGATION AND LIVESTOCK
ALASP	AFGHANISTAN LAND ADMINISTRATION SYSTEM PROJECT	MC	MANAGEMENT COMMITTEE
ALCS	AFGHANISTAN LIVING CONDITIONS SURVEY	MCCG	MAINTENANCE CONSTRUCTION CASH GRANT
ANPDF	AFGHANISTAN NATIONAL PEACE AND DEVELOPMENT FRAMEWORK	MDG	MILLENNIUM DEVELOPMENT GOAL
ARAP	AFGHANISTAN RURAL ACCESS PROJECT	M&E	MONITORING AND EVALUATION
ARD	AFGHANISTAN REVENUE DEPARTMENT	MMR	MATERNAL MORTALITY RATIO
ARTF	AFGHANISTAN RECONSTRUCTION TRUST FUND	MOE	MINISTRY OF EDUCATION
ASIST	ADVISORY SERVICES, IMPLEMENTATION SUPPORT AND TECHNICAL ASSISTANCE	MOEC	MINISTRY OF ECONOMY
BGA	BUSINESS GOZAR ASSEMBLY	MOF	MINISTRY OF FINANCE
BPHS	BASIC PACKAGE OF HEALTH SERVICES	MOMP	MINISTRY OF MINES AND PETROLEUM
CASA-CSP	CENTRAL ASIA SOUTH ASIA COMMUNITY SUPPORT PROGRAM	MOPH	MINISTRY OF PUBLIC HEALTH
CBR	CAPACITY BUILDING FOR RESULTS	MRRD	MINISTRY OF RURAL REHABILITATION AND DEVELOPMENT
CCAP	CITIZENS' CHARTER AFGHANISTAN PROJECT	MUDL	MINISTRY OF URBAN DEVELOPMENT AND LAND
CDC	COMMUNITY DEVELOPMENT COUNCIL	NA	NOT AVAILABLE
COI	CORRIDOR OF INFLUENCE	n.a.	NOT APPLICABLE
CPPR	COUNTRY PORTFOLIO PERFORMANCE REVIEW	NGO	NONGOVERNMENTAL ORGANIZATION
DAB	DA AFGHANISTAN BANK	NHLP	NATIONAL HORTICULTURE AND LIVESTOCK PROJECT
DABS	DA AFGHANISTAN BRESHNA SHERKAT	NPA	NATIONAL PROCUREMENT AUTHORITY
DLI	DISBURSEMENT-LINKED INDICATOR	NPP	NATIONAL PRIORITY PROGRAM
DPG	DEVELOPMENT POLICY GRANT	NRVA	NATIONAL RISK AND VULNERABILITY ASSESSMENT
EG	ENTERPRISE GROUP	NSIA	NATIONAL STATISTICS AND INFORMATION AUTHORITY
e-GP	ELECTRONIC GOVERNMENT PROCUREMENT	NSP	NATIONAL SOLIDARITY PROGRAMME
EPHS	ESSENTIAL PACKAGE OF HOSPITAL SERVICES	OC	OCCUPANCY CERTIFICATE
EQRA	EDUCATION QUALITY REFORM IN AFGHANISTAN	OFWMP	ON-FARM WATER MANAGEMENT PROJECT
EQUIP	EDUCATION QUALITY IMPROVEMENT PROGRAM	O&M	OPERATIONS AND MAINTENANCE
ESF	ENVIRONMENTAL AND SOCIAL FRAMEWORK	PAISA	PAYMENTS AUTOMATION AND INTEGRATION OF SALARIES IN AFGHANISTAN
EZ-KAR	ESHTEGHAL ZAIEE – KARMONDENA PROJECT	PDO	PROJECT DEVELOPMENT OBJECTIVE
FAF	FISCAL PERFORMANCE IMPROVEMENT PLAN ADVISORY FACILITY	PEFA	PUBLIC EXPENDITURE AND FINANCIAL ACCOUNTABILITY
FORM	FRAMEWORK FOR OPERATIONS RISK MANAGEMENT	PFFP	PARTNERSHIP FRAMEWORK AND FINANCING PROGRAM
FPIP	FISCAL PERFORMANCE IMPROVEMENT PLAN	PFM	PUBLIC FINANCIAL MANAGEMENT
FSF	FISCAL STABILITY FACILITY	PFMR	PUBLIC FINANCIAL MANAGEMENT REFORM PROJECT
FSP	FISCAL PERFORMANCE IMPROVEMENT SUPPORT PROJECT	PMIS	PROJECT MONITORING INFORMATION SYSTEM
FY	FISCAL YEAR	PPIAP	PUBLIC-PRIVATE PARTNERSHIPS AND PUBLIC INVESTMENT ADVISORY PROJECT
GBV	GENDER-BASED VIOLENCE	PPG	PROJECT PREPARATION GRANT
GCM	GENDER COORDINATION MEETING	PPP	PUBLIC-PRIVATE PARTNERSHIP
GDP	GROSS DOMESTIC PRODUCT	RAP	RESEARCH AND ANALYSIS PROGRAM
GFP	GENDER FOCAL POINT	RAT	RISK ASSESSMENT TOOL
GOIRA	GOVERNMENT OF THE ISLAMIC REPUBLIC OF AFGHANISTAN	RCW	RECURRENT COST WINDOW
GPN	GOOD PRACTICE NOTE	SA	SUPERVISORY AGENT
GRM	GRIEVANCE REDRESS MECHANISM	SAO	SUPREME AUDIT OFFICE
GWG	GENDER WORKING GROUP	SC	STEERING COMMITTEE
HEDP	HIGHER EDUCATION DEVELOPMENT PROJECT	SDG	SUSTAINABLE DEVELOPMENT GOAL
HEIS	HANDS-ON EXPANDED IMPLEMENTATION SUPPORT	SEA	SEXUAL EXPLOITATION AND ABUSE
HFA	HEALTH FACILITY ASSESSMENT	SWAP	SECTOR-WIDE APPROACH
HRMIS	HUMAN RESOURCES MANAGEMENT INFORMATION SYSTEM	SG	STRATEGY GROUP
IARCSC	INDEPENDENT ADMINISTRATIVE REFORM AND CIVIL SERVICE COMMISSION	SHG	SELF-HELP GROUP
IDA	INTERNATIONAL DEVELOPMENT ASSOCIATION	SOE	STATE-OWNED ENTERPRISE
IDP	INTERNALLY DISPLACED PERSON	SOP	STANDARD OPERATING PROCEDURE
IP	INCENTIVE PROGRAM	SORT	STANDARDIZED OPERATIONS RISK-RATING TOOL
IP-DPG	INCENTIVE PROGRAM DEVELOPMENT POLICY GRANT	TAGHIR	TACKLING AFGHANISTAN'S GOVERNMENT HRM [HUMAN RESOURCE MANAGEMENT] AND INSTITUTIONAL REFORMS
IPF	INVESTMENT PROJECT FINANCING	t/ha	TON/PER HECTARE
IPWG	INCENTIVE PROGRAM WORKING GROUP	TOR	TERMS OF REFERENCE
IRDP	IRRIGATION RESTORATION AND DEVELOPMENT PROJECT	TPM	THIRD PARTY MONITORING
ISR	IMPLEMENTATION STATUS AND RESULTS REPORT	USD	UNITED STATES DOLLAR
IW	INVESTMENT WINDOW	VSLA	VILLAGE SAVINGS AND LOAN ASSOCIATION
KM	KABUL MUNICIPALITY	WB	WORLD BANK
KMDP	KABUL MUNICIPAL DEVELOPMENT PROGRAM	WBG	WORLD BANK GROUP
KUTEI	KABUL URBAN TRANSPORT EFFICIENCY IMPROVEMENT PROJECT	WEE-NPP	WOMEN'S ECONOMIC EMPOWERMENT NATIONAL PRIORITY PROGRAM
		WEE-RDP	WOMEN'S ECONOMIC EMPOWERMENT RURAL DEVELOPMENT PROJECT

SECTION I: THE ARTF SCORECARD

ABOUT THE SCORECARD

THE AFGHANISTAN RECONSTRUCTION TRUST FUND (ARTF) SCORECARD provides information on the ARTF's overall performance and on key results achieved by the Government of the Islamic Republic of Afghanistan (GoIRA) through ARTF-financed projects and programs. The Scorecard aims to facilitate dialogue between the government, ARTF donors, and the World Bank (WB) as the ARTF Administrator on portfolio performance, project results, challenges, and areas in need of attention.

AN INTEGRATED PERFORMANCE AND MANAGEMENT FRAMEWORK

PILLAR I
Afghanistan
Country-Level
Outcomes

PILLAR II
ARTF Project/
Program-Level
Outputs and
Outcomes

PILLAR III
Operational and
Organizational
Effectiveness

AS THE ARTF ADMINISTRATOR, the WB aims to support satisfactory organizational and operational performance of the Fund (Pillar III) to ensure that ARTF projects and programs are achieving intended results (Pillar II) in support of Afghanistan's progress in development within the context of the Afghanistan National Peace and Development Framework (ANPDF), as well as the Sustainable Development Goals (SDGs) (Pillar I).

Drawing on key indicators from available data sets, the Scorecard aims to provide an overview of the development context, the outputs reported by GoIRA line ministry partners from ARTF-financed projects, and how the ARTF supports these outcomes operationally and organizationally. The Scorecard is a snapshot. Additional, more detailed data are available on the websites of the National Statistics and Information Authority (www.nsia.gov.af), the WB in Afghanistan, including individual project pages (<https://www.worldbank.org/en/country/afghanistan>) and on the ARTF website (www.artf.af).

THE SCORECARD'S DATA

SCORECARD INDICATORS ARE drawn from existing, reliable data sets. Most indicators have standard definitions. They are drawn from GoIRA national data, from project management information systems, and from the WB's own management data. Scorecard indicator sources by pillar include:

PILLAR I. Country-level outcomes reported in Pillar I are measured using primarily published data from the Afghanistan Living Conditions Survey (ALCS). The ALCS is a multipurpose household survey that collects information on several dimensions of well-being, including poverty and inequality, food security, labor market outcomes, gender, education, health, and access to services and infrastructure.¹ As the ALCS provides both national and subnational data, it is a crucial source of information for tracking Afghanistan's progress toward achievement of the ANPDF and SDG targets, as well as for assessing indirectly the impact of development programs and policies. Since an ALCS survey was not conducted in 2018 and 2019, ALCS data from 2017 have been supplemented in some instances in this edition of the Scorecard, similar to the 2018 edition, with data on selected health and education indicators available from the Ministry of Public Health (MoPH) and Ministry of Education (MoE).

PILLAR II. Like other WB-financed projects, each ARTF-financed operation has a results framework with indicators. Results are documented through a rigorous bottom-up process of data collection and reporting by government line ministries and tracking in WB operational data systems and documents. During the lifetime of a project, progress on indicators is tracked through Implementation Status and Results reports (ISRs), which are updated at least every six months and publicly disclosed. ISRs present data reported by each implementing line ministry and agency. Data are reviewed by WB technical teams before being captured in the WB's data systems.

Pillar II provides an overview of key results and indicators for projects in the ARTF portfolio. Pillar II matrices are updated annually to add select indicators from newly operationalized ARTF projects. Wherever possible, Pillar II emphasizes

¹ Annex 1 includes the definitions used for indicators throughout the Scorecard, including those drawn from the ALCS.



inclusion of “Core Sector Indicators”—indicators with standard definitions that allow corporate aggregation, which have been used in the Afghanistan portfolio since fiscal year (FY) 2009. The emphasis on Core Sector Indicators ensures that data in the Scorecard present information on progress of the portfolio as a *whole*. Additional, more detailed, results and indicator data for individual projects are available in the public ISRs, which can be accessed through the WB’s website at <https://projects.worldbank.org>.

PILLAR III. Portfolio performance data are drawn from WB operational systems, together with data on lending volume, disbursement, and the like. Organizational effectiveness data are based on ARTF financial and governance body records, drawing also from GolRA budget data and mutual accountability reporting.

A “LIVING DOCUMENT”

THE SCORECARD IS ISSUED ANNUALLY, and it is a “living document” that evolves with each round of publication. Earlier editions of the document were issued in the last quarter of the calendar year and aggregated data from the Administrator’s fiscal year (July–June). Since 2017, the Scorecard reporting period has been synchronized with the Afghan fiscal year. (To enable this synchronization, the 2016 Scorecard covered an 18-month period from July 2015 through December 2016.)

This edition of the Scorecard builds on a number of changes introduced in the 2018 edition. Despite appreciation for the Scorecard overall, partner inputs identified several opportunities for enhancing the utility of the product. Building on the feedback received from ARTF partners, especially the Gender Working Group (GWG), the 2019 Scorecard version:

- Expands narrative on gender integration and ARTF impact on empowerment of women, including adding more gender-disaggregated data in Pillar II.
- Develops a visual linkage of select ARTF outcome-level results with the National Priority Programs (NPPs) and the ANPDF.



SECTION II: THE AFGHANISTAN RECONSTRUCTION TRUST FUND

ARTF OVERVIEW

THE ARTF WAS ESTABLISHED IN 2002 to provide a coordinated financing mechanism for GoIRA's budget and national investment projects. In 2019, seventeen years later, the ARTF is the largest source of on-budget financing for Afghanistan's development, and has repeatedly demonstrated a capacity to adapt to Afghanistan's evolving context. The ARTF is supporting delivery of results in key sectors, including agriculture, education, governance, health, infrastructure, and rural development. It is also the WB's largest single country multidonor trust fund.

From its inception in 2002 through end-2019, the ARTF has committed USD 11.3 billion in funds to support GoIRA civilian operations and development objectives, including USD 5.7 billion under the Recurrent Cost Window (RCW) and USD 5.5 billion under the Investment Window (IW), while the remaining amount has been collectively committed under the smaller windows of the Anti-Corruption and Results Monitoring Action Plan (ACReMAP), Advisory Services, Implementation Support and Technical Assistance (ASIST), and the now closed Research and Analysis Program (RAP).

Disbursements in the same period have totaled USD 10.6 billion. Of this amount, USD 5.7 billion was disbursed through the RCW, including the Incentive Program Development Policy Grant (IP-DPG), of which USD 771 million has been delivered through the Ad Hoc Payments (AHP) Facility. USD 4.8 billion has been delivered through the IW. The IW has supported 80 development initiatives, of which 50 projects, with disbursements totaling USD 3.6 billion, have closed.

ARTF STRUCTURE

THE ARTF HAS FOUR WINDOWS, comprising two recipient-executed windows, the Recurrent Cost Window and the Investment Window, and two Bank-executed windows, the Advisory Services, Implementation Support and Technical Assistance Facility, which replaced the Research and Analysis Program, and the Anti-Corruption and Results Monitoring Action Plan window.

The **Recurrent Cost Window** is the first of the ARTF's two recipient-executed windows. It has evolved a lot since its establishment in 2001 as it has adapted to changing development context to be able to respond to emerging priorities of the country. One of the six thematic initiatives of the Partnership Framework and Financing Program (PFFP) aimed to broaden the scope of policy-based budget support under the ARTF Recurrent Cost Window, and incentivize **100 percent of ARTF support**. All budget support was incentivized in 2018 and mainly delivered under two RCW funding modalities—(i) a standard WB Development Policy Financing operation, the IP-DPG, and (ii) a Fiscal Stability Facility (FSF)—a pool of funding GoIRA could access subject to certain conditions being met. However, in 2019, the Incentive Program Working Group (IPWG) decided to channel the entire budget support package through the IP-DPG modality. A total of USD 400 million (International Development Association [IDA], USD 100 and ARTF, USD 300) was disbursed to the government upon meeting all 10 agreed upon policy action benchmarks.

The third RCW funding modality, the AHP, was continued from the previous financing strategy period and officially closed in December 2019. The AHP allowed donors to channel on-budget funds to GoIRA (benefiting from the fiduciary controls of the RCW) subject to conditions negotiated bilaterally between the donor and the Ministry of Finance (MoF) on behalf of GoIRA. Details of RCW operations in 2019 are provided in the Pillar II of the Scorecard.

The **Investment Window** is the second of the ARTF's two recipient-executed windows. It funds investment projects that are implemented by GoIRA line ministries and agencies. GoIRA is primarily responsible for project design and implementation, including monitoring and updating results frameworks, establishing adequate monitoring and evaluation arrangements, and reporting progress toward agreed project development objectives (PDOs) and results targets. WB technical teams provide support to implementing ministries and agencies during these processes and monitor and evaluate projects based on the agreed monitoring and evaluation framework.



The ARTF Management Committee (MC) had approved 17 IW projects under previous financing strategies that remained active in some or all months of 2019. Four² projects including a Project Preparation Grant (PPG) closed over the course of the year. The MC approved ARTF financing for two new IW projects in 2019. As of end-December 2019, 29 IW projects with ARTF financing were active or approved, including the Afghanistan Agriculture Inputs Project that closed in June 2019. Details of IW operations in 2019 are provided in Pillar II of the Scorecard.

Advisory Services, Implementation Support and Technical Assistance is the first of the ARTF's two Bank-executed windows established under the PFFP in 2018 with initial financing of USD 15 million. ASIST replaced the RAP window established under the previous financing strategy. In contrast to RAP, which focused exclusively on research and analytical work, ASIST enables the WB to provide longer-term, specialized technical expertise in priority sectors beyond the regular program implementation support and technical assistance normally provided by WB technical teams.

New proposals for use of the ASIST window are presented to the ARTF Strategy Group (SG) by MoF for endorsement (as with all other ARTF-financed programs, financing must be approved by the MC). The procedure enables SG members to ensure that new proposals for technical assistance align with existing and planned assistance provided through bilateral support. The SG review also provides an opportunity to consider the appropriateness of budgetary allocations to the window. The SG has the authority to increase the allocation to ASIST if needed, subject to approval by the MC. ARTF partners have the option to provide incremental contributions (supplemental to current pledges to the core ARTF program) that are preferenced to ASIST to support specific technical assistance initiatives, subject to presentation by MoF and approval of the SG.

Anti-Corruption and Results Monitoring Action Plan is the second of the ARTF's two Bank-executed windows. The objective is to enhance value for money of Bank-financed operations by reducing their vulnerability to corruption while strengthening monitoring of implementation progress and results across all ARTF- and IDA-financed operations. Established under the PFFP in 2018, it consolidates the two current Bank-executed Third Party Monitoring (TPM) contracts under one window under the ARTF.

The ARTF Steering Committee (SC) approved core funding of USD 60 million over three years to support ACREMAP. In addition to TPM, ACREMAP supports an intensified focus on financial accountability through a range of analytical activities and in-depth reviews, including fiduciary reviews. Approaches will vary according to the circumstances of particular projects, and are applied by the WB as TPM, audit, or other external findings warrant. In support of these in-depth reviews, ACREMAP can also pilot initiatives aimed at prevention and improved data generation.

Going forward, ACREMAP will enable expansion of TPM work, including by increasing the number of physical verifications of GoIRA employees in connection with RCW expenditure eligibility, increasing the number of ARTF and IDA investment operations that benefit from TPM, broadening the scope of Supervisory Agent (SA) assessments on investment operations, enhancing the technical methodologies used to select sample project sites for monitoring, and piloting innovative data collection methods.

Actual costs of ACREMAP activities in 2018 were primarily attributable to TPM contract expenses and continued to be financed from allocations for those contracted services, which extended into the early part of 2019. In 2019, the ARTF MC allocated USD 9.2 million to finance activities under the ACREMAP window, including TPM expenses, which will continue to be the largest expense under the window.

ARTF GOVERNANCE

THE ARTF HAS A THREE-TIERED GOVERNANCE FRAMEWORK. At the topmost tier is the **Steering Committee**. The SC sets ARTF policy, endorses the multiyear financing program, and periodically reviews its implementation. The Minister of Finance and the WB Country Director co-chair the SC. Its membership comprises ambassadors from current ARTF donor countries. Former ARTF donors with diplomatic representation in Afghanistan, members of the ARTF Management Committee, and the United Nations Assistance Mission in Afghanistan observe SC meetings.

² This does not include the 2018 IP-DPG program.

TABLE 1. SUMMARY OF ARTF PIPELINE DELIVERY FROM JANUARY–DECEMBER 2019

PROJECT NAME	BASIC IDEA	GOIRA AGENCY	APPROVAL (Management Committee & IDA Board of Directors)	STATUS	ARTF (USD, million)	IDA (USD, million)	OTHER (USD, million)
POLICY-BASED BUDGET SUPPORT (IDA-DPG and ARTF-RCW)							
2019 DPG - Incentive Program	Mainstreaming WBG Development Policy Grant as the primary vehicle for RCW-IP	MoF	MC: Jun-2019 IDA: Jun-2019	Active	300	100	
INVESTMENT PROJECT FINANCING (IDA-IPF and ARTF-IW)							
GOVERNANCE AND STATE EFFECTIVENESS							
EFFECTIVE GOVERNANCE NPP							
Payments Automation and Integration of Salaries in Afghanistan	Support the development of digital government-to-person payments in Afghanistan	Da Afghanistan Bank	MC: Apr-2019 IDA: Apr-2019	Active	35	10	
NATIONAL JUSTICE AND JUDICIAL REFORM PLAN							
Afghanistan Land Administration System Project	Reforming land administration	Ministry of Urban Development and Land	MC: Apr-2019 IDA: Apr-2019	Active	10	25	
POVERTY REDUCTION, SERVICE DELIVERY, CITIZENS' ENGAGEMENT, AND SOCIAL INCLUSION							
HUMAN CAPITAL DEVELOPMENT NPP							
No new approvals in 2019							
WOMEN'S ECONOMIC EMPOWERMENT NPP							
No new approvals in 2019							
SOCIAL COHESION							
No new approvals in 2019							
ECONOMIC GROWTH AND JOB CREATION							
COMPREHENSIVE AGRICULTURAL DEVELOPMENT NPP							
No new approvals in 2019							
NATIONAL MINERAL AND RESOURCE DEVELOPMENT NPP							
No new approvals in 2019							
INFRASTRUCTURE AND CONNECTIVITY NPP							
No new approvals in 2019							
URBAN DEVELOPMENT NPP							
No new approvals in 2019							
PRIVATE SECTOR DEVELOPMENT PROGRAM							
No new approvals in 2019							

Although the SC is intended to meet quarterly, in 2019 it met once, on May 20, 2019, to review progress of the ARTF Partnership Framework and Financing Program FY 1397–FY 1399 (2018–2020) and endorse three recommendations: (i) the Country Portfolio Performance Review (CPPR) conducted between January–March 2019; (ii) the Incentive Program Working Group recommendation to redirect pipeline funding for the Fiscal Stability Facility into an expanded IP-DPG in 2019 and 2020; and (iii) the Strategy Group recommendation to close the Recurrent and Capital Costs investment project financing operation in December 2019.

Proposals for individual projects and programs are presented to the **Management Committee**, which is mandated to approve programs and projects, review ARTF finances, and make recommendations to the Administrator on ARTF management. Co-chaired by the Ministry of Finance and the WB Country Director for Afghanistan, MC membership comprises the Country Directors of the Asian Development Bank, the United Nations Development Programme, and the Islamic Development Bank. The United Nations Assistance Mission in Afghanistan is an official observer at MC meetings. The MC meets as required to review proposals.

In 2019, the MC held two in-person meetings during which it approved ARTF financing for two new Investment Window projects and one Recurrent Cost Window instrument (the IP-DPG). The MC held one “virtual” meeting, in which committee members reviewed financial transfers in the ARTF and small project preparation grants for approval via correspondence. (Results of virtual meetings are documented in the minutes of the MC’s next in-person meeting).

The SC and MC decisions are supported by the **ARTF Strategy Group**, which reviews the ARTF strategy, makes recommendation of the strategy for endorsement by the Steering Committee, and advises on implementation of the ARTF program. The SG meets monthly and as needs arise at technical level. **In 2019, the SG met 11 times**, holding several special sessions to discuss and advance preparations of the Post-Settlement Economic Initiative analytics, sharing updates on the implementations of the Partnership Framework and Financing Program as well as findings of the in-depth fiduciary reviews.

In developing its recommendations to the SC, the SG consults with two relevant working groups. The **Incentive Program Working Group** meets at least quarterly and more frequently as needed to agree with GoIRA on the policy benchmarks to be tied to releases of funds under the former Recurrent Cost Window Incentive Program, and, effective in 2018, the IP-DPG. The IPWG reports on progress and results of the policy actions included in the IP-DPG to the SG and SC. **In December 2018, the IPWG drafted an updated terms of reference outlining roles and responsibilities of all members under the newly introduced IP-DPG structure.**³

The **Gender Working Group** meets monthly to review gender aspects of ARTF-financed activities and makes recommendations to the SG and SC on improving gender outcomes, mainstreaming, and reporting in ARTF-financed projects. **The GWG convened 10 times in 2019.**

GoIRA, as the main beneficiary and stakeholder of the ARTF, and the WB as the Trustee and Administrator of the Fund, participate at all levels of the governance framework. GoIRA is responsible for setting development priorities that guide all ARTF initiatives, as well as for project design and implementation. The WB is responsible for ensuring that ARTF-funded initiatives are developed and implemented in a manner consistent with GoIRA priority and guidance and WB policies and procedures. It provides co-chairing and secretariat support for the governance bodies, and provides implementation, monitoring, and reporting support for ARTF-funded initiatives implemented by GoIRA.

ARTF STRATEGY

THE ARTF PARTNERSHIP FRAMEWORK AND FINANCING PROGRAM FY 1397–FY 1399 (2018–2020)

THE ARTF IS FINANCED through a three-year rolling plan that outlines GoIRA’s financing needs and donors’ commitments. First introduced at the 2010 London Conference on Afghanistan, the strategies have become a regular planning tool used by all ARTF partners to identify financing priorities for the Trust Fund. These documents summarize the core areas of ARTF support to GoIRA, including civilian recurrent costs, policy reforms and core development, and service provision programs, including governance, health, education, social and rural development, and infrastructure.

³ The IPWG drafted its terms of reference in December 2018; the final version was endorsed in January 2019.



On June 25, 2018, the SC approved the third three-year strategy⁴ for the ARTF. The ARTF Partnership Framework and Financing Program FY 1397–FY 1399 (2018–2020) sets out an indicative financing program for use of USD 2.485 billion in ARTF resources. Preparations for PFFP began in mid-2017 with a review of the existing ARTF portfolio to identify opportunities for adjusting financing in line with emerging priorities under the ANPDF and GoIRA's NPPs. After initially committing USD 2.485 billion to the PFFP, donors increased their commitments to the ARTF, expanding the envelope to USD 2.504 billion.

The external review was completed in December 2017 in line with commitments arising from Self Reliance through Mutual Accountability Framework indicators agreed ahead of the 2016 Brussels Conference on Afghanistan. The external review's findings were presented in the report *Taking Charge: Government Ownership in a Complex Context, External Review of the Afghanistan Reconstruction Trust Fund*, ("Taking Charge"), which is available on the ARTF website at www.artf.af. The PFFP incorporated the findings of the external review and adopted as six thematic initiatives that respond to recommendations in the external review's findings.

These initiatives are focused on (i) enhancing alignment through a more flexible and adaptable approach to programming; (ii) moving toward increased use of incentivized results-based instruments; (iii) providing more hands-on extended technical assistance and implementation support; (iv) ramping up monitoring and strengthening anti-corruption mechanisms; (v) adopting a more structured, GoIRA-led approach to improving ARTF portfolio performance; and (vi) streamlining collaboration and decision-making procedures and strengthening communications and reporting.

After the SC's endorsement of the PFFP, GoIRA and the wider international community signaled a broader endorsement of the initiatives by incorporating the thematic initiatives as "Indicator 16" in the Geneva Mutual Accountability Framework, adopted at the Geneva Ministerial Conference on Afghanistan in November 2018.

PFFP IMPLEMENTATION IN 2019

THE ARTF PORTFOLIO: In the PFFP, the SC endorsed 20 planned (or "pipeline") projects to receive ARTF support. The

4 Previous strategies ran from FY 1391 to 1393 (2012 to 2014), outlining three-year financing USD 3.6 billion; and from FY 1394 to 1396 (2015 to 2017), which outlined priorities for financing USD 2.4 billion.

ARTF Management Committee approved ARTF financing for 15 new operations (12 in FY 1397 [2018] and three in 1398 [2019]), which means that GoIRA and the WB delivered⁵ three quarters of the endorsed pipeline projects in the first and second years of the financing period. Of these, 13 are co-financed with IDA resources, fulfilling a thematic priority of the PFFP.

In January 2019, the IPWG considered options for the next round of preparation of the 2019 Incentive Program and concluded that the Fiscal Stability Facility should not be renewed going forward, and pipeline funds should instead be redirected to an expanded IP-DPG in 2019 and 2020. The 2019 Incentive Program continued building on the 2018 Incentive Program, supporting reforms 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.

Under the Investment Window, two of the 11 ARTF pipeline initiatives were delivered in 2019, Payments Automation and Integration of Salaries in Afghanistan (PAISA) (USD 45 million, of which USD 35 million from ARTF and USD 10 million from IDA) and Afghanistan Land Administration System Project (ALASP) (USD 35 million, of which USD 10 million from ARTF and USD 25 million from IDA). PAISA aims to support the development of government-to-person digital payments in Afghanistan in the governance and financial management sectors, while ALASP works to support Afghanistan in the development of a land administration system as well as to provide the population in specific areas with improved land registration services, including issuance of Titles and Occupancy Certificates (OCs).

Four ARTF-financed operations were restructured in 2019. This included two investment projects: Kabul Urban Transport Efficiency Improvement (KUTEI), which extended its closing date from December 2019 to December 2020 and a partial cancellation of USD 10 million from the overall financing amount of the project, and the ARTF Recurrent and Capital Cost project, which extended its closing date from March 2019 to December 2019. Two Project Preparation Grants, Mazar-e-Sharif Gas to Power PPG and Afghanistan Extractive Sector Development PPG were also restructured to extend closing dates of both operations beyond 2019.

Four ARTF-supported investment projects closed on schedule in 2019: (i) Afghanistan Agricultural Inputs Project (closed

5 Delivery in this context refers to the completion of all preparations, appraisals, and negotiations, and final approval by the ARTF Management Committee.



June 2019); (ii) Support to the Afghanistan Independent Land Authority PPG (closed August 2019); (iii) On-Farm Water Management Project (closed December 2019); and (iv) Recurrent and Capital Costs, which was first introduced as a running cost component in 2002 and evolved throughout its life (closed December 2019).

As of end-December 2019, ARTF financing supported 29 active or approved projects (either entirely or through co-financing with IDA), with a total net commitment value of USD 7.65 billion.⁶ See Annex II: Summary of ARTF Active Projects for detailed portfolio information.

PROGRESS ON SIX THEMATIC INITIATIVES: In 2019, the ARTF partnership made progress on each of the six thematic initiatives outlined in the PFFP:

1. Enhancing alignment through a more flexible and adaptable approach to programming. The PFFP aimed to promote a more programmatic approach to programming through several measures. The first was to prioritize co-financing of ARTF projects with IDA or other global trust fund resources. By the end of 2019, almost two thirds of ARTF programs were co-financed. In 2019, three of the four new projects approved for ARTF financing, including the Incentive Program but excluding the two guarantees, were co-financed with IDA.

A second measure aimed to employ a phased approach for complex engagements, wherever possible. The 2018 IP-DPG agreed on a one-year program of reforms set in the context of an indicative three-year framework to be built on in the following year. The Cities Investment Project design, approved in December 2018, also incorporates phased programming. WB teams also participated in donor and GoIRA-led discussions to explore introduction of sector-wide approaches (SWAPs) in basic education and in other sectors throughout 2019.

2. Moving toward increased use of incentivized results-based instruments. In line with the PFFP and building on the successful delivery of policy-based budget support in 2018, 100 percent of the policy-based budget support was delivered through WB's incentivized mechanism of the Development Policy Grant. In 2019, the IPWG decided to move 100 percent under the Incentive Program and close the FSF.

3. Providing more hands-on extended technical assistance and implementation support. While the SG approved three ASIST initiatives in 2018, no new proposals to use ARTF allocations for ASIST were presented to the Strategy Group in 2019. No donors proposed supplemental contributions to finance technical assistance for GoIRA through ASIST in 2019. In discussions with the WB and ARTF donors in late 2019, MoF noted that the ASIST window appeared somewhat underutilized. Of the three ASIST initiatives approved in 2018, one provides technical support to the Fiscal Performance Improvement Plan, a second offers support to the Ministry of Mines and Petroleum (MoMP) on key extractives issues, and a third aims to work with the National Statistics and Information Authority. Each of these initiatives continued implementation in 2019 and reported semiannual progress to the Strategy Group.

4. Ramping up monitoring and strengthening anti-corruption mechanisms. In 2019, the ARTF MC allocated USD 9.2 million to finance activities under the ACREMAP window, including Third Party Monitoring expenses, which will continue to be the largest expense under the window.

TPM: A key objective of ACREMAP was to consolidate the separate Monitoring Agent (financial) (MA) and Supervisory Agent (field/site) contracts into a single, integrated program, which will commence in January 2020.

Contracts for both the MA and SA have been extended through December 2019 with expanded scopes of work in line with the 2019 annual update of the PFFP, including for expanded physical verification and an increased coverage of ARTF–IDA financed projects. All ARTF–IDA projects will be covered under the new TPM contract post-January 2020. In December 2019, the WB competitively selected a consortium led by UK-based BDO LLP to serve as the new Third Party Monitoring Agent (replacing the previous MA and SA roles). The ARTF Administrator informed the decision to the Strategy Group in the same month.

In-depth fiduciary reviews: An in-depth fiduciary review of historical ARTF support to the Ministry of Education required more time than originally anticipated. Weaknesses in the ministry's record management have contributed to some delays and limitations on the scope of the review, but the work is nearing completion and will be reviewed by WB leadership and discussed with the authorities when it is finished, prior to dissemination of findings. Scoping work has begun for a similar review of project support to the Ministry of Agriculture, Irrigation and Livestock (MAIL).

⁶ This also includes USD 5.1 billion under the ARTF–Recurrent and Capital Costs operation as well as the subsequent tranches under the Sehatmandi project.



In addition to expanding TPM, the WB governance team introduced, and the SG approved, an enhanced fiduciary framework, requiring tighter fiduciary controls than normally applied by the WB for all ARTF–IDA funded projects in Afghanistan. The framework proposes the WB to conduct detailed fiduciary reviews, provide smart implementation support, and build the capacity of government counterparts. GoIRA is also required to heighten internal controls and strengthen financial management systems.

5. Adopting a more structured GoIRA-led approach to improving ARTF portfolio performance. The first round of the Country Portfolio Performance Review of the ARTF portfolio under the leadership of GoIRA, with participation by line ministries, the WB, and ARTF donors, was launched in January 2019. MoF staff led a series of discussions with the WB, line ministries, project teams, and donors over the subsequent three weeks. The discussions reviewed 32 active projects and 23 pipeline initiatives. In line with the WB's objective to manage IDA- and ARTF-financed programming as a unified portfolio wherever possible, and the expanded co-financing from both sources across the portfolio, the CPPR covered all ARTF and IDA financing. MoF invited donors to join all discussions and the participation was strong.

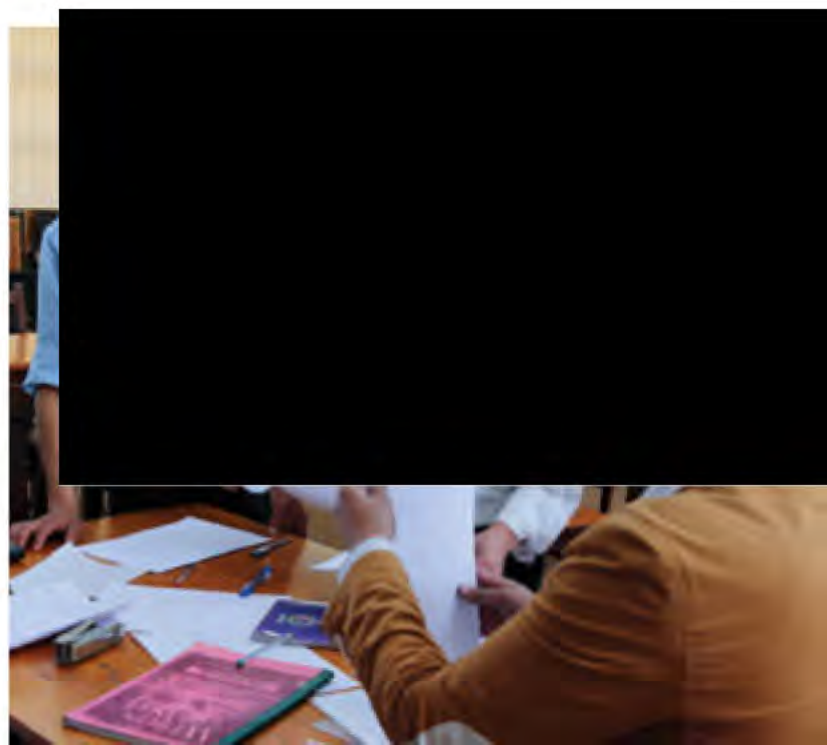
The CPPR concluded in March 2019 at a meeting co-chaired by the Minister of Finance and the WB Country Director, which reviewed outcomes and recommendations of the process, as well as an MoF presentation on the GoIRA growth strategy. Key CPPR findings included the discussion of systemic challenges that affect project implementation in the areas of strategic and operational coordination, procurement, financial management, operating in insecure and high-risk areas, incorporation of TPM findings, project staffing, and management of environmental and social risks. The report of the CPPR process identifies actions to begin addressing the challenges. The SG will monitor progress on the recommendations.

Of the existing ARTF-financed portfolio, the CPPR concluded that projects representing roughly 34 percent of the overall value are mid-implementation, and no restructurings or early closures were recommended at this time. Projects representing 21 percent of the overall value that are nearing completion were endorsed to continue implementation and close on schedule. Recently approved projects representing 23 percent of the overall value will initiate implementation as approved. Projects representing just under 22 percent of the value may require restructuring, and a small PPG representing less than one percent of the overall value was

recommended for early closure, with the functions supported by the grant to be shifted to another existing project. Of the 23 pipeline initiatives, 11 envisioned support from the ARTF and were endorsed for further preparation, although in some cases subject to revisions in scale or further review of project concepts.

A GoIRA-led Portfolio Operational Status Review was also held on October 30–31, 2019, focusing on solution-oriented technical discussions over two days to resolve implementation bottlenecks. The status review looked at 11 selected portfolio projects that were either in problem-status or were advised to make course-corrections during the last CPPR. It also reviewed three pipeline projects that required immediate advice and decisions to accelerate the preparation. Four systemic issues continuously affecting project implementation were also discussed. The first day was spent holding individual projects' technical discussions and the second day on broader systemic issues.

6. Streamlining collaboration and decision-making procedures and strengthening communications and reporting. In the PFFP, the SC recognized the complexity and visibility of coordination around the ARTF and endorsed proposals for streamlining partner collaboration, with commitments by GoIRA, the WB, and donor partners. In 2019, the WB sustained the enhanced communications with donor partners, including direct interaction with project teams and donors in regular ARTF governance body meetings and in project-specific briefings. Donors and GoIRA participated regularly in ARTF governance mechanisms, portfolio reviews, and project engagements, providing valuable input into project designs and ARTF-specific products.



SECTION III: DETAILED RESULTS BY PILLAR

PILLAR I

Afghanistan Country-Level Outcomes

PILLAR I
Afghanistan
Country-Level
Outcomes

PILLAR II
ARTF Project/
Program-Level
Outputs and
Outcomes

PILLAR III
Operational and
Organizational
Effectiveness

ABOUT THIS PILLAR

THE ARTF HAS BEEN A SIGNIFICANT CONTRIBUTOR in supporting results at the country level through financing (recurrent and investment financing) and policy dialogue (the Incentive Program implemented under previous Financing Strategies and the Incentive Program Development Policy Grant implemented under the Partnership Framework and Financing Program [PFFP]). Pillar I reports on key development indicators in Afghanistan on poverty and human development and documents long-term development gains.

The National Statistics and Information Authority (NSIA) conducted the sixth round of data collection under the ALCS in 2016–2017.⁷ Results were published in May 2018 and selected results with particular relevance to ARTF-supported programming are excerpted in this Pillar. These high-level outcomes are the achievement of the aggregate contribution of GolRA and all of its development partners over the long term through a combination of multisector interventions, actions, and policy decisions.

ARTF-supported initiatives are not the only programs contributing to Pillar I outcomes, and it is generally speaking not possible to isolate direct causality between ARTF-supported initiatives and national development outcomes because of the combination of interventions active during the period. Nevertheless, the ARTF plays a central role as a financing source for both the civilian operating and development budgets, and as such plays a key role in the progress that has been made in Afghanistan since 2002.

HIGHLIGHTS

- Growth is estimated to have accelerated slightly to 2.9 percent in 2019, relative to 1.8 percent in 2018. Recovery from drought conditions in 2018 drove the slight pick-up, with agriculture growing at an estimated 7.5 percent. Strong agricultural growth was offset by weak growth in industry and services (2 percent and 1.8 percent, respectively), reflecting very weak confidence. Investment and confidence were undermined by multiple overlapping factors, including (i) deteriorating security; (ii) political uncertainties around the presidential elections and its disputed outcome; (iii) uncertainties regarding ongoing international security and aid support; and (iv) the unclear process and timelines for a potential political settlement with the Taliban and the contours of any eventual peace agreement.
- Afghanistan's economic growth averaged just 2.3 percent over 2014–2019, reflecting declining aid, political instability, and rising insecurity. Growth is estimated to have reached 2.9 percent in 2019, mainly driven by recovery from drought conditions in 2018.
- The agriculture sector is estimated to have grown by 7.5 percent, driven by 17 percent growth in cereals, following a drought-induced contraction of 16 percent in 2018. Industry and services, on the other hand, are estimated to have grown by 2 percent and 1.8 percent, respectively, in 2019, reflecting weak confidence associated with factors described earlier.
- While detailed household survey data are not available, poverty is expected to have worsened during 2019. Improved precipitation in the 2018–2019 winter is expected to have had favorable impacts on rural livelihoods and allowed some internally displaced people

⁷ At the time of data collection, the NSIA was known as the Central Statistics Organization.



to return to their origin communities. However, impacts of improved agricultural production on household incomes and consumption are expected to have been uneven. Continued population displacement in 2018 may have led to reduced or suboptimally timed planting.

- **The displacement crisis continued in 2019**, with close to 400,000 Afghans internally displaced due to conflict and an additional 505,000 returning to Afghanistan, mainly from Iran, during 2019.
- **Economic prospects are subject to high levels of uncertainty.** Real gross domestic product (GDP) is expected to contract by between 5.5 percent and 7.4 percent in 2020 due to economic disruptions associated with COVID-19. Industry and services are expected to be hit hard by the imposition of urban lockdowns, while agricultural production continues to expand due to favorable weather conditions. With impacts of the COVID-19 crisis expected to persist through winter, the economy is expected to grow by one percent over 2021, with the possibility of further contraction. Both per capita and real GDP are expected to sharply decline and likely remain below pre-COVID-19 levels over the medium term.
- **Conflict has negatively impacted economic activity since 2014**, and prospects for 2020 and beyond will be heavily influenced by political and security developments.
- **With five reforms in doing business, Afghanistan advanced from 183th to 167th place in the global ease of doing business rankings in 2019.** On the measure of absolute progress toward best practice, Afghanistan significantly improved its Doing Business score by more than 10 points to 47.77/100.
- **Health indicators remained consistent with last year**, with under-five mortality dropping from 257 per 1,000 live births in 2003 to 50 per 1,000 live births in 2019.

SUMMARY OF PROGRESS

Since the last round of the Afghanistan Living Conditions Survey (ALCS) data was released in 2016–2017, data for Pillar 1 have not been updated except for a few indicators where data from alternative sources were available. Calculations conducted for poverty estimates, growth, and the impact of COVID-19 were however based on the 2016–2017 ALCS data.

AFGHANISTAN LIVING CONDITIONS SURVEY DATA (FORMERLY NATIONAL RISK AND VULNERABILITY ASSESSMENT)

THE SCORECARD PROVIDES A SNAPSHOT of overall poverty trends and challenges to poverty reduction in Afghanistan. In this report, the analyses of poverty trends between 2007–2008, 2011–2012, and 2016–2017 use comparable data and estimates based on four rounds of the ALCS (formerly known as the National Risk and Vulnerability Assessment, or NRVA). Based on the latest data, the poverty rate in Afghanistan increased from 33.7 percent in 2007–2008 to 54.5 percent in 2016–2017, meaning that almost 16 million Afghans are living in poverty.

Poverty in 2019 is expected to have increased, up from an already high poverty headcount of 54.5 percent in 2016–2017, and continuing a worrisome upward trend started in 2007. Poverty in Afghanistan increased from 34 percent to 38 percent between 2007 and 2011, despite high economic growth. GDP per capita grew 7 percent annually during this period, but economic growth was not inclusive, and only benefited the richest 20 percent of Afghans. Subsequently, the slowdown in economic growth and the deterioration in security were accompanied by worsening welfare, with poverty rates increasing to 54.5 percent by 2016–2017.

Poverty is believed to have worsened in 2018–2019 amidst slow growth, continued displacement, and the impact of the 2018 drought, albeit the good performance of the agricultural sector in 2019 may have counterbalanced partially this expected increase. Poverty remains widespread across the country, with the highest levels (in some cases, over 90 percent) observed in rural areas and areas of difficult accessibility. Food insecurity also increased in 2016–2017, and by 2016, 45 percent of the population were food insecure (defined as deficiencies in meeting minimum caloric requirements), up from 28 percent in 2007.



The post-2011 economic slowdown has been accompanied by a deterioration in the security situation, which has led to large-scale population displacements and coincided with the return of many Afghans. The number of conflict-induced internally displaced people increased from 369,7000 in 2018 to more than 399,000 in 2019. An additional 505,000 refugees returned mainly from Iran in 2019. The growing numbers of returning refugees and internally displaced people increased pressure on services, employment opportunities, and available humanitarian assistance. Since 2007, the number of injuries and deaths has increased five-fold, and in 2017, there were over 10,000 civilian casualties.

Internal displacement and large-scale return within a difficult economic and security context pose risks to welfare, not only for the displaced, but also for the population at large, putting pressure on service delivery systems and increasing competition for already scarce economic opportunities. A recent WB–United Nations High Commissioner for Refugees report found that returnees experienced a deterioration in employment opportunities, wages, and job stability after returning to Afghanistan. Although most families have at least one person working for pay, they have low job stability and low wages. With large family sizes and low reported incomes, it is likely that many returnees are living close to or below the poverty line. However, access to education has

improved post-return for both boys and girls and the gender gap in school attendance is reduced, driven by an increase in the number of households where all girls attend school.⁸

Economic contraction in 2020 would further undermine welfare conditions across the entire income distribution. Poverty impacts are expected to range from moderate to severe, especially due to the lack of a formal social safety net. Strict social-distancing measures will impact negatively, especially informal self-employed workers in the urban areas (constituting close to 60 percent of urban employment) who rely on daily income for survival. An abrupt increase of returnees from Iran amid the rapid spread of the COVID-19 outbreak and a slowdown in remittances will contribute further to household's welfare deterioration. Over the medium term, projected growth rates will be insufficient to support adequate productive employment creation and make a significant dent on poverty. Agricultural growth has the potential to improve welfare if accompanied by political stability, continued international assistance, and improved security. Vulnerability to weather-related shocks is one of the main risks for poverty reduction in rural areas.

⁸ Haroon, Mohammad; Krishnan, Nandini; Savage, Jeffrey; Wieser, Christina; Yde-Jensen, Thea. 2019. *Living Conditions and Settlement Decisions of Recent Afghan Returnees: Findings from a 2018 Phone Survey of Afghan Returnees and UNHCR data (English)*. Washington, DC: World Bank Group.



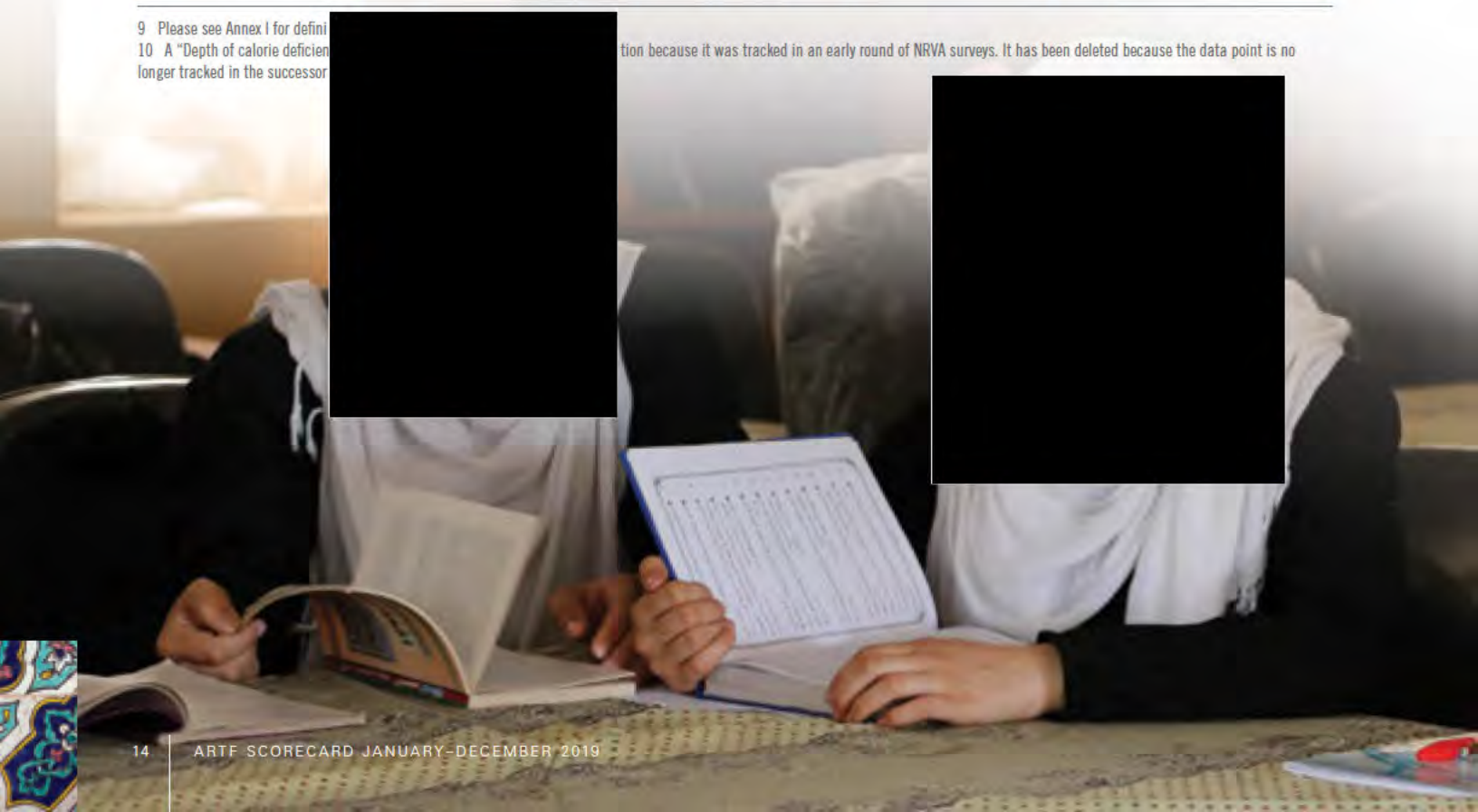
PILLAR I—AFGHANISTAN COUNTRY-LEVEL OUTCOMES

Results achieved under this pillar are national and cannot be solely attributed to the ARTF.

INDICATORS ⁹	OUTCOMES						LINKAGES			
	2007	2011	2013 to 2014	2016 to 2017	2018	2019	MDG	TARGETS (T)	SDG	TARGETS (T)
Poverty and Inequality										
Poverty rate (%)	33.7	38.3	NA	54.5	NA	NA	MDG1	MDG1: Eradicate Extreme Poverty and Hunger T1: The proportion of people whose income is less than \$1 a day decreases by 3% per annum until the year 2020	SDG1	SDG1: End Poverty in all Its Forms Everywhere T1.1: By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day
Depth of poverty	7.2	9.9	NA	15.0	NA	NA	MDG1		SDG1	
Average consumption of the poor as % of poverty line	72.1	69.2	NA	68.4	NA	NA	MDG1		SDG1	
Average per capita monthly total consumption (afghanis in 2016 prices)	2,655	2,727	NA	2,233	NA	NA	MDG1		SDG1	
Inequality—Gini coefficient of per capita total consumption	0.29	0.33	NA	0.31	NA	NA	MDG1		SDG1	
Food Security¹⁰										
Percentage of food insecure population	29.2	30.1	33	44.6	NA	NA	MDG1	MDG1: Eradicate Extreme Poverty and Hunger T2: The proportion of people who suffer from hunger decreases by 5% per annum until the year 2020	SDG2	SDG2: End Hunger, Achieve Food Security and Improved Nutrition and Promote Sustainable Agriculture T2.1: By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round
Diet diversity score	NA	5.0	5.0	5.1	NA	NA	MDG1		SDG2	
Protein deficiency (% consuming less than 50g of protein per day)	17.4	18.5	NA	30	NA	NA	MDG1		SDG2	

9 Please see Annex I for definition.
10 A "Depth of calorie deficiency" indicator was no longer tracked in the successor

indicator because it was tracked in an early round of NRVA surveys. It has been deleted because the data point is no



PILLAR I—AFGHANISTAN COUNTRY-LEVEL OUTCOMES (continued)

INDICATORS	OUTCOMES						LINKAGES			
	2007	2011	2013 to 2014	2016 to 2017	2018	2019	MDG	TARGETS (T)	SDG	TARGETS (T)
Gender										
Female literacy rate, age 15 years and above (%)	12	17	19	19.9	NA	NA	MDG3	MDG3: Promote Gender Equality and Empower Women T4: Eliminate gender disparity in all levels of education no later than 2020	SDG4	SDG4: Ensure Inclusive and Equitable Quality Education and Promote Lifelong Learning Opportunities for All T4.1: By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes
Female share in active population (%)	34.3	47	29 ¹¹	27	NA	NA	MDG3	T5: Reduce gender disparity in economic areas by 2020 T6: Increase female participation in elected and appointed bodies at all levels of governance to 30% by 2020 T7: Reduce gender disparity in access to justice by 50% by 2015 and completely (100%) by 2020	SDG5	SDG5: Achieve Gender Equality and Empower all Women and Girls T5.1: End all forms of discrimination against all women and girls everywhere T5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life
Girls to boys, age 6–12 years, enrollment ratio	0.7	0.7	0.71	0.71	0.65	NA	MDG2	MDG2: Achieve Universal Primary Education T3: Ensure that, by 2020, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling		
Ratio of fully immunized girls to boys, age 12–23 months	1	NA	NA	NA	NA	53.2% boys & 48.2% girls	MDG4	MDG 4 Reduce Child Mortality T8: Reduce by 50%, between 2003 and 2015, the under-5 mortality rate, and further reduce it to 1/3 of the 2003 level by 2020		

11 Labor force partici



PILLAR I—AFGHANISTAN COUNTRY-LEVEL OUTCOMES (continued)

INDICATORS	OUTCOMES						LINKAGES			
	2007	2011	2013 to 2014	2016 to 2017	2018	2019	MDG	TARGETS (T)	SDG	TARGETS (T)
Education										
Literacy rate, age 15 years and above (%)	25	31.4	34.3	34.8	NA	NA				
Net attendance ratio in primary education (%)	46.3	56.8	54.5	56.1	76	NA	MDG2	MDG2: Achieve Universal Primary Education T3: Ensure that, by 2020, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling	SDG4	SDG4: Ensure Inclusive and Equitable Quality Education and Promote Lifelong Learning Opportunities for All T4.1: By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes
Average years of schooling, age 18 years and above	2.0	2.6	2.8	NA	NA	NA				
Health										
Full immunization rate among children age 12–23 months (%)	36.7	30 ¹²	29.9 ¹³	58.8 ¹⁴	60	51.5 ¹⁵	MDG4	MDG 4 Reduce Child Mortality T8: Reduce by 50%, between 2003 and 2015, the under-5 mortality rate, and further reduce it to 1/3 of the 2003 level by 2020 T8c: Proportion of 1-year-old children immunized against measles (%): 90% in 2015 – 100% in 2020		
Children age 12–23 months with no vaccination (%)	14.2	NA	NA	NA	NA	NA	MDG4			
Access to skilled antenatal care during pregnancy (%)	32.8	51.2	63.2	70	80		MDG4 MDG5	MDG 4 Reduce Child Mortality MDG5 Improve Maternal Health T9: Reduce by 50% between 2002 and 2015 the maternal mortality ratio (MMR), and further reduce the MMR to 25% of the 2002 level by 2020	SDG5	SDG5: Achieve Gender Equality and Empower all Women and Girls T5.6: Ensure universal access to sexual and reproductive health and reproductive rights as agreed in accordance with the Program of Action of the International Conference on Population and Development and the Beijing Platform for Action and the outcome documents of their review conferences
Births attended by skilled attendants (%)	21.8	39.9	45.2	53.4	55.8	55.8 ¹⁶	MDG4 MDG5		SDG5	
Disability prevalence rate (%) ¹⁷				3.2	NA	NA				

12 Multiple Indicator Cluster Survey, 2010–2011.

13 Afghanistan Health Survey, 2012.

14 Afghanistan Health Survey, 2015.

15 Afghanistan Health Survey, 2018.

16 Afghanistan Health Survey, 2018.

17 New indicator as per the 2016 ALCS. The 2007 NRVA reported on the "Percent of households having persons with mild disability". This indicator has been deleted to be consistent with the ALCS indicators.

PILLAR I—AFGHANISTAN COUNTRY-LEVEL OUTCOMES (continued)

INDICATORS	OUTCOMES						LINKAGES			
	2007	2011	2013 to 2014	2016 to 2017	2018	2019	MDG	TARGETS (T)	SDG	TARGETS (T)
Access to Services and Infrastructure										
Access to improved drinking water (% of households)	27.2	45.5	68.4	63.9	NA	NA	MDG4	MDG 4 Reduce Child Mortality T13: Halve, by 2020, the proportion of people without sustainable access to safe drinking water and sanitation	SDG6	SDG6: Ensure Availability and Sustainable Management of Water and Sanitation for All T6.1: By 2030, achieve universal and equitable access to safe and affordable drinking water for all T6.4: By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity
Access to improved sanitation facility (% of households) ¹⁸	NA	NA	39.1	41.1	NA	NA	MDG4		SDG6	SDG6: Ensure Availability and Sustainable Management of Water and Sanitation for All T6.2: By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations
Access to any source of electricity (% of households)	41.1	69.1	89.5	97.7	NA	NA			SDG7	SDG7: Ensure Access to Affordable, Reliable, Sustainable and Modern Energy for All T7.1: By 2030, ensure universal access to affordable, reliable and modern energy services

18. Data reported for earlier years have been deleted as the pre-2013 indicator definitions were not comparable with the current indicators tracked by the ALCS. respective survey round.



PILLAR II

ARTF Project and Program-Level Outputs and Outcomes

PILLAR I
Afghanistan
Country-Level
Outcomes

PILLAR II
ARTF Project/
Program-Level
Outputs and
Outcomes

PILLAR III
Operational and
Organizational
Effectiveness

ABOUT THIS PILLAR

AS OF DECEMBER 2019, the ARTF comprised two government-implemented (or called client-executed) windows, the Recurrent Cost Window (RCW) and Investment Window (IW), and two WB-executed windows, the Advisory Services, Implementation Support and Technical Assistance (ASIST) window, and the Anti-Corruption and Results Monitoring Action Plan (ACReMAP) window.

Pillar II reflects the progress of the ARTF government-executed portfolio of projects funded under the RCW and IW. Data from each project and program in the ARTF portfolio will feed into the indicators reported under this pillar through the ARTF Results Matrix. Together with Pillar I, Pillar II tracks elements of development results. While Pillar I tracks results at the country level, Pillar II tracks and reports only on results that are directly attributable to projects and programs financed under the ARTF. Pillar II results feed into the results reported in Pillar I.

RECURRENT COST WINDOW HIGHLIGHTS

SUMMARY OF PROGRESS

THE RECURRENT COST WINDOW is a budget support instrument, which was one of the first aid delivery programs under the ARTF after the country emerged from conflict in 2001–2002. In its initial years, the RCW aimed solely at providing GoIRA with fiscal resources to stabilize the budget and build up the civil service.

The RCW included three facilities initially: (i) Incentive Program—a unique budget support mechanism that linked smaller but more frequent disbursements to timely completion of policy reforms; (ii) Baseline facility—a quasi-unconditional budget support mechanism that existed since 2002, providing disbursements against the submission of expenditure statements that were deemed eligible for reimbursement; and (iii) Ad Hoc Payment Facility—a financial pass-through facility established in 2013–2014 through which bilateral donor funding was channeled to the government's budget.

The RCW evolved significantly over time. Under the current PFFP, the RCW became 100 percent incentivized. Initially in 2018, incentives were structured through three modalities: the Incentive Program Development Policy Grant (IP-DPG), the Fiscal Stability Facility (FSF), and the Ad Hoc Payments (AHP) Facility.

FSF was designed as a transitional facility from the previous unconditional Baseline Facility to the fully conditional IP-DPG, aiming to provide fiscal buffers to possible revenue shortfalls that were witnessed during the 2014 election period. In 2019, ARTF donors agreed to consolidate the FSF and IP-DPG, expanding the latter to include additional policy reforms to support fiscal stability outcomes, including enhanced revenue and cash reporting. The value of the IP-DPG also increased, from USD 300 million in 2018 (of which USD 90 million was financed by IDA and USD 210 by ARTF) to USD 400 million in 2019 (of which USD 100 million was financed by IDA and USD 300 million by ARTF).

In 2019, the ARTF donors recommended closure of the AHP at the end of the Afghan fiscal year. The value of disbursements through the AHP declined (dropping from USD 159.20 million in 2018 to USD 9.53 million in 2019) as the remaining bilaterally negotiated programs began to wind down their operations. The AHP officially closed at the end of FY 1399, although final disbursements are expected to be made through end-June 2020 at the conclusion of the “grace period” for the underlying project. The substance of AHP arrangements is not reported in the ARTF Scorecard as all funded projects were implemented based on donors' bilateral agreements.

INCENTIVE PROGRAM—DEVELOPMENT POLICY GRANT:

The 2019 IP-DPG was the second in a series of three one-year operations set out under the PFFP and introducing several innovations to the standard Development Policy Financing design, within the Bank's policy, to better manage implementation, disbursement, and stakeholder risks in Afghanistan's fragile and low-capacity context.



The operation comprised multiple tranches: one associated with prior actions and the rest with tranche release conditions, all of which are based on policy and institutional reform priorities under the Afghanistan National Peace and Development Framework (ANPDF). Disbursement amounts of tranche release conditions are timing-dependent, providing hard fiscal incentives for timely fulfilment of associated reform actions.

A government-owned joint monitoring platform has been set up for regular monitoring of reform progress to allow early intervention on reform actions that faced risks of delay. The program design has proven effective with all tranche release conditions successfully fulfilled on time, fully disbursing USD 300 million in December 2019. To streamline processes and reduce compliance costs on GoIRA and WB teams, the 2019 Incentive Program was expanded to USD 400 million (USD 100

million from IDA and USD 300 million from ARTF), merging FSF into the IP-DPG program.

The 2019 IP-DPG operation aimed to support GoIRA with improving economic and fiscal self-reliance by buttressing select reform areas of the ANPDF, as well as public financial management reforms pursued under the Fiscal Performance Improvement Plan (FPIP). The operation disbursed the full allocated amount of IDA and ARTF financing (USD 300 million) with all tranche release conditions met, while supporting the implementation of reforms in the 2018 IP-DPG for (i) strengthening the business enabling environment; (ii) improving the legal and regulatory framework for water and irrigation management; and (iii) strengthening tax administration and public financial management. The 2019 IP-DPG had a moderately satisfactory overall achievement of objectives, with several of the result indicators achieved as shown in Figure 1.

FIGURE 1. 2019 IP-DPG KEY ACHIEVEMENTS (AS OF DECEMBER 2019)

PILLAR 1: STRENGTHENING THE POLICY FRAMEWORK TO SUPPORT STATE EFFECTIVENESS, PRIVATE INVESTMENT, AND SOCIAL INCLUSION	
DIGITAL PAYMENTS REFORM	Technical functional specification developed for interface of integrated government IT system
CIVIL SERVICE REFORM	<ul style="list-style-type: none"> • 28,667 civil servants competitively selected through new recruitment process • 10% of female civil servants at Senior Management Group level competitively recruited through revised process
BUSINESS ENVIRONMENT REFORM	Afghanistan's Doing Business Index Resolving Insolvency distance-to-the-frontier score dramatically improved from 23.2 to 51.8
ENERGY SECTOR REFORM	Distribution-level losses in Kabul decreased to 18.1% as a percentage of electricity supplied from substations
LAND ADMINISTRATION REFORM	63.5% (14,757 out of 23,248) of Occupancy Certificates issued recognized women as full or partial owners of land
CLIMATE RESILIENCE	Irrigated wheat productivity increased to 2.61 tons per hectare
PILLAR 2: IMPROVING THE POLICY AND INSTITUTIONAL FRAMEWORK FOR PUBLIC FINANCIAL MANAGEMENT	
PUBLIC INVESTMENT MANAGEMENT	<ul style="list-style-type: none"> • More than 80% of approved projects in the 2019 budget process went through strategic fit screening • 4 ministries developed budget proposals for O&M expenditures using a norm-based method
TAX ADMINISTRATION	<ul style="list-style-type: none"> • 44.5 billion afghanis in domestic revenue collected by the large taxpayer office (LTO) and medium taxpayer office • 100% of LTO clients had access to fast-track filing • LTO share of total Afghanistan Revenue Department revenue increased to 36%
EFFECTIVE MECHANISM FOR POLICY DIALOGUE BETWEEN GOIRA AND ARTF PARTNERS ON ECONOMIC, STRUCTURAL, AND PUBLIC FINANCIAL MANAGEMENT REFORMS	



INVESTMENT WINDOW HIGHLIGHTS

THE ARTF IW HAD A TOTAL OF 27¹⁹ ACTIVE PROJECTS in 2019 (including five PPGs) across three broad priority areas of the PFFP: (i) Governance and State Effectiveness; (ii) Poverty Reduction, Service Delivery, Citizens' Engagement, and Social Inclusion; and (iii) Economic Growth and Job Creation. By the end of 2019, four ARTF-funded projects (including one PPG) had closed. Annex II includes a list of the active and closed projects at the close of the year.

GOVERNANCE AND STATE EFFECTIVENESS

FISCAL PERFORMANCE IMPROVEMENT SUPPORT PROJECT (FSP) is the single recipient-executed investment financing project to support the Fiscal Performance Improvement Plan, a five-year rolling implementation plan for Afghanistan's public financial management (PFM) reforms based on team-based performance management.

FSP focuses on four key result areas: (i) improved development budget execution; (ii) increased domestic revenue mobilization; (iii) increased compliance with audit recommendations; and (iv) improvement in core institutional capacity, represented by a reduction in the number of long-term technical assistants. FSP was approved on December 19, 2017, and became effective on January 1, 2018.

In the project's second year (2019), it supported implementation by the Ministry of Finance of key enhancements to the budget process through a revised budget circular and budget submission template, introducing strategic screening and improved costing information in budget submissions. Implementation by the Afghanistan Revenue Department (ARD) of key reorganization and modernization measures and of electronic filing have considerably advanced, helping to increase the number of active tax filers across both the large (20 percent) and small taxpayer (3 percent) offices.

Rollout of the Automated Systems for Customs Data system has continued, with 18 customs offices connected in 2019. The National Procurement Authority (NPA) completed four key Electronic Government Procurement (e-GP) modules and

19 Altogether in 2019, ARTF funds supported 29 operations. In addition to the 27 projects active in the Investment Window, two projects were active in the Recurrent Cost Window: the Recurrent and Capital Costs investment project (which provided no unconditioned baseline support but remained open to support legacy Ad Hoc Payments Facility operations) and the 2019 IP-DPG, which was formally approved on June 17, 2019. Besides that, two Recurrent Cost operations, the 2018 IP-DPG (which disbursed all funds in 2018 but officially closed on May 15, 2019), and the Fiscal Stability Facility (which disbursed all funds in 2018 but closed in January 2019) were also technically closed in 2019.

advanced complementary measures to implement the Open Contracting Partnership and Open Contract Data Standards. The MoF Performance Management Team developed and launched a publicly accessible web-based Afghanistan Performance Management Information System, and oversaw rollout of FPIP to 110 teams across MoF, NPA, and the Supreme Audit Office (SAO).²⁰

Key fiscal and PFM indicators demonstrated strong performance in 2019. Development budget execution in 2019 maintained at 2018 levels (93 percent). The 2018 revenue/GDP ratio was 13 percent, while the estimated value of the indicator for 2019 is 14 percent.

Effective implementation by budgetary units on the external audit recommendations from 2018 audits stands at almost 31 percent, showing a slow improvement. Half of the recommendations relating to reports of audit conducted in 2017 and 2018 have been implemented in 2019. However, both estimations cover only part of the selected 10 ministries, as several ministries were not reported or covered by SAO audits.

Finally, MoF continued advancing its objective of reducing reliance on long-term technical assistance. As of the end of 2019, the number of long-term technical assistants across MoF had declined to 454, a 40 percent reduction relative to the base of 780 long-term technical assistants working in MoF in 2017.

Tackling Afghanistan's Government HRM [human resource management] and Institutional Reforms (TAGHIR) is the successor project of Capacity Building for Results (CBR). It was approved on December 19, 2018, to support continued civil service reforms to strengthen the capacity of selected line ministries and agencies through merit-based recruitment of key positions, improved personnel management, and better human resource planning.

By end-2019, TAGHIR had made important progress under its second (Personnel and Payroll Management) and third (Support to Administrative Reforms) components. Despite progress to anchor implementation of the project's first component (Human Resource Capacity Injection), including the approval of Strategic Staffing Plans for all 16 TAGHIR priority line ministries and independent agencies (LMAs) and the formulation of improved performance-based Terms of Reference (TOR), recruitment progress has been slow and turnover high (73 resignations).

20 In line with the Geneva Mutual Accountability Framework, MoF is also using its own resources to expand FPIP to other line ministries; these efforts are not financed by FSP.



Under the first component, Human Resource Capacity, the Cabinet approved 1,143 TAGHIR strategically relevant positions, which have been revised to 950; these include “legacy” positions from CBR under improved performance-based TORs and new positions to support surge in capacity across targeted “pockets of effectiveness” within TAGHIR priority LMAs. By end-2019, 586 positions had been contracted, including 75 women (13 percent) and 285 positions at the subnational level (49 percent). Performance appraisal was completed for all 586 appointees active by end-2019, with 95 percent evaluated to have satisfactorily met their predefined deliverables.

To hold priority LMAs accountable for realizing their commitments to reforms, the Independent Administrative Reform and Civil Service Commission (IARCSC) also completed evaluation of priority LMAs based on TAGHIR criteria, producing a full Monitoring and Evaluation (M&E) report that was shared with the President of Afghanistan.²¹

Under the second component, Personnel and Payroll Management, IARCSC had completed the development of seven key human resources management information system (HRMIS) modules by end-2019. The development of a payroll module had progressed to testing phase. IARCSC prioritized biometric collection and enrollment within the Ministry of Education due to the linkage to the Education Quality Reform in Afghanistan (EQRA) Disbursement-Linked Indicator (DLI) on registrations of MoE staff. By end-2019, IARCSC had completed biometric collection for over 70,000 MoE staff. Beyond MoE, IARCSC had collected and entered biometrics for around 22,000 more civil servants across the same provinces.

Under the third component, Support to Administrative Reforms, IARCSC made advances in recruitment processes in 2019, adopting computerized competency-based examinations across all technical and professional civil servant recruitments. Technical assistance has supported the enhancement of exam content and research development, and conducting LMA functional reviews.²² IARCSC advanced key aspects of civil service pay and professionalization reforms. A procurement cadre regulation was developed; together with customs, these were the first two of 15 professional cadres IARCSC plans to establish. By end-2019, development of regulations for an HR cadre was in process.

21 The M&E report showed that of 11 priority LMAs, only four fully met their TAGHIR benchmarks, including a reduction of National Technical Assistants. The M&E report provided several corrective measures and lessons learned that have informed update of LMA benchmarks for 2020.

22 The latter is a key civil service reform priority directly instructed by the President of Afghanistan, engaging within the SAO (with European Union support), Ministry of Telecommunications and Information Technology, and the Ministry of Energy and Water.

Payments Automation and Integration of Salaries in Afghanistan (PAISA) was approved on April 25, 2019, as a five-year investment financing project aimed at supporting the development of digital government-to-person payments in Afghanistan. Advisory assistance on improved legal and regulatory framework and on operational processes will complement investments in physical information technology infrastructure, as well as incentives to spur private sector-led delivery of financial services. The project entails (i) support for a biometric identification system for civil servants and pensioners; (ii) integration of the identification, verification, and payment systems; and (iii) expansion of financial services and access points for digital cash out and cashless payments.

PAISA is being implemented by MoF and Da Afghanistan Bank (DAB), while NSIA, IARCSC, and Asan Khedmat, the e-government platform, are stakeholders in the project. PAISA has been effective since September 2019, after the Project Operations Manual was prepared by the Core Reform Implementation Team and approved by the WB. There have been delays in setting up the project implementation structure. The core project implementing team at DAB is in place, while MoF's remains incomplete due to high turnovers in the Treasury General Directorate.

PAISA began implementing a few important activities in 2019. First, NSIA and IARCSC signed a Memorandum of Understanding for the biometric registration of civil servants to be carried out by IARCSC on behalf of NSIA with predefined quality standards. Second, a data quality assessment that will be financed under PAISA was initiated. Last but not least, the drafting of TORs for the development of a comprehensive legal and regulatory framework for data privacy and protection advanced.

Afghanistan Land Administration System Project (ALASP) was approved on April 7, 2019, for USD 35 million. ALASP will support the country's vision of establishing a modern land administration system that will secure land tenure rights for all citizens and the State, based on an adequate policy, and a legal, institutional, and technological framework that is responsive to the country's context, needs, and aspirations. Its main expected results include capacity development for land administration; strengthening of the land sector's legal and policy framework; the development of a Land Information System, which in time will include geo-referenced and legal information on land parcels; and issuance of Occupancy Certificates (OCs) in informal settlements.

After ALASP became effective on May 13, 2019, technical assistance activities helped in the preparation of two

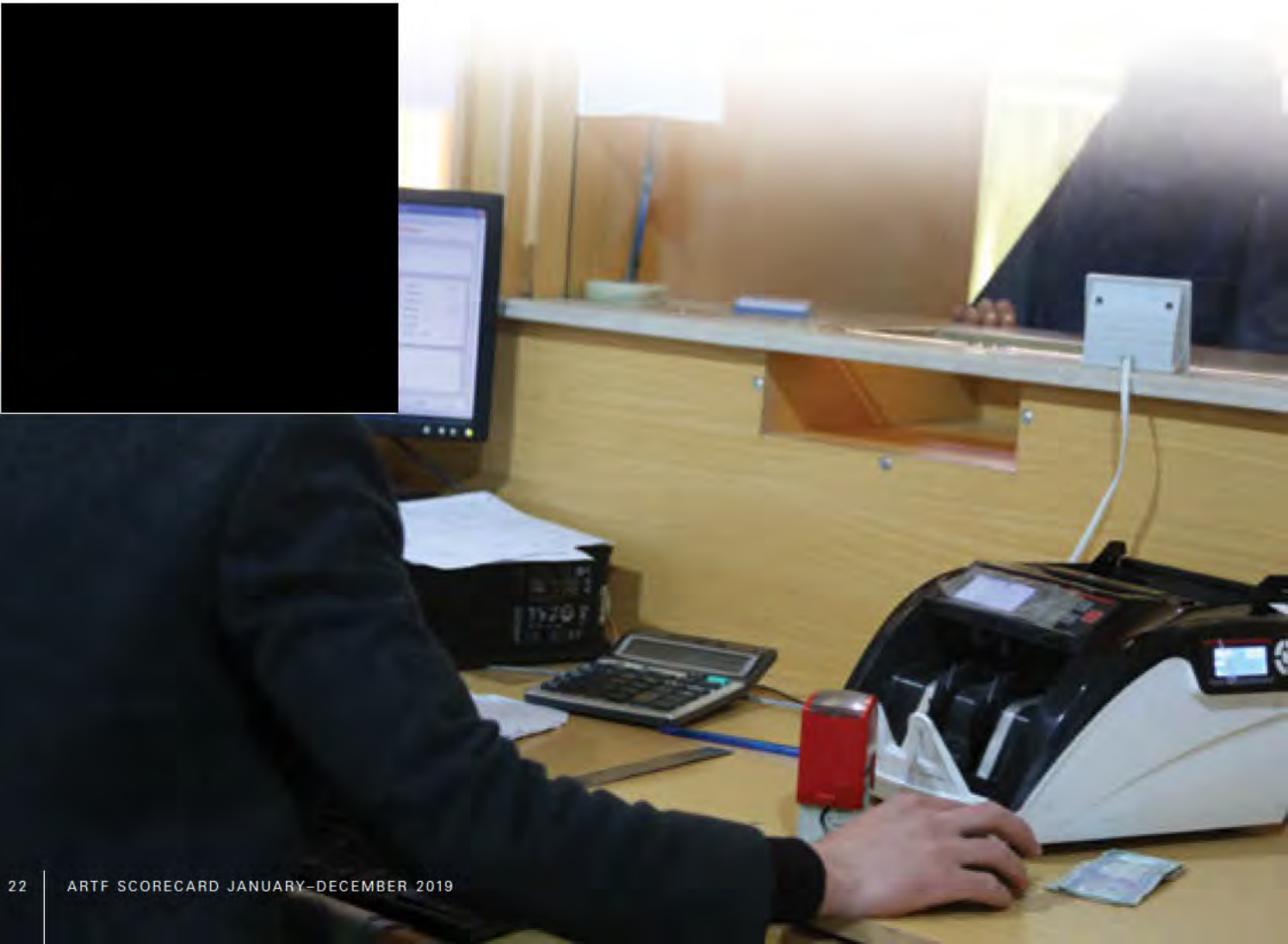


new critical laws, specifically a Land Survey Law and a Property Registry Law.²³ In addition, during this first year of implementation, ALASP has supported the Ministry of Urban Development and Land (MUDL) to take on its new responsibility over deed registration in Herat. MUDL will also take over the deed registry functions in Kabul in the second half of 2020.

ALASP will also have a positive social impact through the issuance of OCs to people living in informal settlements in eight cities, including major urban centers such as Kabul and Herat. ALASP is helping to ensure that MUDL has the organizational and technical capacity to issue OCs to at least 220,000 households. Under ALASP, the regulations for OC issuance are being improved to further streamline the process while strengthening social risk management, and the OC Directorate will be strengthened with specialized personnel.

An important focus of the OC issuance program under ALASP is gender equity. OCs will be issued jointly for men and women occupying state land, which is a critical first step in the longer-term endeavor of land titling. Accordingly, the project will track the number of women receiving OCs, with a target of reaching 70 percent of the overall OC issuance target. To help achieve these aims, MUDL is establishing a special desk at its provincial offices in the target areas, staffed by women, which will provide guidance and assistance to help address some of the structural barriers faced by women, including time, cost, and bureaucratic and male dominated processes. These activities are framed by ALASP's overall Gender Strategy, in which initial results include the development of TORs to establish a Women Land Rights Task Force in MUDL. This task force would bring together senior officials and key officers from MUDL and relevant stakeholders to provide direction and technical support for overcoming gender-related challenges in the land sector.

²³ These laws will complement the Land Management Law, which was updated in 2017, by providing the specific framework for cadastral surveying and title-based registration in Afghanistan.



GOVERNANCE

NPP KEY OBJECTIVE: EFFECTIVE GOVERNANCE PROGRAM

Strengthening the Public Financial Management systems.

ARTF Outcomes and Indicators		ARTF Milestones/Outputs		ARTF Portfolio
Outcome: Strengthened Public Financial Management				ONGOING
1 Improved Public Expenditure and Financial Accountability (PEFA) ratings for external/internal audit	Baseline: 2.00/2.00 (2008) Progress: D+ (2019) ²⁴ Target: 3.00 (2014)/3.00 (2017)	M1 Number of internal/external audits verified as done to international auditing standards	Baseline: 4 grant audits (2011) Progress: 44 grant audits (2019) Target: 44 ²⁵ grant audits (2018)	Fiscal Performance Improvement Support Project (FSP), USD 100 million: ARTF: USD 75 million IDA: USD 25 million
2 Develop and implement new e-GP system to improve the collection and disclosure of public procurement data and information across the full contracting cycle (from planning to contract implementation)	Baseline: 0% (2017) Progress: 35% (2019) Target: 100% (2022)	M2 Framework Agreement procurement is done by the government	Baseline: 0% (2017) Progress: 30% (2019) Target: 100% (2019)	2019 Incentive Program Development Policy Operation, USD 400 million: ARTF: USD 300 million IDA: USD 100 million
3 Increased development budget execution rate	Baseline: 54% (2017) Progress: 93% (2019) Target: 75% (2022)	M3 Improvement in core institutional capacity, represented by a reduction in the number of long-term technical assistants	Baseline: 780 (2017) Progress: 454 (2019) Target: 250 (2022)	
4 Increased domestic revenue as a percentage of GDP	Baseline: 10.7% (2017) Progress: 14% (2019) Target: 12.2% (2022)	M4 Web-based AFMIS extended to embassies and selected districts, municipalities, and State-Owned Enterprises (SOEs)	Baseline: 0 (2017) Progress: 3 (2019) Target: All embassies, 300 districts, 20 municipalities, and at least 5 SOEs (2022)	
5 Effective implementations by budgetary units on the external audit recommendations	Baseline: 15% (2017) Progress: 31% (2019) Target: 60% (2022)	M5 Rolling out e-Government Procurement in the pilot phase in three or more departments	Baseline: 0 (2017) Progress: 0 (2019) Target: 3 (2022)	

²⁴ The methodology for the 2017 PEFA assessment covering the years 2014–2016 was changed. The new PEFA Framework published in 2016 upgraded the methodology and scoring criteria used for the 2017 assessment. While the revisions in the PEFA Framework provide for a deeper analysis, they hinder a direct comparison with prior reviews. For comparison with the previous PEFA rating, please refer to Annex 4 of the PEFA report.

²⁵ Audits of projects financed under the World Bank (ARTF/IDA) are carried out annually. Number of audits carried out each year depends on the number of active ARTF accounts at the government level.



GOVERNANCE (continued)

ARTF Outcomes and Indicators		ARTF Milestones/Outputs		ARTF Portfolio
Outcome: Fiscal sustainability through (reform-linked) increasing domestic revenue mobilization and strengthening expenditure management				
6 Percentage ²⁶ increase in customs duties through system automation	Baseline Progress Target	5% (2017) 17.8% (2019) 100% (2022)		
7 Increase of the Open Budget Index score ²⁷	Baseline Progress Target	21 (2012) 50 (2019) NA		
NPP KEY OBJECTIVE: EFFECTIVE GOVERNANCE PROGRAM Professionalization of the public sector and civil service.				
Outcome: Strengthened performance of line ministries				ONGOING Tackling Afghanistan's Government HRM and Institutional Reforms (TAGHIR), USD 75 million: ARTF: USD 50 million IDA: USD 25 million Payments Automation and Integration of Salaries in Afghanistan (PAISA), USD 45 million: ARTF: USD 35 million IDA: USD 10 million
8 Civil servants appointed in priority LMAs following approved strategic staffing plan for targeted capacity "surge"	Baseline Progress Target	0% (2018) 100% (2019) 100% (2020)	M6 Civil servant positions held by women Baseline: 7.5% (2011) Progress: 13% (2019) ²⁸ Target: 10% (2019)	
9 Civil servants in priority LMAs transitioned from project to core government budget financing	Baseline Progress Target	0% (2018) 100% (2019) ²⁹ 100% (2021)	M7 Priority LMAs that meet minimum benchmark targets related to reduction in number of national technical assistants Baseline: 0 (2018) Progress: 4 (2019) Target: 11 (2021)	
10 HRMIS/Payroll rolled out in at least 5 LMAs	Baseline Progress Target	0 (2018) 0 (2019) 5 (2021)		
11 Percentage of civil servants and pensioners who received government payments through electronic channels (% women)	Baseline Progress Target	60% (2019) (0% women) 60% (2019) (0% women) 80% (2024) (80% women)	M8 Percentage of civil servants and pensioners biometrically registered and issued a unique identifier for payment purposes (% women) Baseline: 0% (2019) (0% women) Progress: 0% (2019) (0% women) Target: 95% (2024) 95% women)	
12 Number of financial access points	Baseline Progress Target	2,890 (2019) 2,890 (2019) 3,500 (2024)	M9 Legal and regulatory framework established, including for data protection Baseline: Inadequate (2019) Progress: Inadequate (2019) Target: A comprehensive legal framework has been enacted (2021)	

²⁶ Indicator changed to percent point increase on annual basis as a result of FSP.

²⁷ This indicator is not drawn directly from any individual project result framework and no target has been set up for it yet. It is only included for information purposes in the Scorecard.

²⁸ Achievement on this indicator increased from 7.5 percent to 13 percent. However, this is not a result of a spike in female recruitment. The increase in proportion is due to the fact that, by end-2019, the number of active TAGHIR appointees had decreased to 586 as compared to CBR's final tally of 1,053 positions. By the end of 2019, the number of civil servant positions supported by the project held by women stood at 75 positions.

²⁹ Achievement on this indicator is currently at 100 percent as all 655 positions within TAGHIR receive Pay and Grading pay directly from core government budget and as part of regular payroll.

GOVERNANCE (continued)

NPP KEY OBJECTIVE: NATIONAL JUSTICE AND JUDICIAL REFORM PLAN

Enhancing people's access to justice and protecting their fundamental legal rights and freedoms.

ARTF Outcomes and Indicators		ARTF Milestones/Outputs		ARTF Portfolio		
Outcome: Development of the Afghanistan land administration system				ONGOING		
13 Land Information System is operational and available to use centrally and in the project's selected areas (%)	Baseline Progress Target	0% (2018) 0% (2019) 100% (2024)	M10 Households benefiting from systematic land registration and issuance of Occupancy Certificates	Afghanistan Land Administration System Project (ALASP), USD 35 million: ARTF: USD 10 million IDA: USD 25 million		
			Baseline Progress Target		0 (2018) 0 (2019) 220,000 (2024)	
			M11 Women receiving Occupancy Certificates (alone or jointly)		Baseline Progress Target	0 (2018) 0 (2019) 105,000 (2024)
14 Computerization of cadastral mapping and land records completed for project's selected areas (%)	Baseline Progress Target	0% (2018) 0% (2019) 100% (2024)	M12 Effective resolution of grievances related to the project resolved within standards stipulated in GRM procedures (%)		Baseline Progress Target	0% (2018) 0% (2019) 90% (2024)
15 SOPs and uniform service standards for Deputy Land Ministry/ MUDL are adopted and effectively implemented through its daily operations	Baseline Progress Target	No (2018) No (2019) Yes (2024)				
16 Level of satisfaction of target population with land registry services (%)	Baseline Progress Target	0% (2018) 0% (2019) 75% (2024)				



POVERTY REDUCTION, SERVICE DELIVERY, CITIZENS' ENGAGEMENT, AND SOCIAL INCLUSION

HEALTH

THE SEHATMANDI PROJECT WAS APPROVED on March 28, 2018, to increase the utilization and quality of health, nutrition, and family planning services. The project builds on the innovative approach of contracting out basic and essential health service delivery across the country. The core element of Sehatmandi service delivery is a Pay-for-

Performance approach combined with a performance-management approach, that is, directly linking the payment of service providers to their performance on delivery of 11 key services after verification by a Third Party Monitor. During 2019, MoPH conducted three quarterly and one semiannual performance review of service providers.

The reviews showed that health facility visits per capita per year in 2019 was 2.1, which translates into provision of health, nutrition, and population services to more than 60 million people. Service delivery is expanding as evidenced by the number of people who received essential health, nutrition,

HEALTH						
NPP KEY OBJECTIVE: HUMAN CAPITAL DEVELOPMENT PROGRAM						
Universal and quality health care services						
ARTF Outcomes and Indicators			ARTF Milestones/Outputs		ARTF Portfolio	
Outcome: Improved access to basic health services and systems, particularly for pregnant women and children					ONGOING SEHATMANDI, USD 600 million: ARTF: USD 425 million IDA: USD 140 million Global Financing Facility: USD 35 million	
17 Births attended by skilled attendants	Baseline Progress Target	429,305 (2013) 1,665,954 (2019) 2,737,852 (2021)	M13 Health facility visits per capita per year to BPHS/EPHS facilities ³⁰	Baseline Progress Target		1.9 (2016) 2.6 (2019) 2.3 (2021)
18 Scorecard score examining quality of care in health facilities (average score)	Baseline Progress Target	63 (2016) 59 (2019) 68 (2021)	M14 Proportion of health facilities staffed with at least one female health worker	Baseline Progress Target		74% (2012) 98% (2019) 86% (2019)
19 PENTA3 vaccination coverage	Baseline Progress Target	72% (2015) 61% (2019) 80% (2021)	M15 Proportion of children under five years with severe acute malnutrition who are treated	Baseline Progress Target		24% (2011) 82% (2019) 55% (2019)
20 Minimum dietary diversity (%)	Baseline Progress Target	24% (2015) 24% (2019) 35% (2021)				
21 Contraceptive prevalence rates (modern methods) (%)	Baseline Progress Target	16.3% (2015) 17.4% (2019) 21% (2021)				

³⁰ Milestone rephrased from "number of health consultations per year" to "health facility visits per capita per year to BPHS/EPHS facilities." BPHS: Basic Package of Health Services; EPHS: Essential Package of Hospital Services.

and population services, which grew 28 percent from 2017 to 2019. The volume of services delivered under the Sehatmandi project has increased for 10 out of 11 payment indicators. For example, the number of couple-years of contraceptive protection provided by Sehatmandi facilities increased by 49 percent between 2018 and 2019, and the number of women giving birth at a health facility increased by 21 percent over the same period. Non-Pay-for-Performance services have also seen significant improvements.

To effectively manage performance of the service providers, MoPH established a Performance Management Office and developed performance management Standard Operating Procedures (SOPs) in 2019 to timely assess performance of

the service. The TPM of the project was recruited in 2019 and completed the first round of Health Management Information System data verification. The TPM was recruited to conduct the verification of health services delivery data, minimum standards, health facilities assessment, and data quality assurance.

The grievance redress mechanism (GRM) unit was revitalized. MoPH also completed a public expenditure tracking survey and finally, in collaboration with the Citizens' Charter Afghanistan Project (CCAP), nongovernmental organizations (NGOs) were oriented to community scorecard result utilization at health facility level and contracts of 31 NGOs were amended.



QUALITY HEALTH SERVICES

MOVE CLOSER TO RESIDENTS IN REMOTE DISTRICT

ON A COLD, EARLY MORNING, ██████████, walks toward the ██████████, gripping a cane in his trembling hand. ██████████ 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.

██████████ routinely visits the health center for check-ups and medicine, located just 5 kilometers from ██████████ village where he lives. It is a short distance compared to the 24 kilometers he had to travel to ██████████ the provincial capital of ██████████ 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,” ██████████ says. “The health center is helpful as it treats our problems.”

The CHC is located in the remote district of ██████████ ██████████ in ██████████ 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. The CHC sees an average of 300 patients a day and has an inpatient facility for up to five patients.



“Everyone from our village comes here for treatment and the health center personnel treats us nicely. The health center is helpful as it treats our problems.”

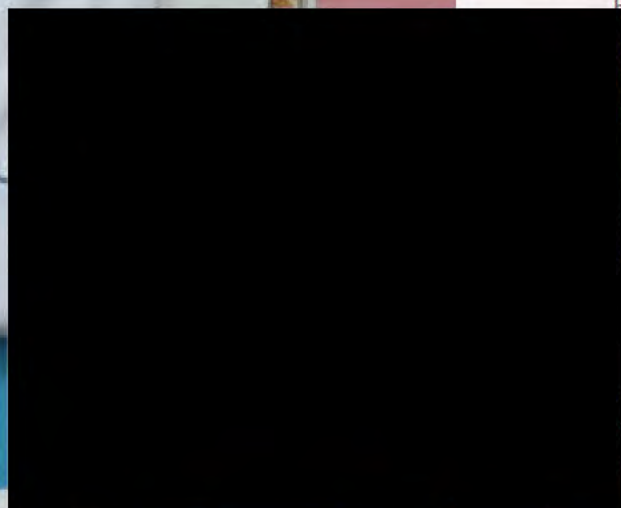
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██████████ CHC is one of 47 health facilities delivering BPHS in ██████████ province, bringing quality health services closer to residents in remote areas. The provision of BPHS and an essential package of hospital services across Afghanistan is supported by the Afghanistan Sehatmandi Project, which aims to increase the utilization and quality of health, nutrition, and family planning services across the country.

The Ministry of Public Health (MoPH) has contracted nongovernmental organizations, like the Social and Health Development Program (SHDP), to provide BPHS in these health facilities.

Under Sehatmandi, health councils have been set up to boost relations between the community and health facilities. They play a key role in expanding the range of health services by engaging with the local population and raising awareness of health issues.

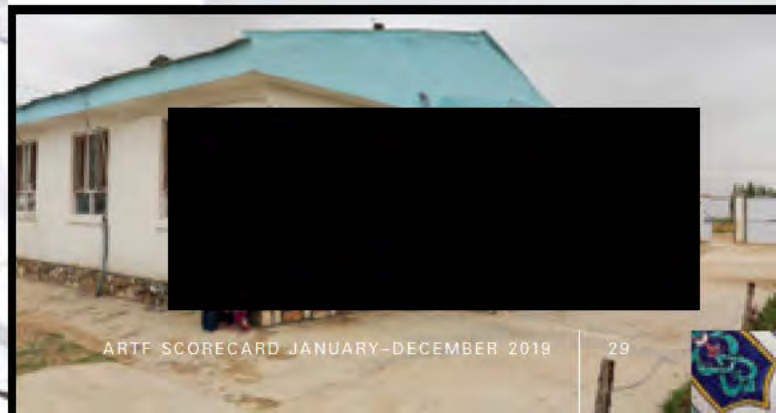


As a result, general knowledge of health issues has increased and with it, demand for quality health services. Says Dr ██████████

██████████, “In the past, people would ask us that we establish more health centers. Now they ask us to increase the quality of the services they receive, which means people are aware of their needs,” he says.



However, there are still health care challenges to overcome in Samangan province, such as the shortage of female health professionals. MoPH mandates employment of at least two female health professionals—a nurse and a midwife—per basic health center. To increase the number of female health professionals, 48 female high school graduates have undergone Community Midwifery Education and Community Health Nursing Education programs. The students are expected to graduate by late 2019 and join health facilities close to where they live.



EDUCATION

THE EDUCATION QUALITY REFORM IN AFGHANISTAN (EQRA) PROJECT IS NOW IN ITS SECOND YEAR of implementation. Transparency and accountability feature strongly in all activities, as demonstrated through MoE's and Ministry of Rural Rehabilitation and Development (MRRD)'s commitment to develop the program implementation manuals for each subcomponent and the recruitment guidelines for hiring technical assistance.

The civil works program under EQRA implemented by MRRD is progressing with some delays. Technical proposals for school construction have been approved for 68 percent of the total 2,647 schools and, of these, nearly 70 percent are now under construction. Construction of 459 schools (318 new school buildings and 141 schools with missing items) has been completed.

Governance risk mitigation measures are in place and updated regularly. To ensure that the lessons learned from the Education Quality Improvement Program (EQUIP) II are incorporated, the client agencies, MoE and MRRD, adopted a rather different approach by preparing these detailed work plans using in-house capacity. In the process of developing the detailed implementation manuals and work plans, not only were the client agencies able to identify bottlenecks but they also came up with mitigation measures that were time consuming and required concerted efforts.

MoE has achieved all five DLI targets for 2019 and has shared the report with the Bank. The achievement of these DLIs will be verified by the Third Party Verification Agency hired by MoF through EQRA support. The Bank will authorize payment against these DLIs once the verification is completed. However, verification of the five DLIs for 2019 has been delayed due to delays in the procurement process of the Third Party Verification Agency by MoF.

Significant progress was made in the implementation of the Higher Education Development Project (HEDP) over the

course of 2019. Most of the annual targets, including DLIs, were met or exceeded. The targets for two of the three PDO indicators were exceeded, that is, student enrollment in the priority disciplines (including female enrollment) and number of full-time faculty with at least a master's degree in priority disciplines.

The project had three DLIs due to be met by the end of 2019, all of which were either fully met or exceeded the intended targets. The project aimed to enroll 80,500 students (15,500 women and 65,000 men) in priority degree programs for economic development during the year. It surpassed the targets, documenting some 81,900 enrollments (16,900 women and 65,000 men) in 2019. Targets called for 14 public universities to issue five-year rolling Strategic Institutional Development Plans consistent with the National Higher Education Strategic Plan during the year. The target was met as 14 public universities issued their strategic plans in 2019.

The project also aimed to increase the number of full-time academic staff with at least a master's degree in priority degree programs. In 2019, the target was set at 1,300 staff members. During the year, the Ministry of Higher Education recorded 1,400 full-time academic staff with a master's (or higher) degree in the priority fields. The USD 5 million in additional financing for HEDP approved by the MC in September 2018 provided for increasing the number of faculty scholarships, enabling an additional 150 public university faculty members to pursue a postgraduate degree.

HEDP was the first investment project in the WB's Afghanistan portfolio to introduce DLI financing. In 2019, DLIs for three HEDP annual achievements were verified, and USD 5 million was disbursed against the achievement of the following DLI targets: enrolling at least 5,700 female students in priority degree programs at public universities; establishing information and communication technology centers at four public universities; establishing Internal Quality Assurance Units at, at least, six universities; and higher education institutes functioning in accordance with the scorecard set out in the Project Implementation Manual.

EDUCATION

NPP KEY OBJECTIVE: HUMAN CAPITAL DEVELOPMENT PROGRAM

Outcome-based and standardized education programs.

ARTF Outcomes and Indicators		ARTF Milestones/Outputs		ARTF Portfolio
Outcome: Increased equitable access to quality education, especially for girls				ONGOING
22 Students attending school regularly in selected provinces (girls) ³¹	Baseline 4 million (2016) (1.5 million girls) Progress 4.2 million (2018) (1.6 million girls) Target 5 million (2023) (1.9 million girls)	M16 Schools constructed or expanded with classrooms, boundary walls, water points, and gender-segregated latrines	Baseline 0 (2018) Progress 459 ³² (2019) Target 2,646 (2023)	Education Quality Reform in Afghanistan (EQRA) USD 298 million: ARTF: USD 100 million IDA: USD 100 million Global Partnership for Education: USD 98 million
23 Out-of-school children in selected provinces (girls)	Baseline 2.2 million (2016) (1.3 million girls) Progress NA Target 1 million (2023) (643,029 girls)	M17 Students benefiting from direct interventions to enhance learning (girls)	Baseline 6.2 million (2016) (2.4 million girls) Progress 6.5 million (2018) (2.4 million girls) Target 7.2 million (2023) (2.8 million girls)	
Outcome: Increased access to higher education and high quality vocational education and training				ONGOING
24 Student enrollments in priority degree programs for economic development (women)	Baseline 64,200 (2015) (11,400 women) Progress 81,900 (2019) (16,900 women) Target 86,500 (2022) (18,500 women)			Afghanistan Second Skills Development Project (ASDP II) IDA: USD 55 million Higher Education Development Project (HEDP) ARTF: USD 55 million

31 Indicators 22 and 23 and milestones 16 and 17 have been updated and reformulated to align with the new EQRA basic education initiative, replacing previous EQUIP indicators.

32 Construction of 459 school buildings, of which 318 are new constructions and 141 with missing items.

WOMEN'S ECONOMIC EMPOWERMENT³³

THE WOMEN'S ECONOMIC EMPOWERMENT RURAL DEVELOPMENT PROJECT (WEE-RDP) is the flagship program under the Women's Economic Empowerment National Priority Program (WEE-NPP) in Afghanistan. It succeeds the Afghanistan Rural Enterprise Development Project, which closed in 2018, with a deepened focus on social empowerment of women through participation in community-level Self-Help Groups (SHGs), Village Savings and Loan Associations (VSLAs), and Enterprise Groups (EGs).

In 2019, WEE-RDP made remarkable progress and expanded its social mobilization to cover 978 Community Development

Councils (CDCs) in 39 districts. The project continued to use the principle of saturation to ensure that 70 percent of CDCs in a district and 70 percent of households in a rural community are mobilized into SHGs.

It has mobilized a total of 153,630 rural women and men into community groups for economic empowerment. As such, it has established a total of 10,039 SHGs (72 percent women), 110 EGs (100 percent managed by women) and 202 VSLAs. These SHGs mobilized a total savings of 31.2 million afghanis (USD 406,071) from their members. The WEE-RDP has a gross loan portfolio of 25.9 million afghanis (USD 336,892), in which almost 84 percent of borrowers are women, with 87 percent of loanable funds in circulation and repayment rates as high as 69 percent.

33 Formerly presented under Rural Development.

WOMEN'S ECONOMIC EMPOWERMENT (formerly presented under Rural Development)						
NPP KEY OBJECTIVE: WOMEN'S ECONOMIC EMPOWERMENT						
Removing legal barriers to participation; training in literacy, business management, and labor skills; ensuring inclusive access to finance; improving access to agricultural inputs, extension services, and markets; and promoting access to creative economy markets.						
ARTF Outcomes and Indicators		ARTF Milestones/Outputs			ARTF Portfolio	
25 Number of direct beneficiaries (women)	Baseline	56,128 (31,309) (2018)	M18 Net aggregate savings mobilized (USD, million)	Baseline	5.2 (2018)	ONGOING Women's Economic Empowerment Rural Development Project (WEE-RDP), USD 100: ARTF: USD 75 million IDA: USD 25 million
	Progress	153,630 (111, 249) (2019)		Progress	6.4 (2019)	
	Target	450,000 (350,000) (2023)		Target	15 (2023)	
26 Beneficiaries reached with financial services	Baseline	56,128 (2018)	M19 Number of VSLAs that have received a grant	Baseline	0 (2018)	
	Progress	153,630 (2019)		Progress	0 (2019)	
	Target	450,000 (2023)		Target	4,500 (2023)	
27 Share of women self-help group members from poor or vulnerable households (%)	Baseline	0% (2018)				
	Progress	72% (2019)				
	Target	60% (2023)				
28 Number of agents of licensed financial institutions (women)	Baseline	1,879 (2018) (180 women)				
	Progress	1,879 (2019) (180 women)				
	Target	2,500 (2024) (250 women)				





“Now we know what to do to be successful, like spending wisely to save and setting suitable prices to repay the loans we take.”

— [REDACTED],
entrepreneur, [REDACTED]
[REDACTED] Bamyán city

Afghan Women Become Entrepreneurs

WITH HELP OF NEIGHBORHOOD SAVINGS AND LOAN ASSOCIATION

NESTLED AMONG a sea of traditional homes built of mud and straw is [REDACTED] only beauty salon. Inside the unassuming mud brick house, a thin curtain reveals a large room complete with the latest beauty necessities—hair removal threading, cutting and styling scissors, eyeshadow palettes, blush and foundation compacts—neatly stacked on a converted desk that serves as a vanity.

Geology student [REDACTED], 22, and her friend and business partner, [REDACTED], 19, are co-owners of the salon in Haider Abad neighborhood in the provincial capital, Bamyan. They had seized a business opportunity and are making a success of their beauty salon, which is also teaching them valuable skills in money management. “In a month, we earn between 2,000–5,000 afghanis (about \$26–\$66), sometimes less,” says [REDACTED]. “When we earn more, we save the rest in case we have problems in the future.”

This salon did not exist two years ago, but thanks to a microloan of 5,000 afghanis from the Haider Abad Village Savings and Loan Association (VSLA), the two enterprising women created their business, providing a new service to the community.

[REDACTED] who is a student at [REDACTED] says that her family had struggled to pay for her school and other necessities. With the beauty salon doing well, [REDACTED] has not only repaid the microloan, but is also able to support herself. “Now I can pay for myself. Even though I am still a student, I can help myself and my family,” she says.

The [REDACTED] was one of 524 VSLAs established in five provinces (Balkh, Bamyan, Herat, Nangarhar, and Parwan) with support from the Afghanistan Rural Enterprise Development Project (AREDP), which closed in March 2018. The VSLAs aim to increase employment opportunity and income of rural people by encouraging the growth of sustainable local enterprise.

Efforts to increase the social and economic empowerment of poor, rural women are continuing under AREDP’s successor, the Women’s Economic Empowerment Rural Development

Project (WEE-RDP), which is working to increase women’s participation in community-level institutions.

The [REDACTED] VSLA has become a source of women’s empowerment as its leadership and membership are exclusively women. It was the women in the neighborhood who showed interest in the savings and loan program as they did not have other sources of loans.

[REDACTED], the then AREDP provincial coordinator, says that the VSLA program has given new agency to the women of Haider Abad. “Women have been brought into the decision-making process,” he says. “The extra income allows them to make decisions about their future such as what to purchase, how to invest, and what sort of business is needed in the community.”

A two-time beneficiary of the Haider Abad VSLA, [REDACTED] is an example to other women in her community that they can be successful in their own right within the mainstream economy.

[REDACTED] whose husband is a farm laborer, received a loan of 3,000 afghanis (\$40) to improve her tailor shop, after which she was able to turn a profit of about 2,000–3,000 afghanis a month.

But the entrepreneur decided to start another business. With a 10,000-afghani (\$132) loan, [REDACTED] started a bakery. “I work as a baker for two hours in the morning and two hours in the afternoon, and I run my tailoring business in between. I am working hard because I have seen the benefits,” she says.

[REDACTED] is now the primary breadwinner of her household, saving between 4,000–5,000 afghanis a month, after paying for expenses for the household and her five children. She credits her successful businesses to AREDP, which required borrowers to undergo training in money management and loan repayment. “Now we know what to do to be successful,” says [REDACTED]. “like spending wisely to save and setting suitable prices to repay the loans we take.”



CITIZENS' CHARTER

CITIZENS' CHARTER AFGHANISTAN PROJECT (CCAP) made noticeable progress in 2019. Despite some internal and external challenges, by the end of the year the project had expanded to 12,639 urban and rural communities in 34 provinces, reaching a total of over 13 million people.

As part of its effort to promote democratic local governance, 6,366 new Community Development Councils were elected in 2019, bringing the cumulative total to 12,566 CDCs over the two years of implementation of the CCAP. The new election model has been a key achievement of the CCAP, proving to be highly inclusive and resulting in increased women participation in CDCs. Overall, women made up 49 percent of the newly elected CDC members, going up to 50.1 percent for CDC members elected in 2019.

External studies indicate that CDCs are highly respected in CCAP communities. The Asia Foundation survey on CCAP in 2018 found that 83 percent of respondents thought CDCs are trustworthy and 77 percent said that citizens can influence CDC decision making. The study cited the benefits of CCAP to be employment generation, economic benefits, improved access to services, and community building.

Grain banks and the Social Inclusion Grant along with the Maintenance Construction Cash Grant (MCCG) have addressed severe hunger and unemployment issues within marginalized and vulnerable communities, particularly those with high concentrations of Internally Displaced Persons (IDPs), returnees, and women-headed households, most of which come under the categories of "poor" and "very poor". A 2019 KfW Development Bank report on MCCGs found high satisfaction rates and poverty reduction impacts: 95 percent of community respondents rated MCCG assistance as "very good" or "good", and 99 percent said they used MCCG income for food, 77 percent for medical expenses, and 23 percent for loan repayment.

Furthermore, over 36,000 very poor and vulnerable households benefited from the more than 8,900 grain banks established in 106 districts of the 34 provinces during the year. Over 15,000 "stop seasonal hunger" campaigns were conducted during the reporting period through which goods/labor/cash worth over USD 3 million were raised for the grain banks by people better off in those communities.

CCAP funds matched community contributions with Social Inclusion Grants, totaling USD 697,086 (USD 512,463 for IDPs and returnees' response and USD 184,623 for drought response) in 2019. A total of 2,740 community subprojects were financed during 2019, with work completed in 1,585 communities, while physical work of an overall 5,000 plus subprojects continues. During 2019, more than 219,000 vulnerable households and some 6,300 IDP and returnee households received cash-for-work support under the MCCG.

Although subproject implementation has improved from 2018, the management and field constraints continue to be challenging, including slow recruitment and procurement (for example, lack of engineers and equipment) as well as key managerial vacancies on the rural side of the project. Moreover, the program faced security challenges and had to withdraw from around 650 untouched communities, the funds for which are now being reallocated to new communities in more secure districts and to establish around 900 Kuchi Development Communities in 2019. This required Facilitating Partner contract amendments, which took a while to agree on due to a difference of views on the schedule of payments. The amendment was finalized in October 2019. One more issue that is yet to be resolved is payments to Facilitating Partners for training of MRRD community development staff.



CITIZENS' CHARTER

NPP KEY OBJECTIVE: CITIZENS' CHARTER PROGRAM

Institutional strengthening and capacity building; rural development; urban development; improving delivery of basic services such as agriculture, education, health; and support to CDCs.

ARTF Outcomes and Indicators			ARTF Milestones/Outputs			ARTF Portfolio
Outcome: Build on the NSP's platform of CDCs to deliver a broader range of basic services and help foster trust between citizens and the state						ONGOING
29 Number of CDCs in rural and urban areas able to plan and manage their own development projects ³⁴	Baseline Progress Target	0 (2016) 12,566 (2019) 11,750 (2021)	M20 Number of communities meeting all minimum service standards	Baseline Progress Target	0 (2016) 2,045 (2019) 9,600 (2021)	Citizens' Charter Afghanistan Project (CCAP), USD 672 million: ARTF: USD 444.3 million IDA: USD 227.7 million
30 Number of residents (rural and urban) (male/female) benefiting from each type of subproject (% women)	Baseline Progress ³⁵ Target	0 (2016) (0% women) 11.1 million (2019) (49% women) NA ³⁶ (2021)	M21 Percentage of grievances received that are resolved	Baseline Progress ³⁷ Target	0 (2016) 91% (2019) 70% (2021)	
31 Number of vulnerable households benefiting from Social Inclusion Grant	Baseline Progress Target	0 (2017) 16,388 (2019) 20,000 (2021)	M22 Percentage of CDC members in rural areas who are women	Baseline Progress Target	0 (2016) 49% (2019) 35% (2021)	
32 Number of targeted high IDP/returnee communities provided with emergency support	Baseline Progress Target	0 (2017) 1,795 (2019) 2,200 (2021)				

34 This indicator has been adjusted to be defined as "the total number of rural and urban communities that have completed their community development plans and are currently implementing their subprojects" (i.e., CDCs financed).

35 Aggregate of both rural and urban beneficiaries.

36 Beneficiary target numbers are not determined ex ante as they are subject to community-level decisions.

37 The value is taken as the average across rural and urban areas, which were 84% and 95%, respectively.

ECONOMIC GROWTH AND JOB CREATION

INFRASTRUCTURE

THE WB'S ENERGY PROJECTS are focused on expanding and helping sustain access to electricity services, as well as on improving the governance and performance of power sector institutions, especially Da Afghanistan Breshna Sherkat (DABS), Afghanistan's power utility.

After the successful rehabilitation of three of the four turbines of the Naghlu Hydropower Plant funded under the **Naghlu Hydropower Rehabilitation Project (NHRP)**, procurement of the overhaul of the fourth turbine of the 100-MW hydropower plant is underway. The ongoing activities in relation to the dam's safety will ensure the longevity and sustainable operation of Afghanistan's largest hydropower plant.

NHRP includes a benefit-sharing component to ensure that the people living close to the dam will benefit from it. In the Sorobi district, NHRP has supported the electrification of 18 villages (versus the originally planned electrification of 10 villages), thereby electrifying 1,710 households. NHRP has also been instrumental in helping improve the performance of DABS's procurement department.

The Central Asia South Asia Electricity Transmission and Trade Project (CASA-1000) is critical for Afghanistan and exemplifies regional cooperation between Central and South Asian countries. The USD 1.16 billion project, which is supported by IDA, will allow for the export of surplus hydroelectricity from Kyrgyzstan and Tajikistan to supply power to Afghanistan and Pakistan. ARTF funds the complementary **CASA-1000 Community Support Program (CSP)**. CASA-CSP intends to provide access to electricity or other social and economic infrastructure services to communities in the project areas to strengthen community support for the CASA-1000 high voltage transmission line. Its design includes a community support program for individuals and communities located within the 4-kilometer (km) wide and 562-km long (1,124 square km) transmission line corridor in Afghanistan that will be affected during the design, construction, operation, and maintenance of the transmission line.

The CSP is designed to provide community support activities and feasible power projects from alternate sources to the communities in the Corridor of Influence (CoI) that have no access to power as yet; to those communities that already

have power supply, the CSP provides other development projects with a socioeconomic impact. The CSP aims to generate support from these communities for the larger CASA-1000 project during and after the construction of the transmission line.

In 2019, CASA-CSP reached more than 300 communities in seven provinces and 27 districts, benefiting over 325,000 people. To date, about USD 3.4 million in grants has been disbursed to 87 communities, and a total of 144 subprojects have been submitted into the system with a total budget of around USD 7.4 million, and the process of approval is ongoing. Around 48 benefit-sharing and electrification subproject candidates in the CoI have been identified. Women's participation in CDCs under the project has seen a significant increase, with women making up more than 48 percent of the 83 elected CDC members and 50 percent of office bearers. Further, 78 percent of eligible female voters have been participating in CDC elections, which is higher than the male participation rate.

Sustainability of DABS has been the focus of the **DABS Planning and Capacity Support Project (DABS Technical Assistance)**, which will close at the end of June 2020. The project has met its outcome targets of training DABS operational staff and implementing standardized operations and maintenance plans in the six important load centers.

The project has played an important role in strengthening DABS' capacity in both technical and commercial planning and operation. It has supported DABS in recruiting female staff members and working toward institutional changes that support workforce participation of women. DABS is a new utility and given Afghanistan's fragile and volatile environment, it is challenging for DABS to attract the best international consultants and contractors. Strengthening the capacity of DABS staff to enable them to solve power sector challenges themselves is a must for the success and sustainability of the energy sector.

The **Afghanistan Rural Access Project (ARAP)** has made strong progress in PDO indicators since it was approved in June 2012. The population living within 2 km of an all-season road has increased from 58 percent at baseline to 89 percent in project villages, and travel time to the main socioeconomic centers has been reduced by more than 30 percent. ARAP work continued to progress well in 2019, mainly focusing on closing the ongoing civil work contracts.



The project did face challenges over the year, including security issues, weak contractor capacity, long and delayed procurement processes and procedures, lack of interagency coordination, changes at the political/leadership levels of ministries, and challenges with governance/interferences. The WB team increased the frequency and intensity of hands-on support, follow-up, and supervision, with support from the ARTF third party monitoring Supervisory Agent, which conducted nearly 50 visits to ARAP subprojects throughout the year to help project management ensure the quality of civil works and the accuracy of site reporting.

In 2019, over 200 km of rural roads were rehabilitated, 500 km of rural roads received periodic maintenance, more than 1,500 km of rural roads received routine maintenance, and

over 100 linear meters of bridges were constructed across the country. Several training sessions were arranged for project staff on gender, road safety, social and environmental management, procurement, and financial management.

In 2019, a thorough review of the project in terms of financial commitments was carried out. As a result, it was determined that an amount of USD 30 million was uncommitted and the project was not able to utilize it by the closing date of the grant. Therefore, the team restructured the project to cancel the uncommitted fund of USD 30 million and extend the closing date until December 2020 to allow for completion of ongoing civil work contracts.



INFRASTRUCTURE

NPP KEY OBJECTIVE: NATIONAL INFRASTRUCTURE PLAN

Improve energy access and connectivity, by strengthening national grid network integration, and expanding national energy generation.

ARTF Outcomes and Indicators		ARTF Milestones/Outputs		ARTF Portfolio	
Outcome: Improved power supply and access to electricity in the target areas³⁸					
33 Increase in the number of beneficiaries ³⁹ with new connections to the grid in the target areas ⁴⁰	Baseline	0 (2016)	M23⁴¹ Distribution lines constructed under the project (km)	Baseline 0 (2016) Progress 63 km (2019) Target 88 km (2021)	ONGOING Naghlu Hydropower Rehabilitation Project (NHRP) ARTF: USD 83 million CASA-1000 Community Support Project ARTF: USD 40 million DABS Planning and Capacity Support Project ARTF: USD 6 million Herat Electrification Project IDA: USD 60 million
	Progress	4,130 (2019)			
	Target	11,970 (2021)			
34 Increase in the communities within the Col that are provided with access to electricity through the CSP grant funded subprojects	Baseline	0% (2016)	M24 75% of sampled families benefiting from the CSP express support for the transmission line	Baseline 50% (2014) Progress 49.5% (2019) Target 75% (2022)	
	Progress	26% (2019)			
	Target	50% (2022)			
35 100% of communities in the Col receive support through the CSP grant	Baseline	0% (2016)	M25 At least 50% of total beneficiaries are female	Baseline 0% (2014) Progress 0% (2019) Target 50% (2022)	
	Progress	13.6% (2019)			
	Target	100% (2022)			

NPP KEY OBJECTIVE: NATIONAL INFRASTRUCTURE PLAN

Integrated transport network infrastructure investments, systematically planned and implemented, focused on facilitating the country's economic growth and development, through expanding access to domestic, regional, and international markets and social services, increasing employment, and spurring trade, transit, and logistics.

ARTF Outcomes and Indicators		ARTF Milestones/Outputs		ARTF Portfolio	
Outcome: Increased transport infrastructure					
36 Kilometers of roads constructed or rehabilitated	Baseline	0 km (2014)		ONGOING Kabul Municipal Development Program (KMDP) ARTF: USD 110 million Kabul Urban Transport Efficiency Improvement Project (KUTEI) ARTF: USD 80.5 million	
	Progress	632 km (2019)			
	Target	597 km (2021) (KMDP) ⁴²			
	Baseline	0 km (2013)			
	Progress	36 km (2019)			
	Target	32 km (2019) (KUTEI)			
Outcome: Improved rural access					
37 Proportion of rural population living within 2 km of all-season road	Baseline	58% (2012)	M26 Total rural roads rehabilitated and maintained (km)	Baseline 0 (2013) Progress 2,500 km (2019) Target 2,550 (2020) (ARAP)	ONGOING Afghanistan Rural Access Project (ARAP), USD 437 million: ARTF: USD 312 million IDA: USD 125 million
	Progress	89% (2019)			
	Target	65% (2020)			

38 Some projects count households; an average of seven people per household is assumed.

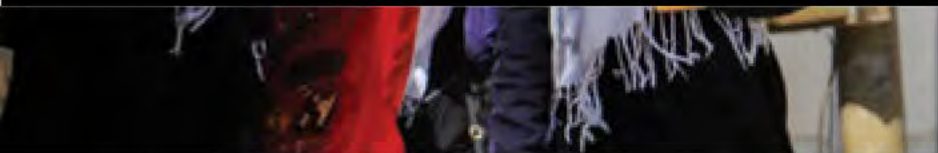
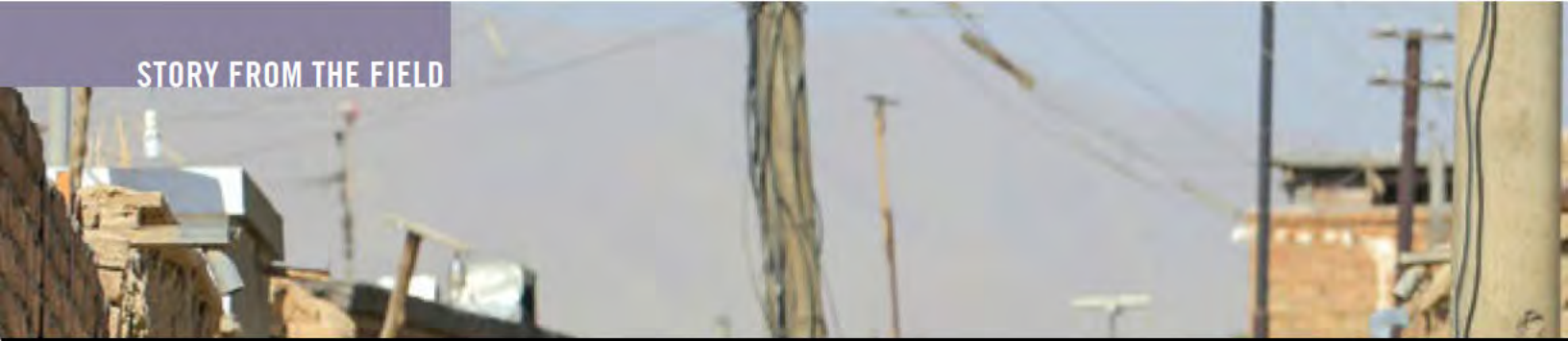
39 NHRP target is to provide 1,710 households in 16 villages of Surobi district. Number of households multiplied by seven (average family size in Afghanistan) = 11,970.

40 Indicator changed to Naghlu Hydropower Rehabilitation Project.

41 Milestone changed from the Afghanistan Power System Development Project (closed) to Naghlu Hydropower Rehabilitation Project.

42 Data reported is an aggregate of both community and trunk roads paved.





BETTER ROAD INFRASTRUCTURE

IMPROVES LIVING CONDITIONS IN KABUL NEIGHBORHOODS

WITH 34 YEARS OF EXPERIENCE as an educator, school principal [REDACTED], knows her students face many barriers to education, including the problem of poor road conditions that can limit physical access to school.

[REDACTED] sits on [REDACTED] street in District [REDACTED] on [REDACTED], where the majority of the neighborhood's workforce are day laborers and many families are impoverished.



Before the street was paved, the students faced many problems in getting to school. "In the spring, the giant puddles of water and mud made it difficult for the girls to reach the school gates," [REDACTED] explains. "We've had cases of the younger students so covered in grime from the street that they would miss school."

Students and school staff also suffered from air pollution caused by the poor street conditions. "In the summer, clouds of dust billowed into the classrooms every time a vehicle or motorcycle passed, disturbing class and causing health problems for the girls who coughed because of the dust," says [REDACTED]

However, conditions improved after Kabul Municipality asphalted the street in January 2018. The work was financed through the Kabul Municipal Development Program (KMDP). Altogether, the municipality carried out work on about 21 kilometers of streets in [REDACTED] neighborhoods, including installing drainage systems and streetlights.

In these neighborhoods alone, roughly 19,000 residents have benefited from KMDP [REDACTED], a KMDP contract manager, says benefits have included lower rates of illness, less pollution, lower transportation costs, improved access to potable water, and reduced travel time.

Everyday activities have become easier and neighborhood residents live more comfortably as a result of the improvements. Residents confirmed that travel times have

been cut by 10 to 20 minutes, taxi prices have almost halved, and cars are plentiful in their neighborhoods.

Better road conditions have also improved municipal service delivery and access to essential and emergency services. "When someone was sick, we used to have to carry the person on our backs to the main road and only there could we get a car to the hospital," says [REDACTED] 47, a [REDACTED] resident and stone salesman.

"Life has become easier, and the children and elders are especially happy because of this. We can tell that the municipality has worked hard to build the streets to a high standard," he says.

[REDACTED], a shopkeeper and a member of the [REDACTED] Community Development Council, believed that as a result of the roadworks by the municipality and the professionalism of KMDP staff, trust in the government had increased considerably in his community, which had misgivings previously about government projects.

KMDP aims to provide direct or indirect benefits to over 1 million Kabul city residents through municipal services provided in some 3,000 hectares of government-owned land. To date, about 2,300 hectares have been upgraded with more than 530,000 people benefiting directly and over 200,000 indirectly. About three quarters of the beneficiaries are estimated to be women and children. In addition, KMDP projects have generated more than 1.9 million person-days of temporary employment.



Life has become easier, and the children and elders are especially happy because of this. We can tell that the municipality has worked hard to build the streets to a high standard.



URBAN DEVELOPMENT

THE KABUL MUNICIPAL DEVELOPMENT PROGRAM (KM DP)

intends to (i) increase access to basic municipal services in selected residential areas of Kabul city; (ii) redesign Kabul Municipality (KM)'s financial management system to support better service delivery; and (iii) enable early response in the event of an eligible emergency. KM DP was approved on April 11, 2014, and will close on June 30, 2021, with a total approved financing of USD 110 million.

Despite the challenging operating environment, KM DP's implementation is progressing reasonably well and on track to meet its PDO indicators by project closing. The project disbursed over USD 12 million in 2019 against the following achievements: the upgrading of basic municipal infrastructure, by constructing or rehabilitating 632 km of roads (over the target of 597 km) and providing 556,200 people in urban areas with access to all-season roads within 500 meters (111 percent of the target of 500,000 people).

KM DP has established social safeguards. To date, a total of 104 Gozar Cooperating Shuras (neighborhood councils) for men and 88 for women have been established; a GRM is in place for 91 projects; and 432 grievances have been submitted, of which 27 complaints were by women.

KM DP has contributed to the redesign of KM's Financial Management Information System and its core financial module has been completed, although procurement has been delayed.

The Kabul Urban Transport Efficiency Improvement Project (KUTEI)

was approved on April 11, 2014, with a total approved financing of USD 90.5 million, to improve road conditions and traffic flows on selected corridors of Kabul city. However, the project was restructured in 2019, with its closing date extended to December 31, 2020, and a partial cancellation of USD 10 million from the overall financing amount of the project.

The project disbursed USD 13.3 million in 2019 against the following achievements: the original scope, which was the construction of 32 km roads, has already been achieved, plus 9 km roads to be soon completed;⁴³ 6.95 km of canals have been constructed in Kabul city, which has had great impact on the discharge of surface water and protected road networks in certain areas from seasonal rainfall/flooding; consultancy services for the design and review of 40 km roads have successfully been completed; the machinery for the O&M department of KM has been purchased and is being utilized; and on-the-job training for KM civil service staff has been conducted.

⁴³ Recently reconstructed under KUTEI Project, the Parwan-e-Il square and Sarak-e-5 Square road, one of the main roads in Kabul city, has eased access of nearby municipality districts to other parts of the capital city.

URBAN DEVELOPMENT					
NPP KEY OBJECTIVE: URBAN DEVELOPMENT PROGRAM					
Establish sustainable and balanced transportation system, infrastructure, and services.					
ARTF Outcomes and Indicators		ARTF Milestones/Outputs			ARTF Portfolio
38 Number of people in urban areas provided with access to all-season roads within a 500-meter range under the project	Baseline 0 (2014) Progress 500,546 (2019) Target 500,000 (2021) (KM DP)	M27 Total community roads paved (km)	Baseline 0 (2014) Progress 632 km (2019) Target 597 km (2021) (KM DP)	ONGOING Kabul Municipal Development Program (KM DP) ARTF: USD 110 million Kabul Urban Transport Efficiency Improvement Project (KUTEI) ARTF: USD 80.5 million	
	Baseline 0 (2013) Progress 58,977 ⁴⁴ (2018) Target 5,000 (2019) (KUTEI)				

⁴⁴ In 2013, a total of 58,977 people living in a range of 500 meters along five roads of the project did not have access to an all-season road. As of December 31, 2018, all planned road contracts have been completed, and a total of 58,977 people have access to an all-season road. This is the latest data available from the actual survey carried out by KUTEI during December 2018.





AGRICULTURE

IN THE AGRICULTURE SECTOR, ARTF financing continues to support progress toward increasing agricultural productivity and providing improved irrigation and drainage for water users. The **On-Farm Water Management Project (OFWMP)** closed at the end of 2019 with a satisfactory rating.

During 2019, while preparing for the closure, the project continued to progress well toward achieving its agreed targets and in a number of areas beyond what was envisaged. During the year, the progress against 12 intermediate indicators was well recorded and nine of them were overachieved. In addition, the project team made good progress in implementation of all ongoing irrigation scheme civil work contracts for rehabilitation of irrigation schemes, while transferring the responsibility of the farmers' call center to the government.

All Land Laser Leveling units were distributed to private operators on a cost-share basis. On the key PDO performance indicators, the average irrigated wheat yield increased from 2.3 to 3.4 ton per hectare (t/ha) due to improvements in irrigation services. Water productivity in the project target areas also increased from 0.6 to 0.8 kg per cubic meter of water between approval in 2011 and 2019, and the project cumulatively rehabilitated 275 irrigation schemes against the target of 220.

A major challenge the project faced was turnover of key project staff due to several reasons, including the approaching closing date. In addition, conflict and insecurity progressively worsened and limited the capacity of the project team to conduct field visits regularly. This situation also impacted implementation of two irrigation schemes in Herat province and accordingly the contracts were terminated in consultation with the affected communities, contractor, and the relevant teams from the Ministry of Agriculture, Irrigation and Livestock.

Under the **Irrigation Restoration and Development Project (IRDP)**, although the total project targeted area provided with irrigation and drainage services is 215,000 ha, over 284,900 ha have been covered in 2019. This is expected to increase to 320,000 hectares by the completion of the 30 remaining schemes. Rehabilitation work for irrigation schemes have advanced with 200 out of 230 targeted schemes completed—28 schemes are under implementation and two schemes are under bidding process.

By the end of 2019, the ARTF-financed irrigation projects, OFWMP and IRDP, had provided 921,304 farmers (including 467,574 females) with 471 rehabilitated irrigation schemes, covering nearly 324,000 ha of irrigation command area, compared to a target of 274,000 ha.

The **National Horticulture and Livestock Project (NHLP)** continued to deliver against its targets. With a national coverage despite the enduring security challenges, the project continued to support farmers and herders on improved horticulture and livestock practices and technologies during 2019. The key achievements include new orchards (including vineyards and pistachio groves) established on more than 32,500 ha, exceeding the target of 19,000 ha, and 54 percent of targeted farmers adopting horticulture technology packages.

On women-focused activities under the horticulture component, NHLP has established over 150,000 kitchen gardening plots and saffron demonstration sites against the target of 90,000 schemes in 28 provinces. The project has supported the establishment of 25,000 backyard and 3,000 small-scale poultry production units for 28,000 women.

The key challenges faced by the project included security, which in turn limited the movement of the project staff. During this period, a number of NHLP staff were kidnapped by Taliban in Zabul and the northern provinces, but were released quickly, thanks to interventions by relevant communities.

In addition, during the 2019 planting season, NHLP faced shortage of quality planning material, particularly in the eastern region, which prevented it from supporting a significant number of farmers who had been exposed to the benefits of diversification and ready to switch to this farming system.

Under the **Afghanistan Agricultural Inputs Project (AAIP)**, seven varieties of wheat were released, while the project supported the development of the Agricultural Research Institute of Afghanistan and Improved Seed Enterprise facilities and the progress at 13 research and seed production units. Also, the project supported the construction of nine border quarantine stations in key ports. Cumulatively, over 5,000 Department of Agriculture, Irrigation and Livestock staff, agrochemical traders, and farmers in 29 provinces were included in the in-country training program, and 13 staff members of the Plant Protection and Quarantine Department received further training on fertilizer formulation and quality analysis. The project closed on June 30, 2019.



AGRICULTURE

NPP KEY OBJECTIVE: NATIONAL COMPREHENSIVE AGRICULTURE DEVELOPMENT PRIORITY PROGRAM

Improving irrigation systems; increased wheat production; horticulture value chain.

ARTF Outcomes and Indicators		ARTF Milestones/Outputs		ARTF Portfolio
Outcome: Increases in agricultural, horticultural, and livestock productivity in targeted areas				ONGOING
39 Increase in agricultural productivity (irrigated wheat yields) (t/ha)	Baseline	2.3 t/ha (2011)	M28 Area provided with new/improved irrigation and drainage service ⁴⁵ (ha)	National Horticulture and Livestock Project (NHLP) ARTF: USD 190 million On-Farm Water Management Project (OFWMP) ARTF: USD 70 million
	Progress	3.4 t/ha (2019)		
	Target	2.6 t/ha (2019) (OFWMP)		
40 Water users provided with new/improved irrigation and drainage services (female) ⁴⁶	Baseline	0 (2011) (0 female)	M29 New orchards (including vineyards and pistachio groves) established with at least 65% survival rate (ha)	Irrigation Restoration and Development Project (IRDP), USD 216 million: ARTF: USD 118.4 million IDA: USD 97.8 million Afghanistan Agriculture Inputs Project (AAIP) ARTF: USD 38.3 million
	Progress	517,059 (2019) (268,871 female)		
	Target	385,000 (2020) (200,000 female) (IRDP)		
41 Production of certified wheat seed as % of Annual National Seed Board Plan	Baseline	0 (2013)	M30 Adoption rate of improved horticulture technology packages (% of female farmers adopting) ⁴⁷	Afghanistan Agriculture Inputs Project (AAIP) ARTF: USD 38.3 million
	Progress	93% (2019)		
	Target	95% (2019) (AAIP)		
	Baseline	0 (2013)		
	Progress	54.8% (2019) (60%)		
	Target	75% (2020) (75%) (NHLP)		

45 This refers to either new areas or improved service for already existing areas.

46 Indicator and data updated based on the IRDP results framework.

47 Defined as improved technology in production and animal health care. Adoption of new technologies is a reflection of changed behavior and improved capacity of farmers. The breakdown of female farmers adopting improved technology is reported for the first time in the Scorecard.



AFGHAN FARMERS FIND SOLUTIONS

A PHONE CALL AWAY

EXPERTS AT THE FARMERS' CALL CENTER (FCC) are busy attending to callers, searching their computers as they respond to questions. The computers are linked to a database on agricultural issues, which support the 15 On-Farm Water Management Project (OFWMP) experts who operate the center on the west side of Kabul city.

The FCC team is made up of specialists in a wide range of fields, including agriculture, agronomy, animal science, and irrigation. Each team member has passed theoretical and practical exams on farming and livestock and received training on how to use the online database to better assist callers.

The experts field about 250–300 calls a day, covering a wide range of topics. “About 40–50 percent of queries are about crop disease and the rest covers irrigation, livestock disease, planting, and fertilizing,” says [REDACTED] 26, one of the experts.

“We called the Farmers’ Call Center and described the problem. They told us how to treat the disease and solved our problem...When we call ‘150,’ we know the problem will be solved.”

— [REDACTED], farmer, Kabul city

By dialing “150”, farmers from across Afghanistan connect toll free with the FCC. “We want all farmers to call ‘150’ for issues that they have with their land and livestock,” says ██████████ OFWMP Project Manager at the Ministry of Agriculture, Irrigation and Livestock, which implements the project.

The FCC was created in response to the deteriorating security situation in Afghanistan, which prevents extension workers from making field trips to address farming problems. “The security situation is not good,” says ██████████ “Before the setup of the Farmers’ Call Center, we sent extension workers to meet the farmers in person and teach them new farming methods. Now that this is no longer feasible, OFWMP together with the General Directorate of Extension and Agriculture Development initiated this call center to fill the gap.”

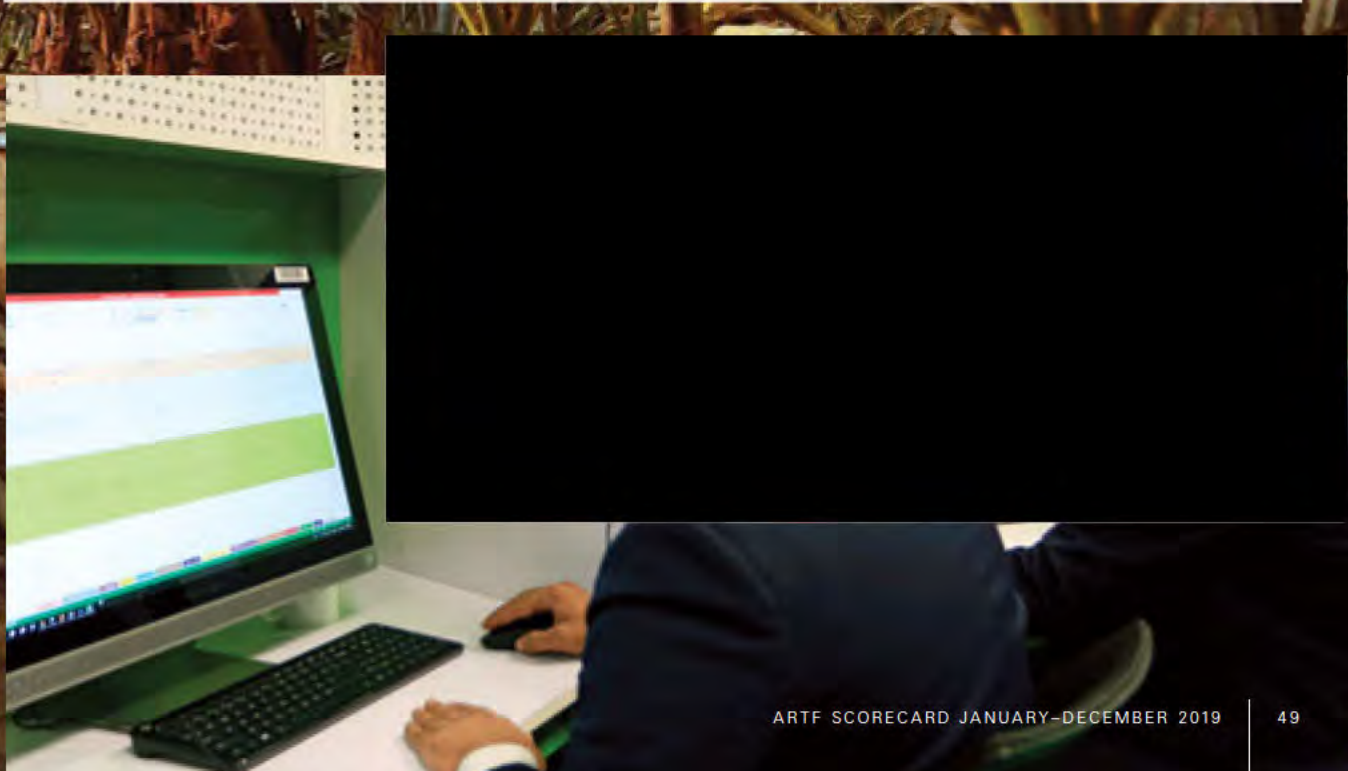
The call center helped expand OFWMP’s reach and efficacy by providing an opportunity for farmers from all over the country to receive expert advice from qualified agricultural professionals. The FCC supported OFWMP, which closed in December 2019, in its work to boost the efficiency of water use, increase agricultural production, and improve agricultural practices.

Call center lines are open daily during government working hours from Saturday to Thursday. There are, however, plans to expand the call center hours to better accommodate early-morning and late-night calls when farmers are most likely to encounter an issue at the start or end of their working day.

Since its inception in June 2018, the call center has registered calls from over 10,000 farmers across all 34 provinces using a software that records the name, village, district, and query of the caller. According to ██████████ this information can help track disease outbreaks and the spread of infestations as well as identify key areas of improvement to better target OFWMP projects in specific areas.

██████████ a greenhouse farmer, has used the call center several times to resolve issues. “In the winter, the greenhouse was very humid and the flowers began to show signs of disease. We called the FCC and described the problem. They told us how to treat the disease and solved our problem,” he says.

██████████ is impressed by the professionalism of the FCC team. “They always have a very good attitude whenever we call. This winter we called the center about problems with temperature and frost and the experts helped us. When we call ‘150’, we know the problem will be solved.”



PRIVATE SECTOR DEVELOPMENT

THE PUBLIC-PRIVATE PARTNERSHIPS AND PUBLIC INVESTMENT ADVISORY PROJECT (PPIAP) is a five-year project aimed at developing a pipeline of feasible private and publicly funded projects. PPIAP supports the planning, budgeting, and preparation of development investment projects (both public investment projects and Public-Private Partnerships [PPP] projects) to ensure strategic prioritization and implementation. It is implemented by the Central Partnership Authority (which also serves as the PPP general directorate), while the MoF's Policy Department and the Ministry of Economy (MoEC) are stakeholders in the project. PPIAP remains a critical vehicle to support the development of good public investment projects and investment-ready PPP projects.

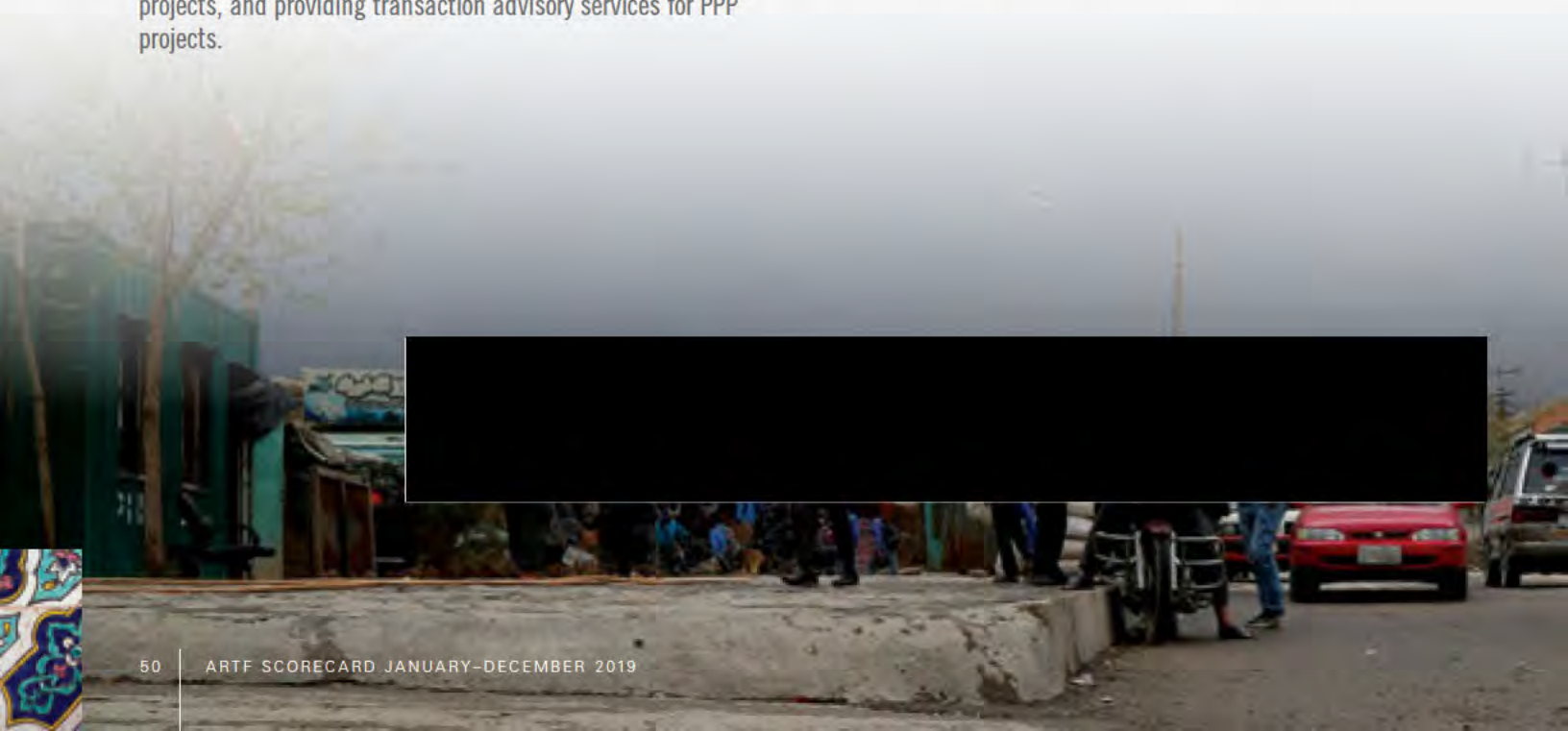
Effective since July 30, 2018, the project has made progress on several counts: the Project Management Unit has been substantially staffed and trained; the Project Operations Manual has been approved by the WB; legal covenants have been satisfactorily met; and technical assistance and capacity building activities are underway.

The project has disbursed USD 2.98 million under the ARTF and USD 1.30 million under IDA. The Public Investment Management and PPP processes have been aligned. The inter-ministerial Project Evaluation Committee, which was instituted by ministerial decree in September 2018, has convened 13 times to date. The Infrastructure Project Preparation Facility has been established and operational. It is financing consulting firms procured by the government in preparing feasibility studies for PPP and public investment projects, and providing transaction advisory services for PPP projects.

The **AFGHANISTAN: ESHTEGHAL ZAIEE – KARMONDENA (EZ-KAR) PROJECT**, approved in December 2018, supports the government's efforts in strengthening the enabling environment for economic opportunities in cities where there is a high influx of displaced people. This is 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 is making progress in procurement activities of the facilitating partners, key experts, and consultancy firms that will implement project activities, which are expected to commence in full swing in 2020. In 2019, a pilot exercise to organize and implement market-enabling subprojects through Business Gozar Assemblies (BGAs) was conducted in Herat city, which included business community mobilization and awareness, shop and market profiling, BGA elections, SWOT analysis and resource mapping, and drafting of the BGA Development Plan. The pilot informed the finalization of detailed field training manuals.

In addition, the project has supported the development of Construction Permit Regulatory Reform Action Plans at the national level, as well as for the municipalities of Herat, Jalalabad, Kabul, and Kandahar as part of the project's efforts to promote investor-friendly regulatory reforms. Further, identification and feasibility studies of municipal-level market-enabling infrastructure subprojects are underway. In Kabul Municipality, a list of 17 potential projects for marketplace upgrading was prepared for due diligence screening for potential implementation under the EZ-Kar.



PRIVATE SECTOR DEVELOPMENT

NPP KEY OBJECTIVE: ENCOURAGE PRIVATE SECTOR INVESTMENT

Restoring confidence and creating an enabling environment for business.

ARTF Outcomes and Indicators		ARTF Milestones/Outputs		ARTF Portfolio
Outcome: Improved business enabling environment and present and facilitate opportunities for new businesses				ONGOING
42 Number of feasibility studies that lead to tendered projects ⁴⁸	Baseline: 0 (2018) Progress: 0 (2019) Target: 10 (2023) (PPIAP)	M31 Number of pre-feasibility studies completed	Baseline: 0 (2018) Progress: 0 (2019) Target: 50 (2023) (PPIAP)	Public-Private Partnerships and Public Investment Advisory Project (PPIAP) USD 50 million: ARTF: USD 30 million IDA: USD 20 million Afghanistan: Eshteghal Zaiee – Karmondana (EZ-Kar) Project USD 200 million: ARTF: USD 50 million IDA: USD 150 million
43 Number of PPP projects tendered ⁴⁹	Baseline: 0 (2018) Progress: 0 (2019) Target: 5 (2023) (PPIAP)	M32 PPP Policy and Regulations operationally applied	Baseline: No (2018) Progress: No (2019) Target: Yes (2023) (PPIAP)	
44 Number of vulnerable households in high IDP/returnee cities provided with short-term employment support	Baseline: 0 (2018) Progress: 0 (2019) Target: 80,000 (2023) (EZ-Kar)	M33 Percentage of complaints/grievances resolved following agreed EZ-Kar service standards	Baseline: 0 (2018) Progress: 0 (2019) Target: 80 (2023) (EZ-Kar)	
45 Number of market-enabling infrastructure built or upgraded	Baseline: 0 (2018) Progress: 0 (2019) Target: 1,115 (2023) (EZ-Kar)	M34 Number of market-enabling investments under the project that address the gender gap in access to urban economic centers/markets	Baseline: 0 (2018) Progress: 0 (2019) Target: 35 (2023) (EZ-Kar)	
46 Reduction in time taken to obtain a construction permit for commercial properties	Baseline: 0 (2018) Progress: 0 (2019) Target: 77 (2023) (EZ-Kar)			

48 Indicators and targets are subject to change during the forthcoming PPIAP restructuring.

49 See previous footnote.



GENDER ACROSS THE ARTF PORTFOLIO IN 2019

GENDER ENGAGEMENT ACROSS THE PORTFOLIO continues to be strong. In 2019, 100 percent of projects approved or delivered in the ARTF portfolio were gender tagged, which means all investment projects and budget support are designed (i) based on gender analysis; (ii) with activities to narrow key gender gaps; and (ii) with monitoring plan to assess the achievements. See Box 1 for a brief explanation on the gender-tagging process.

In 2019, gender-tagged operations addressed gender gaps in women's access to finance, access to markets, land rights, recruitment in the civil service, and in girls' basic education (see Annex IV for more information). The new wave of gender-

sensitive operations is expected to narrow pervasive gender gaps and demonstrate stronger development outcomes for all Afghans.

The year 2019 also saw a continuation of the steadily improving ARTF portfolio projects that include gender-specific objectives (42 percent) and Gender Focal Point staff in place in project implementation units (85 percent). Projects collecting gender-disaggregated data (81 percent) saw a slight decrease from the 86 percent of projects recorded in 2018. Nevertheless, projects producing gender-related documents have increased from 57 percent in calendar year 2018 to 65 percent in 2019. The WB remains committed to further strengthening the gender inclusive approach across the ARTF portfolio.

BOX 1. THE GENDER-TAGGING PROCESS EXPLAINED

The gender tag, which became operational across the WB in 2017, identifies projects that seek to narrow the gender gap at the country level or in a sector related to the four pillars of the WBG Gender Strategy (2016–2023). To be tagged, a project needs to include a clear results chain in project design to achieve the narrowing of the gender gap: linking analysis, actions, and monitoring

and evaluation (M&E). Analysis entails the identification of a critical gender gap; actions include the specific interventions that contribute to closing the identified gap; and M&E includes gender-specific indicators to measure the progress and outcomes of the identified actions. Once a project is tagged, gender specialists continue to support teams on implementation and results monitoring.





PILLAR III

ARTF Operational and Organizational Effectiveness

PILLAR I
Afghanistan
Country-Level
Outcomes

PILLAR II
ARTF Project/
Program-Level
Outputs and
Outcomes

PILLAR III
Operational and
Organizational
Effectiveness

ABOUT THIS PILLAR

THE PFFP RECOGNIZES that as the largest source of on-budget development financing for Afghanistan, the ARTF and its governance bodies are integral to the coordination of development finance, which in turn is integral to achieving GoIRA's development objectives. Effective operation and governance of the Trust Fund are essential to delivering on the ARTF's coordination mandate.

Pillar III reports the operational and organizational effectiveness of the ARTF and the portfolio it supports. It was reorganized in the 2018 edition of the Scorecard in line with donor feedback suggesting that integrating trust fund and operational effectiveness tracking in one section (previous editions of the Scorecard had reported these topics separately) would improve clarity of the report.

HIGHLIGHTS

- Project implementation ratings for ARTF-financed projects increased from 96 percent to 100 percent in 2019, but the total disbursement levels have dropped slightly compared with 2018, while it has slightly increased for the Investment Window.
- With support and engagement from the ARTF Gender Working Group, 85 percent of the portfolio projects have Gender Focal Point staff in client project teams and 81 percent of projects are collecting relevant gender-disaggregated data, showing a slight reduction from 2018's level of 86 percent, but a continued significant increase from the 68 percent of projects recorded in 2017. The proportion of projects producing gender-related documents has also increased, moving from 57 percent in calendar year 2018 to 65 percent in 2019.
- The percentage of ARTF-financed projects that incorporate citizen engagement and beneficiary feedback has increased, moving from 96 percent in 2018 to 100 percent in 2019, and the ARTF Third Party

Monitoring program expanded the extent to which it monitors citizen participation.

- In 2019, the Supervisory Agent conducted 2,224 unique site visits across 33 provinces of Afghanistan. The ARTF Third Party Monitoring program's new contract was awarded in December 2019, combining both the Supervisory Agent and Monitoring Agent programs into one monitoring contract.
- WB staff presence in Afghanistan further increased in 2019.
- The ARTF financed nearly 18 percent of Afghanistan's civilian budget, and predictability of donor contributions decreased.

SUMMARY OF PROGRESS

PORTFOLIO IMPLEMENTATION REMAINED STRONG; significant safeguard risks require active management. New projects approved in 2019 required an average of 15 months from the start of preparations to MC approval. This is a little shorter than the time required in 2018 for project preparation. Once effective, IW projects averaged 6.4 months until their first disbursement, an increase of approximately 50 percent, relative to the average 3.4 months required until first disbursement in 2018. The increase in the average is largely attributable to the Payments Automation and Integration of Salaries in Afghanistan project due to delays in the relevant line ministries to mobilize resources and set up the necessary project management arrangements in place.

Implementation ratings of the portfolio as a whole increased overall, from 96 percent of IW projects rated "moderately satisfactory" or "satisfactory" in 2018 to 100 percent in 2019. Of these, 41 percent were rated "moderately satisfactory", with the remainder, 59 percent, rated "satisfactory". The disbursement ratio, which tracks the volume of IW disbursements as a percentage of funds committed during FY19 (for investment projects and for the IP-DPG) stood at



TABLE 2. PROJECT SAFEGUARD RISK RATING BY ARTF SECTOR

SECTOR		Agriculture	Social Development	Education	Infrastructure & Connectivity	Governance	Health	Social Cohesion	Urban Development	Justice & Land	TOTAL NUMBER
	High			1	1	1					3
	Substantial	1	2			1	1	1		1	7
	Moderate	3	1	1	2			1	3		11
	Low					3					3

28 percent in 2019. Gross disbursements for IW-financed initiatives totaled USD 363 million in 2019, while RCW disbursements totaled USD 309.5 million including the AHP disbursements.

The ARTF portfolio and pipeline are complex from a safeguard perspective, with approximately 80 percent of investment projects currently within the safeguard policy environmental impact classification of “A” and “B”, and within “High” and “Substantial” risk classification based on the new Environmental and Social Framework (ESF). Safeguard considerations are also a focus of attention as a systemic issue in the annual Country Portfolio Performance Reviews.

In 2019, ten projects were classified in the substantial/high risk categories for environmental and social issues and 29 projects triggered the Bank’s operational policy on involuntary resettlement, ESS5,⁵⁰ requiring tailored social safeguard measures. Risks spanned the entire scope of the ARTF engagement. Higher risk projects such as these typically face greater risks of not achieving operational objectives or delivering sustainable results.

The WB is currently transitioning from its previous safeguard policies, still applied to projects with a Concept Note approval prior to October 2018, to the new ESF, launched in late 2018. There are 13 lending and active projects that follow the new environmental and social standards right now while the rest still follow the previous safeguard policies, which adds further complexity to safeguard management and oversight.

50 Under the World Bank’s new Environmental and Social Framework adopted in late 2018, ESS5 is the standard guiding WB policy on land acquisition, restrictions on land use, and involuntary resettlement.

As reported in the 2018 Scorecard, the ACREMAP concept was broadened to include a pillar on “Strengthening Safeguard Management”. Under this activity in 2019, an institutional rapid assessment exercise was completed that will form the basis for a capacity development plan in the National Environmental Protection Agency, and the WB continued to work with the Ministry of Urban Development and Land to develop capacity, in particular with respect to land acquisition, resettlement, and rehabilitation requirements, in line with previous capacity assessments. Also, in 2019, a safeguard-focused review of the Afghanistan investment portfolio commenced; the results of this review are expected to be completed by mid-2020, which will feed into the 2021 CPPR process.

The percentage of projects that incorporate beneficiary feedback was consistent relative to 2018. Monitoring of related indicators expanded, and the Third Party Monitoring program continued to encourage citizens to join project monitoring efforts. First added to the ARTF Scorecard in 2015, the Citizen Engagement indicator aims to measure the extent to which projects reflect citizens’ views, both in planning and in implementation.

Prior to 2017, assessment of citizen engagement was based on overall project design. From 2017 onwards, the World Bank Group (WBG) incorporated more rigorous measures, requiring dedicated indicators on citizen engagement and the use of a selection of tools to incorporate feedback during implementation and/or to address grievances.

In 2018, the Scorecard tracked both pre-2017 and post-2017 projects. Projects that became effective under the earlier standard are counted as incorporating citizen engagement



if they met the standards in place at the time they were approved. Projects that became effective after the new standards went into effect are counted as incorporating citizen engagement only if they satisfy the newly introduced standards. Project preparation grants are not assessed for citizen engagement. For the third year, 100 percent of ARTF projects incorporated citizen engagement in their design.

Staff time in Afghanistan increased. The amount of staff time spent physically in Afghanistan has been increasing steadily. The number of staff days spent in-country increased by an average of 33 percent annually during each year of the previous ARTF Financing Strategy FY 1394 – FY 1396 (2015–2017), reaching 27,659 staff days in Afghanistan in 2017. The increase continued, with a higher jump in 2019, with staff time increasing to 32,544 days in 2019.

The ASIST window was somewhat underutilized in 2019; three initiatives approved in 2018 continued, but GoIRA proposed no new initiatives. The ASIST window was established under the current PFFP in 2018 as a vehicle for providing longer-term demand-driven technical support in strategically significant sectors. ASIST initiatives may be financed from core ARTF resources (one percent of PFFP resources was allocated to the window) by supplemental contributions from individual ARTF donors interested in the specific sector of support, or a combination of both resources.

Proposals are developed jointly by GoIRA and WB teams (and interested donors where relevant) and presented to the SG for initial approval before being presented to the MC for final financing allocation. Three initiatives were approved in 2018 shortly after the ASIST window was established and continued implementation in 2019. However, no new proposals were presented in 2019. In discussions with donors, MoF noted that the window was somewhat underutilized; as of the end of 2019 several new proposals were in the initial stages of development.

ARTF donors received semiannual updates on the three ongoing ASIST initiatives in 2019; these are summarized below:

- **The Fiscal Performance Improvement Plan Advisory Facility (FAF)** seeks to “achieve improvements in fiscal management and service delivery outcomes” by supporting the full breadth of the Fiscal Performance Improvement Plan, Afghanistan’s national public financial management reform program. The FPIP is a five-year rolling plan, under which teams establish

aspirational targets against international benchmarks, including the global Public Expenditure and Financial Accountability framework. Performance reviews of annual plans inform an updated FPIP at the end of each year.

FAF has been instrumental in supporting GoIRA both in planning and managing the FPIP. With support from FAF, the Bank was able to provide technical resources, including mobilizing its sectoral teams and international experts to assist government FPIP teams in preparation of the 2019 FPIP plans in late 2018 and 2019.

- **Evidence for Action** aims to strengthen the quality and timeliness of data generation and to expand the use of data and statistics to inform policy and program design, implementation, and monitoring. The initiative was downscaled after the National Statistics and Information Agency concluded that the original plan, under which the WB would contract directly for data collection services, could not be implemented under current authorities and the NSIA would be required to conduct data collection surveys. In lieu of implementing the survey, NSIA requested the WB to provide technical assistance to finalize questionnaire development, provide master trainers’ training, establish a system of concurrent data quality checks, and support the establishment of a new poverty line benchmarked in the new survey.

Fieldwork for the NSIA-led survey began in October 2019. The WB mobilized a team of senior international experts to help NSIA design the relevant training programs; initial training sessions were held in December 2019 on NSIA premises. A second component of the initiative engages with Ministry of Economy staff to provide training and support for tying poverty considerations into planning and budgeting; providing program-level information through MoEc; and building capacity in MoEc in using data for evidence-based policymaking. An initial six-month program of weekly trainings for selected staff commenced in January 2019. The second phase was planned to begin after the presidential elections.

- **Extractives Sector Asset and Institutional Development Task Force** aims to “enhance administration of extractive resource development by strengthening the capacities of key government institutions, strengthening professional skills, and supporting sector investment opportunities.”

In 2019, the Ministry of Mines and Petroleum continued to draw on the WB procured technical/engineering



expertise (supervision engineer) to build capacity during the renegotiation of the Aynak mining contract. Particular emphasis has been placed on analyzing options for preserving the physical cultural resources that cover most of the surface area of the central deposit within the Aynak copper project. An expert symposium was convened in July 2019, and its findings were presented to the President of Afghanistan, who instructed MoMP and the Ministry of Industry and Commerce to prepare a comprehensive report, which was provided the following month.

- In addition, the initiative provided expert support to prepare an Aynak Financial Review Analysis Memo, summarizing analyses of the Aynak site undertaken to date and providing the government with a concise reference for future decision-making or discussions. Finally, the initiative supported the secretariat of the Afghanistan Extractive Industry Transparency Initiative in the implementation of the requirements under the Extractive Industry Transparency Initiative.

The ACRReMAP window supported in-depth fiduciary reviews, analytical work, and hands-on procurement improvements, while sustaining continuity of the expanded Third Party Monitoring program. The WB initially presented its proposal for an Anti-Corruption and Results Monitoring Action Plan to the SG in 2017 and, with SG approval, began implementing ACRReMAP-related initiatives with existing resources before the adoption of the PFFP formally established the window. The WB provided quarterly updates on the initiatives to partners during SG discussions. While the bulk of ACRReMAP resources are dedicated to expanding the ARTF's already extensive TPM program, the initiative is broader than TPM alone, and aims to support portfolio-wide innovations to enhance "value for money" in the ARTF portfolio as a whole.

The in-depth fiduciary review of the closed IW EQUIP II basic education project was completed in 2019 and work on the second in-depth fiduciary review of the IW NHLP program advanced.

- **Education Quality Improvement Program II, Ministry of Education.** In 2018, the WB began an in-depth fiduciary review of the Ministry of Education, with focus on financial transactions under EQUIP II and the reimbursements for teacher salaries under the RCW. The review revealed weaknesses in MoE's internal control system, especially with regards to record-keeping, as well as indications of possible irregularities in some transactions. The

review generated lessons for the next phase of basic education programming, which were incorporated in the initial, carefully controlled, rollout of the successor EQRA program. It also generated portfolio-wide innovations. As a result of the findings, the WB elected to change the disbursement methodology for all programs across the portfolio from the "interim financial report" to the "statement of expenditure"-based approach, with the aim of requiring more detailed documentation and preventing future gaps in expenditure documentation of the type observed in the in-depth fiduciary review. The transition in the disbursement approach was planned for implementation in early 2020.

- Productive, albeit challenging, discussions within the SG about the lessons drawn from the review also prompted the development of the "ARTF Enhanced Fiduciary Control Framework", a document that summarizes the five layers of fiduciary control that apply to WB projects in Afghanistan, as well as the programmatic and capacity development work that underpins and supports the layers. The Enhanced Fiduciary Control Framework serves as a reference point for the ongoing work of bolstering controls across the portfolio.
- While learning lessons and improving the application of controls are the primary objectives of the in-depth fiduciary reviews, the exercises can also reveal evidence of ineligible expenditures made under a given program. Ministries are offered an opportunity to supplement documentation to justify any apparent ineligible expenditure before the WB determines the final amount of ineligibilities (if any), and requires a refund of ineligible ARTF sums to the trust fund, an important civil accountability measure that reinforces the importance of the reviews. Following the EQUIP II in-depth fiduciary review, GoIRA refunded USD 2.9 million in ineligible expenditures, representing less than 2 percent of program expenditures overall.
- **National Horticulture and Livestock Productivity Project, Ministry of Agriculture, Irrigation and Livestock.** Initial analytical work on the in-depth fiduciary review of NHLP was substantially completed in 2019, and the WB prepared to review preliminary findings with MAIL in 2020 and provide the ministry an opportunity to supplement initial gaps in documentation. The WB briefed ARTF donors on the preliminary findings via the regular quarterly report of ACRReMAP activities, including initial indications



of significant control weaknesses with a number of observed deviations from WB fiduciary requirements. Further discussion are expected to follow in 2020 after MAIL completes a formal response to the initial findings.

- **With support from development partners, the WB provided hands-on support to Ministry of Public Health procurement of 31 health service provider contracts under the Sehatmandi project.** Hands-on Expanded Implementation Support (HEIS) was introduced as a feature of the WB's procurement framework in July 2016, allowing for close procurement support to WB clients in "situations of urgent need of assistance or capacity constraints." HEIS has been institutionalized as an ex ante implementation support tool in the Afghanistan portfolio with three more projects receiving the support in 2019: Fiscal Performance Improvement Plan Support Project (co-financed by ARTF and IDA), Digital CASA Project (IDA only), and Afghanistan Gas Project (IDA only).
- **The ACREMAP concept responded flexibly to emerging needs and opportunities for enhancing value for money in the portfolio.** Late in 2018, the WB approved a "pillar" of ACREMAP activity to support portfolio-wide safeguard management, and that work advanced in 2019. ACREMAP also provided resources to support transparency-promoting pilot initiatives, including an approach for engaging civil society organizations in independent social audits of ARTF-financed initiatives.

The WB sustained continuity of the expanded Third Party Monitoring program. Under the ACREMAP initiative, the ARTF TPM program steadily expanded in scope and in scale. In 2019, TPM operations continued as the WB made arrangements to award a new contract further refining the program.

RCW disbursements were well below the "disbursement ceiling" established by Monitoring Agent eligibility reviews of GoIRA operating expenditures. The MA monitors GoIRA recurrent civilian expenditures (payroll- and non-payroll-based salary expenditures, operations and maintenance, and pensions) for compliance with ARTF eligibility requirements, including documentation. Employing statistical sampling methods suitable to each category of expenditure, the MA selects sample transactions for eligibility review. Findings for the sample are extrapolated to recurrent civilian expenditures as a whole, establishing the maximum amount of financing, or "disbursement ceiling", that could be contributed to GoIRA's operating budget through the RCW in a given fiscal

year. **The FY 1398 disbursement ceiling totaled USD 968.15 million, well in excess of RCW disbursements.**

The disbursement ceiling established by the MA's work represents an eligibility rate of 74.92 percent, an improvement relative to the previous fiscal year's rate of 71.85 percent. The most common reasons for ineligibility were related to non-compliance with procurement procedures and missing documents. A percentage of the ineligibility rate each year is considered "unavoidable", representing instances where applicable GoIRA law differs from ARTF eligibility criteria. For the sample as a whole, approximately 9 percentage points of the ineligibility rate were attributable to these unavoidable ineligibilities. Proportionally, payroll-based expenses represent the largest category of expenses in both the total actual expenditures and in the statistical sample.

Under contractual terms of reference that were expanded in 2018, the MA conducted "internal control and transaction reviews" of 11 IW-financed projects. The reviews aimed to assess the existence, adequacy, and operating effectiveness of key financial, operating, and compliance controls in each project. Mitigation measures were agreed with the projects to address the control weaknesses noted during the review. The MA also continued collaborating with the SA to expand physical verification of civil servants to areas that had previously been inaccessible under the MA's security arrangements, which has expanded the percentage of the statistical sample that can be verified. A sample of 9,287 employees was selected for physical verification in FY 1398, and 8,706 employees were physically verified. The remaining 581 employees selected could not be physically verified owing to certain limitations, such as limited access to high profile officials, absence abroad, on leave, or having been transferred.

The scale and scope of Supervisory Agent project monitoring expanded. Ministries increased their responsiveness to Supervisory Agent data, although overall rates continue to require further improvement, an observation discussed in the first Country Portfolio Performance Review in 2019. Over the course of the year, the WB modified the SA's scope of work to increase the number of IW projects that had access to field-based project supervision, and to engage the SA in supporting MA-led physical verification of civil servants. From an initial subset of six projects with access to SA monitoring at the start of 2018, and a primary focus on verifying construction quality, the scope of the SA's services had expanded by the end of 2019 to provide coverage to 13 IW projects.





Source: MSI

The SA conducted 2,224 site visits to subproject locations between November 2018 and December 2019, extending to 33 provinces and reaching 191 districts. In 2019, the SA was requested to complete nine special studies resulting in 13 ad hoc reports spanning the entire portfolio from students, faculty, and staff feedback on vocational institute curriculum and structural quality of institution buildings to medical supplies at remote health facilities, and an economic internal rate of return and cost effectiveness study.

The SA surpassed the target of 2,000 site visits, completing 1,918 site visits of subprojects across the portfolio and 306 site visits for special studies. Overall, 27 percent of site visits focused on construction monitoring, 23 percent on social process and program input monitoring, and 50 percent were mixed purpose site visits. Line ministry engineers accompanied the Third Party Monitors to approximately 70 percent of site visits that reviewed construction quality.

The WB took steps to ensure continuity of Third Party Monitoring services in the next phase of contracting. The ACRMAP initiative envisioned a consolidation of the distinct “Monitoring Agent” and “Supervisory Agent” TPM functions

under a single integrated contract. In 2019, the WB aligned the contract end dates of the two contract arrangements to enable a smooth transition and increased the interaction between the two monitoring functions (through SA support to physical verification of GoIRA civil servants and through MA review of fiduciary controls in investment projects), and began a public, competitive procurement for the next phase of contracting.

The award was finalized by December 2019, and the WB briefed ARTF donors, MoF, and key line ministry project counterparts on the transition to the new phase of contracting. A consortium led by BDO LLP, which served as the Monitoring Agent under the previous contract arrangements, won the award for the new contracted services, and cooperated closely with outgoing Supervisory Agent Management Systems International on the handover of field operations. New contract arrangements will become effective on January 1, 2020.

The ARTF financed 18 percent of Afghanistan’s civilian budget in FY 1398 (2019) and the predictability of donor financing decreased. In FY 1398, total RCW disbursements totaled USD 309.5 million, a decrease relative to the previous



fiscal year that reflects normalization of the Incentive Program Development Policy Operation. The RCW funded 16 percent of the civilian operating budget. IW disbursements totaled USD 363 million, representing 19 percent of GoIRA's development budget. Together, these sums represented 18 percent of GoIRA's civilian budget for the year.

Given the importance of ARTF financing to GoIRA's civilian budget, predictability of contributions remains a priority, particularly because contributions in the previous Financing Strategy period fell short of recorded pledges, causing the ARTF to enter the PFFP period under stress. In 2019, contributions to the ARTF totaled USD 780.38 million, reaching 88 percent of the expected totals, a drop from the high of 99 percent recorded in 2018.

The predictability rate is calculated based on pledges fulfilled during the period of the Afghan fiscal year, so late or early payments can affect the calculation. This was the case in 2019; the drop in the predictability rate was largely attributable to some donors' payment of portions of planned 2019 contributions early in 2020. Because the pledges were ultimately fulfilled with a small gap in time, GoIRA experienced no operational impact from the decline in 2019, but predictability remains an important measure given overall dependence on ARTF contributions.

Donors preferenced 52 percent of contributions to IW programs, which remains consistent with the previous year. At the end of GoIRA's fiscal year, the ARTF's unallocated cash balance as a proportion of the pipeline for the coming year stood at 60 percent, indicating that the ARTF entered the fiscal year with funds adequate to finance slightly over half of the expected programmatic commitments of known, anticipated new commitments. The figure had increased relative to the previous year (46 percent) and the low of 33 percent recorded at the end of GoIRA fiscal year 1395 (2016).

SUPPORTING GENDER MAINSTREAMING IN RESULTS REPORTING

GENDER ENGAGEMENT across the portfolio continues to be strong and remains a core cross-cutting focus of the ARTF current pipeline under the PFFP.

THE GENDER WORKING GROUP

SINCE ITS CREATION in December 2012, the ARTF GWG has established a technical platform for enhanced coordination between development partners and GoIRA to systematically review gender aspects of ARTF-financed pipeline and operations in progress as well as advisory and analytical activities (ASIST and ACREMAP). GWG members engage with WB project teams during project preparation and implementation to mainstream gender; provide advice to improve gender outcomes and reporting in ARTF projects; and support knowledge sharing on gender-related topics across the ARTF partnership (see Box 2).



BOX 2. THE GENDER WORKING GROUP IN 2019

The primary objective of the GWG is to ensure the ARTF program is sensitive to gender. The GWG meets every month to (i) discuss implementing the gender-sensitive approach outlined in the ARTF Partnership Framework and Financing Program (formerly known as ARTF Financing Strategy); (ii) review gender aspects of ARTF-financed activities at both the design and implementation stages, with donors providing gender inputs and analysis at an early stage; (iii) share knowledge and expertise on innovations in gender as they relate to the ARTF; (iv) propose recommendations on how gender aspects can be better captured in the ARTF results reporting; and (v) provide support for gender mainstreaming in ARTF portfolio management, pipeline development, and analytical studies.

The GWG is chaired by the WB as ARTF Administrator, with a semiannually rotating co-chair from one of the ARTF donors. The UK Department for International Development was the co-chair from September 2018 to July 2019, followed by the European Union from August 2019 to February 2020. A representative from the Ministry of Women's Affairs, Ministry of Finance, the Women's Economic Empowerment National Priority Program Coordination Unit, and from other government agencies as needed, represent GoIRA at the GWG.

Early in 2019, the ARTF Strategy Group agreed with the WB on a protocol on how the Bank would engage donors during the project preparation phase for projects financed by the ARTF. The ARTF Steering Committee endorsed the protocol at its May 2019 meeting. Donor representatives including

GWG members are encouraged to participate at all phases of the process now open to donors.⁵¹ GWG members' engagement during project planning helps ensure project design includes activities that narrow gender gaps and integrates a plan to gather and report gender data to assess the progress. The GWG has been influential in shaping the design of this Scorecard report, including in particular by emphasizing the importance of expanding the range of gender-disaggregated data.

During 2019 the GWG convened 10 monthly gender coordination meetings. Projects discussed in these meetings included WEE-NPP; IP-DPG; ALASP; the Afghanistan Water Supply and Sanitation Services and Institutional Support Program; FSP; PPIAP; CCAP; EQRA; and WEE-RDP; and ARTF agriculture programs such as Opportunity for Maximizing Agribusiness Investments and Development, OFWMP, and NHLP; gender-based violence; and Sehatmandi.

Furthermore, the GWG had detailed discussions on the gender section of the ARTF Scorecard, as well as broader issues such as the role and capacity of the gender units in the ministries. In incorporating gender aspects in project design, one of the recommendations was to have closer coordination across ARTF working groups, namely with the Strategy Group and the Incentive Program Working Group, as well as with donor partners' technical teams. The GWG will continue to identify areas where the Bank can narrow the gender gap in the ARTF program.

51 The protocol is located in the document "FY1398 (2019) Update to the Partnership Framework and Financing Program: FY1397-FY1399 (2018-2020)," Figure 2 - ARTF Partner Engagement During the Project Preparation Cycle, [http://www.artf.af/images/uploads/home-slider/ARTF_PFFP_FY_1398_\(2019\)_Update_Final.pdf](http://www.artf.af/images/uploads/home-slider/ARTF_PFFP_FY_1398_(2019)_Update_Final.pdf)



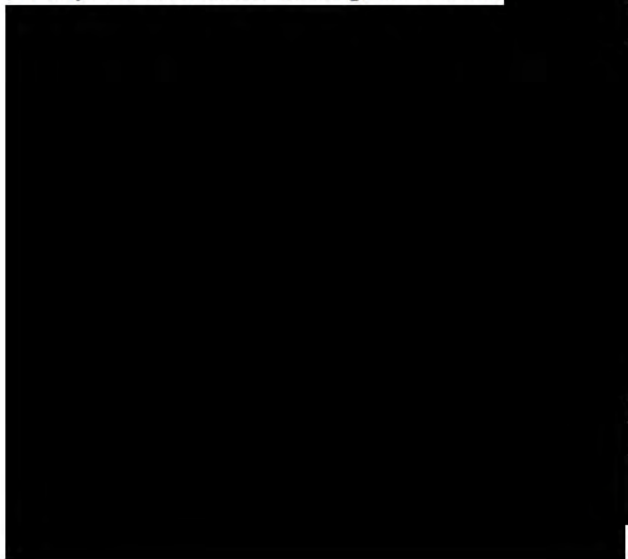
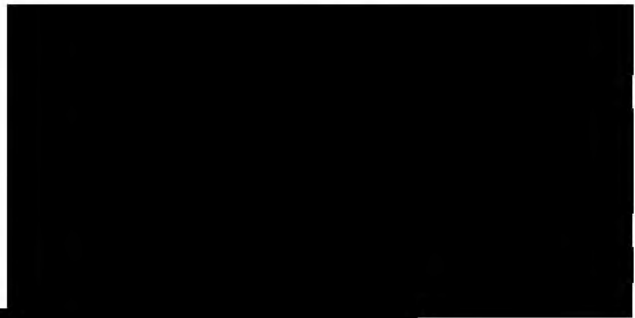
GENDER COORDINATION MEETINGS AND CAPACITY BUILDING OF GENDER FOCAL POINTS

INSECURITY, STRICT SOCIAL NORMS, rigid gender-based division of work and space (domestic and public), and a high illiteracy rate constrain gender equality and equity in Afghanistan and in the ARTF portfolio. Employing gender specialists/focal points in GoIRA project teams has proven to be a valuable means of advancing the gender agenda across the portfolio, particularly when technically skilled focal points have access to current programming information and a supportive professional network. The WB encourages projects to include Gender Focal Points (GFPs) and supports them by investing in their capacity and creating an enabling environment for networking and knowledge exchange.

Since 2013 the WB has facilitated Gender Coordination Meetings (GCMs) that bring together GFPs and, occasionally, staff from the gender units of the ministries. Discussions enable GFPs to share challenges, achievements, priorities, and also focus on ways to enhance gender equality, awareness, and sensitivity in projects across the portfolio.

The GCMs have led to workshops and capacity building on women's economic empowerment in development, anti-harassment, gender-based violence (GBV), gender-tagging approaches in light of the WB Gender Strategy, gender mainstreaming, and related topics.

Participants describe the meetings as a useful



TACKLING GENDER-BASED VIOLENCE IN THE ARTF PORTFOLIO

ARTF OPERATIONS have also been tackling the issue of GBV. The WB's standard risk assessment tool (RAT) has been applied to the Afghanistan portfolio and pipeline of projects with major civil works (see Box 3). However, standardized questions in RAT did not adequately address provincial-level differences in risk exposure, nor did they capture workplace risks that are common in Afghanistan.

In consultation with the GWG, in 2019 the WB Afghanistan team piloted country-specific modifications to adapt the tool to the local context. A set of questions, customized to Afghanistan, was developed and piloted across the portfolio and pipeline of projects with and without civil works, and a risk score (high, substantial, moderate, low) was allocated based on the results.

BOX 3. THE GBV RISK ASSESSMENT SCREENING TOOL

The risk assessment tool has been developed by the WB with input from the GWG to help Task Teams understand the risks of gender-based violence (GBV), sexual exploitation and abuse (SEA), and sexual harassment in projects involving major civil works. RAT considers both project-specific details (such as labor influx levels), as well as the country context where the project takes place (such as situations of conflict).

Through 25 questions, 12 to be answered by the project team and 13 that are pre-populated, the tool draws on information to give each project a risk "score" based on the responses to the questions. The questions in RAT are meant only as a starting point to understand how the proposed project may have GBV-related impacts by identifying and assessing the risks of GBV. There may be situations where it is prudent to adopt a higher risk category than the tool suggests if local conditions warrant, based on the additional country-specific questions and local context.

A Good Practice Note (GPN) on GBV was issued in September 2018 in the context of the introduction of the new Environmental and Social Framework (ESF) across the WB. It is a living document designed to support Task Teams working on new projects being prepared under the ESF, as well as projects that are currently under implementation and subject to the safeguard framework that pre-dates the ESF. The GPN focuses on addressing and responding to risk in investment project financing projects with major civil works. Relevant project safeguard documents should include GBV mitigation measures as described in the GPN. The GPN is currently being reviewed and updated, with a revised version expected in Q1 FY20.

In Afghanistan the WB has been supplementing the GPN by applying RAT, not only to new projects but also to existing portfolio projects with civil works that present "substantial" or "high" GBV-related risks. In 2019, the WB team completed a risk assessment of 38 active projects in the combined IDA and ARTF portfolios and discussed the risk rating for each project internally and with the project teams, helping projects rated "high" risk to develop GBV action plans.

Also, there have been advocacy efforts for the implementation of the GBV response in the health system as part of the Sehatmandi Project. In parallel, the WB has designed and implemented GBV-related capacity building training for government and Project Implementation Units and GFPs, and has guided Task Teams on how to prevent and respond to workplace sexual harassment.

Finally, in partnership with the GWG, the WB has undertaken a national mapping of GBV services (including health, psychological support, and legal) that builds on an existing inventory developed by the United Nations Population Fund and the humanitarian GBV Sub-Cluster. In 2019, the WB and GWG members reviewed lists of GBV providers jointly to ensure the inventory is fully updated. The WB has conducted phone and email outreach with providers to verify the availability (and to the extent possible, the quality) of services identified in the updated inventory. The mapping provides a shared resource for gender stakeholders, readying development partners to provide effective response employing local expertise in the event of an incident of gender-based violence in development programming.



PILLAR III—ARTF OPERATIONAL AND ORGANIZATIONAL EFFECTIVENESS

INDICATORS		BASELINE		PROGRESS				
		Value	Year	Previous Financing Strategy			PFFP	
				FY15	FY16	2017	2018	2019
Portfolio Implementation								
Project readiness for implementation	Number of months between project approval to first disbursement	2	FY09	n.a. ⁵²	3	2	3.6	6.4
Satisfactory implementation of active projects	Active operations rated moderately satisfactory or higher on implementation progress (%) ⁵³	78%	FY08	88%	92% ⁵⁴	93%	96%	100%
Gender Across the Portfolio								
Gender mainstreaming in results monitoring	ARTF projects that include gender-specific objectives/ outcome/ output data with targets (%)	32%	FY14	37%/38%/33%	37%/52%/57%	40%/68%/55%	43%/86%/90%	42%/81%/81%
	Percentage of portfolio projects collecting relevant gender-disaggregated data ⁵⁵	38%	FY14	57%	68%	68%	86%	81%
	Percentage of portfolio projects with Gender Focal Point staff in client project teams	71%	FY14	66%	70%	72%	86%	85%
	Percentage of portfolio projects that include technical assistance on gender issues and gender supervision in implementation support missions	63%	FY14	57%	63%	82%	100%	92%
	Percentage of portfolio projects that have produced gender-related documents ⁵⁶	38%	FY14	47%	n.a.	50%	57%	65%
	Percentage of portfolio projects that are gender tagged ⁵⁷	50%	2019	n.a.	n.a.	n.a.	n.a.	50%

52 No new projects were approved in FY15.

53 Please see Annex II for full overview of project ratings.

54 Includes 24 out of 26 active projects rated "Moderately Satisfactory" or higher as of December 2016.

55 Indicator slightly changed from "Percentage of portfolio projects fully collecting required gender-disaggregated data" to "Percentage of portfolio projects collecting relevant gender-disaggregated data" to provide more clarity.

56 Indicator changed from "Percentage of portfolio projects which have produced gender-related knowledge in completed knowledge projects" to "Percentage of portfolio projects that have produced gender-related documents" to capture most of the gender-related documents, such as strategies, policies, stand-alone case studies, and standard operating procedures.

57 New indicator introduced to track WB corporate requirement of gender tagging across ARTF portfolio.

PILLAR III—ARTF OPERATIONAL AND ORGANIZATIONAL EFFECTIVENESS (continued)

INDICATORS		BASELINE		PROGRESS				
				Previous Financing Strategy			PFFP	
		Value	Year	FY15	FY16	2017	2018	2019
Community Engagement								
Citizen engagement	Percentage of projects that incorporate beneficiary feedback	94%	FY15	94%	95%	95%	96%	100%
Human Resources								
WB Staff Presence	Facetime with the client counted as total number of days spent on Afghanistan, including resident international and national staff and visiting missions (days)	~12,000	FY12	13,207	20,003	27,659	28,754	32,544
Bank-executed Windows								
Active ASIST technical assistance facilities	Number of technical assistance provided through the newly established ASIST ⁵⁸ window	n.a.	n.a.	n.a.	n.a.	n.a.	3 (1397)	0 (1398)
Number of Supervisory Agent project site visits	Number of site visits conducted by the ARTF Third Party Monitor from the project sites	NA	NA	NA	NA	NA	1,537	2,224
ARTF Finances								
ARTF resources as share of civilian budget	Recurrent/development resources as share of government's civilian operating/development budget (%)	RCW: 48% /IW: 20%	1382	RCW: 23%/ IW: 41% (1393)	RCW: 28.9%/ IW: 28.8% (1395)	RCW: 26%/ IW: 31% (1396)	RCW: 30% ⁵⁹ / IW: 20% (1397)	RCW: 16%/ IW: 19% (1398)

58 ASIST is the Bank-executed ARTF window that seeks to provide more direct hands-on advisory services, implementation support, and technical assistance.

59 This does not include USD 159 million transferred to the government under the AHP Facility.



PILLAR III—ARTF OPERATIONAL AND ORGANIZATIONAL EFFECTIVENESS (continued)

INDICATORS		BASELINE		PROGRESS				
				Previous Financing Strategy			PFFP	
		Value	Year	FY15	FY16	2017	2018	2019
ARTF Finances								
Gross disbursements	Disbursed amount in an Afghan fiscal year disaggregated for the Recurrent Cost Window and the Investment Window (USD, million)	RCW: USD 214 million IW: USD 15.59 million	FY 1382	RCW: USD 252 million ⁶⁰ IW: USD 394 million (1394)	RCW: USD 344 million ⁶¹ IW: USD 402 million (1395)	RCW: USD 310 million ⁶² IW: USD 476 million (1396)	RCW: USD 535.8 million ⁶³ IW: USD 345.9 million (1397)	RCW: USD 309 million ⁶⁴ IW: USD 363 million (1398)
Disbursement ratio ⁶⁵	Fiscal year ⁶⁶ disbursement of active grants divided by total undisbursed funds in active grants by the beginning of the fiscal year (excluding the RCW) (%)	55%	FY04	38%/24% ⁶⁷	47%	43%	43%	28%
Share of assistance provided via incentive mechanisms	Share of planned financing under the ARTF Incentive Program that had been earned by government by end of the fiscal year (%)	100% (USD 40 million)	1388	36% (USD 98.6 million) (1393)	29% ⁶⁸ (USD 337.8 million) (1395)	26% (USD 235.6 million) (1396)	100% (total disbursements USD 535.8 million ⁶⁹) (1397)	100% (total disbursements USD 309.5 million) (1398)
Funding Predictability Index	Total ARTF pledges/indications deposited by donors by end of fiscal year (%)	86%	1384	97% (1393)	63% ⁷⁰ (1395)	92% (1396)	99% (1397)	88% (1398)
	ARTF contributions preferred (%)	30%	1384	43% (1393)	47% (1395)	43% (1396)	52% (1397)	52% (1398)
Cash Balance	Unallocated cash balance at the end of the fiscal year as a proportion of the pipeline for the coming year (%)	27%	1390 ⁷¹	53% (1393)	33% (1395)	48% (1396)	46% (1397)	60% (1398)

60 This does not include Ad Hoc Payments of USD 183 million.

61 This does not include Ad Hoc Payments of USD 125 million.

62 This does not include Ad Hoc Payments of USD 146 million.

63 This does not include the Ad Hoc Payments of USD 159.2 million.

64 This does not include the Ad Hoc Payments of USD 9.5 million.

65 The disbursement ratio is calculated based on the undisbursed balance in the active projects at the start of the year.

66 While gross disbursements are calculated using the Afghan fiscal year so it can be compared to the planned allocations in the ARTF Financing Strategy, the disbursement ratio is calculated using World Bank systems, which are based on the World Bank's fiscal year.

67 Including/excluding National Solidarity Programme.

68 Calculation excludes Ad Hoc Payments to the government. The percentage would be 23% including AHP.

69 This amount includes USD 225.8 million carry over earned under the Incentive Program in 2017 but disbursed in 2018 as well as the USD 159 million transferred through AHP. Excluding AHP, the percentage goes to 60%.

70 Indicated contribution at start of the year compared to actual contributions at the end of the year.

71 First year of the Financing Strategy and therefore the first year the ARTF had a formalized pipeline.

n.a.: Not applicable; NA: Not available

SECTION IV: ARTF RISKS AND RISK MITIGATION

Framework for Identifying and Mitigating Risks to the ARTF

OVERALL, THE RISKS TO THE ARTF, the projects and operations it funds, and their expected outcomes are considered high. The security situation has deteriorated over the past several years and continues to be challenging. The ARTF Administrator acknowledges these risks and attempts to the extent possible to mitigate some of the identified stresses. However, a majority of political and security risks cannot be mitigated easily.

This section outlines the key principles of ARTF risk management and the most important risk areas and mitigation measures. Recognizing that Afghanistan presents a high-risk and continuously evolving context, risks are being monitored on a continual basis. While the broad parameters are outlined, mitigation measures continue to evolve in response to a changing context.

The ARTF's approach to risk management builds on the WB's Framework for Operations Risk Management (FORM). The Framework promotes higher development impact for the WB's client countries through better risk assessment and management for results, empowering clients to assess and mitigate risks more effectively. The Framework also facilitates the systematic analysis of risks trends for all WB programs and operations. The ARTF Risk Management Framework is structured along similar lines to the ARTF monitoring framework with risk mitigation and monitoring structured in accordance with key risks at two levels—trust fund and project.

THE WORLD BANK'S OPERATIONS RISK MANAGEMENT

IN THE WB'S RISK FRAMEWORK, risks are defined as “risks to the client's achieving the expected results of the project, program, or strategy; and the risks of unintended impacts.” FORM rests on three pillars: (i) standardized systems and tools; (ii) an institutional structure and policies that support proactive risk management; and (iii) a culture of informed risk-taking.

The standardized systems and tools establish a unified and standardized risk-rating tool, the Standardized Operations Risk-Rating Tool (SORT), that integrates information systems

and links results to risks. SORT contains a risk category matrix, rates risks at the country and project levels, and assesses risk throughout the life of project (see Annex III).

SORT helps the WB as the ARTF Administrator assess and monitor risks consistently both at the trust fund and project levels. At the portfolio level, the data collected through SORT are used to create portfolio reports that help the WB define its tolerance and appetite for various risks. Thus, SORT provides the project-level foundation for portfolio-level risk management.

RISK MANAGEMENT AT THE TRUST FUND LEVEL

WHILE ANNEX III OUTLINES the ARTF SORT, including specific risks and risk management approaches at the trust fund level, the following outlines three main principles for how the WB, as the ARTF Administrator, manages risks:

- **Partnership and communication:** ARTF risk management is primarily carried out by the WB as the ARTF Administrator, but is done in close collaboration with the government and donors through the ARTF governance structure. The institutional mechanisms provided by the ARTF governance structure allow for candid and open dialogue on risks to the ARTF and on mitigation measures.
- **Flexible approach:** Due to the relative volatility of the context in which the ARTF operates, the risk mitigation framework cannot be overly prescriptive. Instead, it outlines through SORT the broad principles and main measures to mitigate risk along several critical parameters while leaving room for adaptation in response to a changing environment
- **Continual monitoring:** Continual monitoring of risks includes collecting information, making assessments, and rendering judgments on both new and ongoing risks. The ARTF Administrator works with its technical teams and the government and its development partners to understand the risks of the environment in which ARTF programs operate.



RISK MANAGEMENT AT THE PROJECT LEVEL

ARTF RISK MANAGEMENT at the project level is based on the WB's FORM and makes use of SORT to carry out risk analysis linked to results management. Also, it is organized around the ARTF monitoring framework to ensure weaknesses, highlighted in the risk assessment, are addressed and mitigated to the extent possible in the monitoring framework.

SORT looks at and rates the risk for the following areas, after which an overall project risk rating is then generated: political and governance; macroeconomics; sector strategies and policies; technical design of project/program; institutional capacity for implementation and sustainability; fiduciary; environment and social; stakeholders; and others.

SORT is initiated during the design process of each individual ARTF/WB-financed project and updated throughout the implementation process. Risk ratings of individual ARTF projects are made available to the government and donors in the biannual Implementation Status and Results reports that are published for each project in the portfolio and in the project aide-memoires following implementation support visits by WB technical teams.

Fiduciary risks are monitored and carefully managed for all ARTF projects. ARTF investment projects are subject to the same fiduciary arrangements as all IDA-financed projects in Afghanistan. The WB requires that each project maintains financial management and procurement systems capable of accurately reporting on use of funds, linking funds flow to project activities, ensuring compliance with agreed procurement procedures, and providing timely and reliable financial and procurement progress reports. These systems (encompassing budgeting, procurement, accounting, internal control, funds flow, financial reporting, and auditing arrangements) are assessed during the design phase of each new project and are reviewed as part of formal and ongoing project implementation support. A comprehensive fiduciary risk assessment is likewise conducted for each new investment.





ANNEX I: Definitions of ARTF Scorecard Indicators by Pillar

PILLAR I: AFGHANISTAN COUNTRY-LEVEL OUTCOMES—DEVELOPMENT PROGRESS TOWARD MDGs AND SDGs	
ACCESS TO SERVICES AND INFRASTRUCTURE	FOOD SECURITY
Access to improved drinking water (% of households) Percentage of households whose main source of drinking water is one of the following: hand pump (in-compound or public); bored well (hand pump or motorized); protected spring; pipe scheme (gravity or motorized); and piped water provided by the municipality.	Percentage of food insecure population Proportion of households not meeting a minimum of 2,100 calories per person per day.
Access to improved sanitation facility (% of households) Percentage of households that use an improved sanitation facility—a flush latrine or any other improved latrine.	Inadequate dietary diversity (%) Percentage of population whose food consumption scores are 42 and below. This measure aggregates the population that falls under the categories of “borderline” and “poor” food consumption.
Access to any source of electricity (% of households) Percentage of households that have access to electricity from any of the providers (government, community, or private) and sources (e.g., electric grid, government generator, personal generator, community generator, solar, wind, or battery).	Protein deficiency (% consuming less than 50g of protein per day) Percentage of population whose daily consumption of protein is less than 50 grams per day.
EDUCATION	GENDER
Literacy rate—age 15 and older (%) Percentage of population (age 15 years and above) that is literate.	Female literacy rate (%) Percentage of female population (age 16 years and older) that is literate.
Net attendance ratio in primary education (%) The number of pupils of the theoretical school-age group for a specific level of education, expressed as a percentage of the total population in that age group.	Female share in active population (%) Proportion of women in the labor force (labor force being the population age 16 years and older that is economically active).
Average years of schooling—age 18 and above Average years of education among the population age 18 years and above.	Girls to boys, age 6–12 years, enrollment ratio Ratio of girls to boys enrolled in schools. The reference age group is 6–12 years.
	Ratio of fully immunized girls to boys, age 12–23 months Ratio of girls to boys age 12–23 months who have received complete vaccines (as per official schedule) for BCG, DPT3, OPV3 and measles. In calculating this measure, provinces where the full immunization rate for either girls or boys was zero or missing are left blank.

PILLAR I (continued)

HEALTH	POVERTY AND INEQUALITY
Full immunization rate among children age 12–23 months (%) Proportion of children (age 12–23 months) that has received complete vaccines for BCG, DPT3, OPV3, and measles.	Poverty rate (%) Poverty rate (or poverty headcount rate) refers to the percentage of population living below the official poverty line.
Children age 12–23 months with no vaccination (%) Proportion of children (age 12–23 months) that has not received any of the scheduled vaccines for BCG, DPT3, OPV3, and measles.	Depth of poverty Depth of poverty, also known as poverty gap, is the average shortfall of per capita consumption from the poverty line, shown as the percentage of the poverty line. In calculating the depth of poverty, the shortfall of non-poor is treated as zero.
Access to skilled antenatal care during pregnancy (%) Percentage of pregnant women who have visited any skilled provider (doctor, midwife, nurse, or community health worker) for prenatal care during pregnancy.	Average consumption of the poor as percentage of poverty line This measure is obtained by subtracting the ratio of poverty gap to poverty rate from 1.
Births attended by skilled attendants (%) Proportion of child deliveries that are attended by any skilled birth attendant, such as a doctor, midwife, or nurse.	Average per capita monthly total consumption Value of food and non-food items consumed by a household in a month (including the used value of durable goods and housing) divided by the household size.
Disability prevalence rate Proportion of the population classified as disabled (i.e., people experiencing some difficulty in at least one of the five abilities—vision, hearing, mobility, self-care, and remembering).	Inequality—Gini coefficient of per capita total consumption Gini coefficient measures the deviation of a given distribution of per capita consumption from a perfectly equal distribution. The value of Gini coefficient ranges from 0 to 1.





PILLAR II: PROJECT AND PROGRAM-LEVEL OUTCOMES			
GOVERNANCE AND STATE EFFECTIVENESS			
DEFINITION	GUIDANCE	DATA	FREQUENCY
INDICATOR 1: Improved PEFA ratings for external/internal audit			
Improved Public Expenditure and Financial Accountability (PEFA) ratings for external/internal audit.	The methodology for the 2017 PEFA assessment covering the years 2014–2016 was changed. The new PEFA Framework published in 2016 upgraded the methodology and scoring criteria used for this assessment. While the revisions in the PEFA Framework provides for a deeper analysis, they hinder a direct comparison with the prior reviews.	PEFA report	Every 3–5 years
INDICATOR 2: Develop and implement new e-Government Procurement (e-GP) system to improve the collection and disclosure of public procurement data and information across the full contracting cycle (from planning to contract implementation)			
Measures progress toward procurement, commissioning, and rollout of e-GP system.		National Procurement Authority (NPA)	Annually
INDICATOR 3: Increased development budget execution rate			
The proportion of actual development expenditure during the fiscal year against development budget approved by the legislature at the start of the fiscal year.		Annual audited financial statement and budget execution reports for development budget	Annually
INDICATOR 4: Increased domestic revenue as a percentage of GDP			
The revenue collected and reported by the government as a percentage of the country's gross domestic product (GDP).		Macro-Fiscal Policy Department Afghanistan Revenue Department Customs Department	Annually

GOVERNANCE AND STATE EFFECTIVENESS (continued)

DEFINITION	GUIDANCE	DATA	FREQUENCY
INDICATOR 5: Effective implementations by budgetary units on the external audit recommendations			
For each audit year, the number of audit recommendations implemented by the 10 largest spending ministries against total number of audit recommendations agreed between the Supreme Audit Office (SAO) and respective ministry during annual audit.		Report from Afghanistan Financial Management System (AFMIS) established and implemented at SAO, verified by a third party	Annually
INDICATOR 6: Percentage increase in customs duties through system automation			
The revenue mobilization effort of customs as compared to the previous year's collection.		AFMIS and Ministry of Finance (MoF)	Annually
INDICATOR 7: Increase of the Open Budget Index score			
Progress in budget transparency over time. The indicator relies on the rating of the Open Budget Index, which is compiled by the Open Budget Initiative.	This indicator is not drawn directly from any individual project result framework and no target has been set up for it yet. It is only included for information.	Open Budget	Annually
INDICATOR 8: Civil servants appointed in priority LMAs following approved strategic staffing plan for targeted capacity "surge" [new indicator]			
The proportion of Tackling Afghanistan's Government HRM [human resource management] and Institutional Reforms (TAGHIR) civil servant appointments that are mapped to targeted "pockets of effectiveness" as identified in line ministry and independent agency (LMA) strategic staffing plans for targeted capacity surge. These include those "legacy" positions that are vetted again in the staffing plan.		Independent Administrative Reform and Civil Service Commission (IARCSC) Monitoring Tables	Monthly
INDICATOR 9: Civil servants in priority LMAs transitioned from project to core government budget financing [new indicator]			
The proportion of TAGHIR civil servant appointees in priority LMAs that are transitioned into regular payroll; at a minimum on Pay and Grading rates. Achievement of this target is required to reach 100% at project effectiveness and be maintained at this level.		IARCSC Monitoring Tables	Semiannually





GOVERNANCE AND STATE EFFECTIVENESS (continued)			
DEFINITION	GUIDANCE	DATA	FREQUENCY
INDICATOR 10: HRMIS/Payroll rolled out in at least 5 LMAs [new indicator]			
Measures progress toward rollout of Human Resources Management Information System (HRMIS)/Payroll in LMAs.		IARCSC HRMIS Implementation on Progress report	Annually
INDICATOR 11: Percentage of civil servants and pensioners who received government payments through electronic channels (% women) [new indicator]			
The percentage of civil servants and pensioners receiving payments through electronic means including banks accounts as well as mobile wallets. This indicator will be disaggregated by gender.		MoF	Quarterly
INDICATOR 12: Number of financial access points [new indicator]			
The term “ financial access points” is meant as the sum of (i) the number of branches of commercial banks and licensed Electronic Money Institutions; (ii) the number of active agents of licensed financial institutions; (iii) the number of in-service ATMs of commercial banks; and (iv) the number of POS (Point of Sale) terminals accepting electronic payments. Once microfinance institutions connect to the Afghanistan Payment System, their branches will be included.		Da Afghanistan Bank (DAB)	Quarterly
INDICATOR 13: Land Information System (LIS) is operational and available to use centrally and in the project’s selected areas (%) [new indicator]			
Measures the progress on the modular development of the LIS, and its final deployment in the project’s selected areas.		Progress reports and completion reports on LIS	Annually, starting at year 2 of the project
INDICATOR 14: Computerization of cadastral mapping and land records completed for project’s selected areas (%) [new indicator]			
Measures the progress (percentage) in producing complete coverage of cadastral maps for all the project’s selected areas.		Number of records in respective database(s) at headquarters and regional levels	Quarterly
INDICATOR 15: SOPs and uniform service standards for Deputy Land Ministry (DLM) / MUDL are adopted and effectively implemented through its daily operations [new indicator]			
Measures the extent to which DLM effectively applies the standard operating procedures (SOPs) and service standards for land administration.		Independent Expert Assessments	Mid-Term Review and Final Project Evaluation

GOVERNANCE AND STATE EFFECTIVENESS (continued)

DEFINITION	GUIDANCE	DATA	FREQUENCY
INDICATOR 16: Level of satisfaction of target population with land registry services (%) [new indicator]			
Through a series of surveys, this indicator will measure the level of satisfaction of project beneficiaries regarding the services provided in issuance of map-based titles and OCs.		Beneficiary surveys	At least 3 surveys, starting at year 2 of the project, plus Mid-Term Review and Final Project Evaluation
MILESTONE M1: Number of internal/external audits verified as done to international auditing standards			
The internal audits indicator measures progress in strengthening internal controls, while the external audit indicator measures external audits of the development budget performed in line with international standards.		Project Management Information System (PMIS)	Annually
MILESTONE M2: Framework Agreement procurement is done by the government			
		NPA	Quarterly
MILESTONE M3: Improvement in core institutional capacity, represented by a reduction in the number of long-term technical assistants			
Measures the performance by MoF civil servants of functions previously performed by consultants, by tracking the reduction in numbers of long-term consultants.		Monitoring report of the MoF, verified by the World Bank	Annually
MILESTONE M4: Web-based AFMIS extended to embassies and selected districts, municipalities, and SOEs			
Measures progress on extension of AFMIS to embassies and selected districts, municipalities, and State-Owned Enterprises (SOEs), through provision of access rights and training to users at targeted spending units.	MoF Treasury Department will collect the data.	AFMIS extension progress reports against approved rollout plan	Annually
MILESTONE M5: Rolling out e-Government Procurement in the pilot phase in three or more departments			
Measures progress toward an e-procurement system in Afghanistan on pilot basis.		NPA	Annually
MILESTONE M6: Civil servant positions held by women [new milestone]			
Measures the proportion of civil servant positions recruited into priority LMAs that are held by women. This includes “legacy” appointees carried over from the Capacity Building for Result project. The target for this indicator is set at 10 percent by project closing, but this is considered a minimum benchmark. LMA quotas and creative solutions such as female-only positions will be adopted to promote an increase in female participation.		IARCSC Monitoring Tables	Monthly





GOVERNANCE AND STATE EFFECTIVENESS (continued)			
DEFINITION	GUIDANCE	DATA	FREQUENCY
MILESTONE M7: Priority LMAs that meet minimum benchmark targets related to reduction in number of NTAs [new milestone]			
Measures priority LMA achievement of agreed national technical assistant (NTA) reduction targets. The milestone is directly relevant to those 11 priority LMAs receiving new staffing allocations under TAGHIR.		IARCSC General Directorate of Civil Service Management NTA database	Semiannually
MILESTONE M8: Percentage of civil servants and pensioners biometrically registered and issued a unique identifier for payment purposes (% women) [new milestone]			
The percentage of civil servants and pensioners who are biometrically registered and received a unique identification number issued through the National Statistics and Information Authority (NSIA) and to be used for payment purposes.		MoF and NSIA	Quarterly
MILESTONE M9: Legal and regulatory framework established, including for data protection [new milestone]			
A comprehensive legal framework should be developed that sets out the purposes of the ID system; defines the role, duties, governance, and independence of the NSIA; sets out the scope of personal data to be collected; establishes appropriate data protection and privacy rights (assuming no general data protection and privacy framework is enacted); creates a mandate for technology and vendor neutrality; and is harmonized with existing legal instruments.		NSIA	Semiannually
MILESTONE M10: Households benefiting from systematic land registration and issuance of Occupancy Certificates [new milestone]			
Information will be collected on the beneficiaries of the systematic land registration and Occupancy Certificate issuance activities.		Field reports	Quarterly
MILESTONE M11: Women receiving Occupancy Certificates (alone or jointly) [new milestone]			
The number of women beneficiaries receiving Occupancy Certificates, alone or jointly.		Field reports	Quarterly
MILESTONE M12: Effective resolution of grievances related to the project resolved within standards stipulated in GRM procedures (%) [new milestone]			
Measures effectiveness of citizen feedback mechanisms established under the project. It measures the percentage of cases (including complaints and inquiries) that are addressed as per the standards agreed upon in the grievance redress mechanism (GRM) procedures.		Reports from GRM database	Quarterly

PILLAR II: PROJECT AND PROGRAM-LEVEL OUTCOMES

HEALTH

DEFINITION	GUIDANCE	DATA	FREQUENCY
INDICATOR 17: Births attended by skilled attendants			
<p>The cumulative number of women who delivered with the assistance of a health provider as a result of ARTF activities. This indicator includes deliveries by a skilled health provider (specialist or non-specialist doctor, midwife, nurse, or other health personnel with midwifery skills). Deliveries by trained or untrained traditional birth attendants are excluded. It captures deliveries by skilled health providers either in health facilities or homes of pregnant women.</p>		Health Management Information System (HMIS) and Household Survey (HHS)	Annually/ Every two years
INDICATOR 18: Scorecard score examining quality of care in health facilities (average score)			
<p>The composite score out of 100 on indices of quality of care as judged by the third party monitor. The health sector of Afghanistan adopted the Balanced Scorecard as a tool to measure and manage the performance in delivery of the Basic Package of Health Services (BPHS) throughout the country.</p> <p>The Balanced Scorecard provides a framework to look efficiently at several key areas or domains of the health sector. Each domain is made up of several indicators that provide information about performance in that domain. Provincial results are color coded and for each indicator, upper and lower benchmarks have been defined based on the performance found across the provinces in Afghanistan. This allows the Ministry of Public Health and other stakeholders in the health sector to visualize quickly the performance of each province for each indicator.</p>		Health Facility Assessment (HFA)	Annually
INDICATOR 19: PENTA3 coverage among children age between 12–23 months in lowest income quintile			
<p>The number of children age 12–23 months in lowest income quintile who received PENTA3 vaccine before their first birthday.</p> <p>Denominator: Total number of children age 12–23 months in lowest income quintile. (The data are disaggregated by gender)</p>		Household Survey (Third Household Survey) Third Party Monitoring reports Central Statistics Organization	Every two years





HEALTH (continued)			
DEFINITION	GUIDANCE	DATA	FREQUENCY
INDICATOR 20: Minimum dietary diversity (%) [new indicator]			
Percentage of children in age group of 6–23 months who receive foods from 4 or more food groups.		Demographic and Health Survey	Once in three years.
INDICATOR 21: Contraceptive prevalence rates (modern methods) (%) [new indicator]			
The proportion of women of reproductive age who are using (or whose partner is using) a modern contraceptive method at a given point in time.		HHS	Once in three years
MILESTONE M13: Health facility visits per capita per year to BPHS/EPHS facilities			
Numerator: The number of outpatient department clients/patients seen at all health facilities Denominator: Total population in same period.		HMIS	Annually
MILESTONE M14: Proportion of health facilities staffed with at least one female health worker			
The proportion of BPHS-supported health facilities with at least one female health worker (doctor, midwife, or nurse).		HMIS and HFA	Annually
MILESTONE M15: Proportion of children under five years with severe acute malnutrition who are treated			
The number of children under age five treated for severe acute malnutrition out of the total number of children under age five with severe acute malnutrition.		HMIS	Annually

PILLAR II: PROJECT AND PROGRAM-LEVEL OUTCOMES

EDUCATION

DEFINITION	GUIDANCE	DATA	FREQUENCY
INDICATOR 22: Students attending school regularly in selected provinces (girls)			
The number of students attending school (Grades 1–12) is defined by the number who participated in the end of year exam (the requirement for which is that they attend 75% of the academic year, in selected provinces). This is calculated according to the Education Management Information System (EMIS) as total of students attending subtracted from the previous year's total. Data are gathered at the end of school year.		EMIS data collected every year	Annually
INDICATOR 23: Out-of-school children in selected provinces (girls)			
Total number of out-of-school children including school-age children (age 7–16 years) not in school, permanently absent students (<3 years out of school), and dropouts (>3 years out of school), by gender; the baseline figures are from the 2016 ALCS.		EMIS data collected every year	Annually
INDICATOR 24: Student enrollments in priority degree programs for economic development (women)			
The number of male/female students enrolled in priority disciplines as defined in the National Higher Education Strategic Plan, 2015–2020.	Priority disciplines include physical and life sciences; computing; engineering, manufacturing and construction; health; environmental protection; agriculture; communication and information technologies; management and policy administration; English language and English literature.	Ministry of Higher Education	Annually
MILESTONE M16: Schools constructed or expanded with classrooms, boundary walls, water points, and gender-segregated latrines			
Total schools built and expanded with completion of missing items, including adding classrooms, gender-segregated latrines, water points, and boundary walls in selected provinces, as specified per contract terms.		Civil Works unit of EQRA	Annually
MILESTONE M17: Students benefiting from direct interventions to enhance learning (girls)			
Corporate Results Indicator		EMIS data collected every year	Annually





PILLAR II: PROJECT AND PROGRAM-LEVEL OUTCOMES

WOMEN’S ECONOMIC EMPOWERMENT (formerly presented under Rural Development)

DEFINITION	GUIDANCE	DATA	FREQUENCY
INDICATOR 25: Number of direct beneficiaries (women)			
Total number of beneficiaries, including all individuals who are members of a self-help group (SHG) and/or Enterprise Group. The total number of beneficiaries will also be disaggregated into the following categories: people with disabilities, Kuchis, and widows. Baseline value includes Afghanistan Rural Enterprise Development Project (AREDP) beneficiaries.		MIS and Progress reports	Quarterly
INDICATOR 26: Beneficiaries reached with financial services			
For this project, “financial services” include SHGs, Village Savings and Loan Association (VSLAs), and/or accounts with microfinance institutions or other formal financial institutions. Baseline comes from AREDP.		MIS and Progress reports	Quarterly
INDICATOR 27: Share of women SHG members from poor or vulnerable households (%)			
The proportion of all women SHG members who come from poor, ultra-poor, or vulnerable households. The classification of poor, ultra-poor, and vulnerable is based on the Citizens’ Charter well-being analysis, and this indicator will only be measured in Community Development Councils (CDCs) where such an analysis exists. Baseline value not available.		MIS and Progress reports	Annually
INDICATOR 28: Number of agents of licensed financial institutions (women) [new indicator]			
The number of active agents of licensed financial institutions offering, at the minimum, cash-in and cash out services.		DAB	Quarterly
MILESTONE M18: Net aggregate savings mobilized			
The net aggregate position of savings contributed by active and standby SHG members to SHGs, as of a certain date. Baseline value is based on total savings mobilized under AREDP.		MIS and Progress reports	Quarterly

WOMEN'S ECONOMIC EMPOWERMENT (continued)

DEFINITION	GUIDANCE	DATA	FREQUENCY
MILESTONE M19: Number of VSLAs that have received a grant			
<p>The number of VSLAs formed under the Women's Economic Empowerment Rural Development Program (WEE-RDP) that has received a seed grant. If at least one tranche of the grant is received, the VSLA is counted. Existing VSLAs formed under AREDP do not count toward this milestone. The target is based on 90% of the 5,000 WEE-RDP VSLAs receiving a grant.</p>		<p>MIS and Progress reports</p>	<p>Quarterly</p>





PILLAR II: PROJECT AND PROGRAM-LEVEL OUTCOMES

CITIZENS' CHARTER

DEFINITION	GUIDANCE	DATA	FREQUENCY
INDICATOR 29: Number of CDCs in rural and urban areas able to plan and manage their own development projects			
Total number of rural and urban communities that have completed their Community Development Plans (CDPs) and are currently implementing their subprojects.	For the current report, the numbers refer to successfully created CDPs.	Project MIS CDC Maturity Index CDC Evaluation Third Party Monitoring reports	Every two years
INDICATOR 30: Number of residents (rural and urban) (male/female) benefiting from each type of subproject (% women)			
Number of residents who benefit from each type of subproject, e.g., drainage, streets, street lighting, parks in urban areas, and access to water, roads, irrigation, and electricity in rural areas.	It is not possible to forecast beneficiary target numbers as communities decide on types of projects they need and prioritize. The program will be tracking the number of persons benefiting directly from each type of service.	Citizens' Charter MIS	Every two years
INDICATOR 31: Number of vulnerable households benefiting from Social Inclusion Grant			
Number of vulnerable households in Citizens' Charter communities that benefit from Social Inclusion Grants. Social Inclusion Grants aim to promote collective action and community philanthropy in an effort to provide sustainable welfare support for these "ultra-vulnerable" households, through establishment of food/grain banks for instance.		Citizens' Charter MIS	Annually
INDICATOR 32: Number of targeted high IDP/returnee communities provided with emergency support [new indicator]			
A simple count of the communities under Citizens' Charter, which are provided with emergency support and this indicator is covered under the Maintenance Construction and Cash Grant (MCCG).	Communities with a high number of internally displaced persons (IDPs)/returnees come under the vulnerable groups that are normally in need of immediate support. Such communities are targeted under MCCG, a subprogram of Citizens' Charter, which is cash for work (labor work provision to the "poor" category people of the communities where skilled labor is paid 650 afghanis per day for their work and unskilled is paid 350 afghanis). The work is provided for 40 days for each household.	Citizens' Charter MIS	Quarterly

CITIZENS' CHARTER (continued)

DEFINITION	GUIDANCE	DATA	FREQUENCY
MILESTONE M20: Number of communities meeting all minimum service standards			
Number of rural and urban communities that have met all the agreed minimum service standards under the Citizens' Charter.	Due to high risks related to fragility and insecurity, as well as sectoral challenges in providing some services, the end target is about 70% of the planned total, i.e., 8,600 out of planned 12,000 rural communities and 400 out of planned 600 urban communities. Therefore, total number by end of project for this particular milestone is 9,600 communities.	Project MIS Improved service delivery evaluation Third Party Monitoring reports	Every two years
MILESTONE M21: Percentage of grievances received that are resolved			
Proportion of reported grievances that have been followed up and resolved.		Citizens' Charter MIS	Quarterly
MILESTONE M22: Percentage of CDC members in rural and urban areas who are women			
Proportion of CDC members that are female.		Citizens' Charter MIS and Gender study	Reported once elections are held and confirmed at mid-term and final





PILLAR II: PROJECT AND PROGRAM-LEVEL OUTCOMES

INFRASTRUCTURE

DEFINITION	GUIDANCE	DATA	FREQUENCY
INDICATOR 33: Increase in the number of beneficiaries with new connections to the grid in the target areas			
The number of people who have received an electricity connection via new and rehabilitated connections to the grid.	Data on the number of people with electricity connections are estimated by multiplying the actual number of household connections with an estimate of the average household size, assuming about seven people per household. This indicator covers power projects financed by the ARTF.	ARTF Report and Power project report	Quarterly
INDICATOR 34: Increase in the communities within the Corridor of Influence (CoI) that are provided with access to electricity through the Community Support Program (CSP) grant funded subprojects (%) [new indicator]			
The percentage of subprojects in the power sector based on the total number of approved subprojects in the MIS, e.g., if the number of power sector subprojects is 61 and the total number of approved subprojects is 186, then the percentage would be 32.7%.		MIS, number of approved subprojects	Quarterly
INDICATOR 35: 100% of communities in the CoI receive support through the CSP grant [new indicator]			
The percentage of approved subprojects based on the total number of CDCs covered within the CoI, e.g., if the number of approved subprojects is 186 and the total number of CDCs in the CoI is 697, then the percentage would be 26.6%.		MIS, number of approved subprojects	Quarterly
INDICATOR 36: Kilometers of road constructed or rehabilitated			
The kilometers of community and trunk roads constructed or rehabilitated.	Kilometers of all non-rural roads reopened to motorized traffic, rehabilitated or upgraded. Non-rural roads are functionally classified in various countries as trunk or primary, secondary, or link roads, or sometimes tertiary roads. Typically, non-rural roads connect urban centers/towns/settlements of more than 5,000 inhabitants to each other or to higher classes of road, market towns, and urban centers. Urban roads are included in non-rural roads.	Field Survey	Every two years

INFRASTRUCTURE (continued)

DEFINITION	GUIDANCE	DATA	FREQUENCY
INDICATOR 37: Proportion of rural population living within 2 km of all-season roads			
The proportion of rural people in the project area who live within 2 kilometers (km) (typically equivalent to a 20-minute walk) of an all-season road. This indicator is also known as the Rural Access Index.	Guidance on “all-season road”: An all-season road is one that is motorable all year by the prevailing means of rural transport (often a pick-up or a truck that does not have four-wheel drive). Predictable interruptions of short duration during inclement weather (e.g., heavy rainfall) are acceptable, particularly on low volume roads.	PMIS	Every two years
MILESTONE M23: Distribution lines constructed under the project (km)			
The length of distribution lines constructed, and the amount of transformer capacity added under the project. For purposes of allocating the incremental transformer capacity to distribution, it is counted by the higher voltage at which it is rated—hence any transformer with a voltage rating of 20kV or less is counted as distribution transformation.		ARTF Report and Electricity project report	Every two years
MILESTONE M24: 75% of sampled families benefiting from the CSP express support for the transmission line [new milestone]			
<p>From the total number of sampled households in the community, 75% of sampled households who benefited from CSP projects should show their support toward the transmission line.</p> <p>The data will be collected through M&E forms, mainly the 3rd IMI (Institutional Maturity Index), which are filled after the subprojects are closed and all the funds of a community are utilized.</p>		Survey, MIS, and number of CDCs.	Quarterly
MILESTONE M25: At least 50% of total beneficiaries are female [new milestone]			
During the preparation of a community profile, Social Organizers determine the number of population (male and female) in the CDCs and HHs. The data are used to calculate the percentage of female beneficiaries, e.g., if the total beneficiary population is 600,000 and 300,000 of them are female, then the resulting percentage would be 50%.		MIS, number of HHs and population	Quarterly





INFRASTRUCTURE (continued)			
DEFINITION	GUIDANCE	DATA	FREQUENCY
MILESTONE M26: Total rural roads rehabilitated and maintained (km)			
The cumulative number of kilometers of all roads constructed, reopened to motorized traffic, rehabilitated, graveled, or upgraded by (i) the NSP CDCs that used their block grants; and (ii) funds from the National Rural Access Project/ARAP projects.		PMIS	Every two years

PILLAR II: PROJECT AND PROGRAM-LEVEL OUTCOMES

URBAN DEVELOPMENT

DEFINITION	GUIDANCE	DATA	FREQUENCY
INDICATOR 38: Number of people in urban areas provided with access to all-season roads within a 500-meter range under the project			
<p>All-season road is defined as a road that is motorable all year by the prevailing means of transport (e.g., car, fire truck or ambulance, which may not have four-wheel drive). Predictable interruptions of short duration during inclement weather (e.g., heavy rainfall) are acceptable, particularly on low volume roads.</p> <p>Road access in slums often does not exist and presents additional risks to residents in emergencies as ambulances or fire trucks cannot enter. It also reduces the ability for home-based income generating activity as it is difficult to bring goods and supplies in and out without road access.</p>	<p>The data on the number of people provided with access will come from estimates by task team leaders and can be measured by assessing the kilometers of roads constructed or rehabilitated, and estimates of the population in the project area within a 500-meter range that will access these roads (based on population density estimates); 500 meters is roughly equivalent to 5–10 minutes walking time.</p>	Field survey	Quarterly
MILESTONE M27: Total community roads paved (km) [new milestone]			
Upgrading of basic municipal infrastructure.		Kabul Municipal Development Project	Semiannually





PILLAR II: PROJECT AND PROGRAM-LEVEL OUTCOMES

AGRICULTURE

DEFINITION	GUIDANCE	DATA	FREQUENCY
INDICATOR 39: Increase in agricultural productivity (irrigated wheat yields) (t/ha)			
Productivity will be measured as the average variation in irrigated wheat yields, in tons per hectare (t/ha) in the targeted areas.		Monitoring & Evaluation (M&E) seasonal crop survey PMIS Follow-up surveys Impact evaluation	Annually: end of project (impact evaluation)
INDICATOR 40: Water users provided with new/improved irrigation and drainage services (female)			
The number of households provided with water services through rehabilitation of systems.	Guidance on “water users”: This refers to the recipients of irrigation and drainage services, i.e., the owners or, in case the land is leased, the lessees of the land provided with irrigation and drainage services.	M&E Seasonal crop survey and PMIS	Annually
INDICATOR 41: Production of certified wheat seed as % of Annual National Seed Board Plan			
Annual production of certified seed by Private Seed Enterprises.		Annual Survey	Annually
MILESTONE M28: Area provided with irrigation and drainage service (ha)			
The total area of land provided with irrigation and drainage services under the financed projects, including (i) the area provided with new irrigation and drainage services, and (ii) the area provided with improved irrigation and drainage services, expressed in hectare (ha).	<p>Guidance on “irrigation and drainage services”: This refers to the better delivery of water to and drainage of water from arable land, including better timing, quantity, quality, and cost-effectiveness for the water users.</p> <p>Guidance on “new irrigation and drainage services”: This refers to the provision of irrigation and drainage services in an area that has not had these services before. The area is not necessarily newly cropped or newly productive land but is newly provided with irrigation and drainage services and may have been rain fed before.</p> <p>Guidance on “improved irrigation and drainage services”: This refers to the upgrading, rehabilitation, and/or modernization of irrigation and drainage services in an area with existing irrigation and drainage services.</p>	Project implementation reports	Every two years

AGRICULTURE (continued)

DEFINITION	GUIDANCE	DATA SOURCE	FREQUENCY
MILESTONE M29: New orchards (including vineyards and pistachio groves) established with at least 65% survival rate (ha)			
Newly developed orchards supported by the project with a survival rate of saplings of different kinds of crops as measured one year after the initial development.		Annual outcome monitoring/ Project M&E	Annually; end of project
MILESTONE M30: Adoption rate of improved horticulture technology packages (% of female farmers adopting)			
The proportion of farmers who have adopted an improved agricultural technology promoted by the project.	<p>Guidance on “adoption”: A change of practice or change in use of a technology that was introduced/promoted by the project. Measured as the target farmers who have adopted at least five elements of the horticulture package promoted by the project.</p> <p>Guidance on “technologies”: The term “technology” includes a change in practices compared to current practices or technologies (seed preparation, planting time, feeding schedule, feeding ingredients, post-harvest, storage, processing). If the project introduced or promoted a technology package in which the benefit depends on the application of the entire package (e.g., a combination of inputs such as a new variety and advice on agronomic practices, for example, soil preparation, changes in seeding time, fertilizer schedule, plant protection)—this will count as one technology.</p>	Annual outcome monitoring and Project M&E	Annually; end of project





PILLAR II: PROJECT AND PROGRAM-LEVEL OUTCOMES

PRIVATE SECTOR DEVELOPMENT

DEFINITION	GUIDANCE	DATA	FREQUENCY
INDICATOR 42: Number of feasibility studies that lead to tendered projects			
Number of feasibility studies supported by the operation that results in at least one investment opportunity positively identified. Content analysis of the study completed may be needed to verify achievement of positive criteria. Gender analysis will be part of all these studies.		Central Partnership Authority	Every two years
INDICATOR 43: Number of PPP projects tendered			
Number of Public–Private Partnership (PPP) contracts facilitated by GoIRA following effective date of operations. In all the tendered projects based on the gender analysis, specific gender actions and indicators will be required.		Project Management Unit (PMU)	Every two years
INDICATOR 44: Number of vulnerable households in high IDP/returnee cities provided with short-term employment support [new indicator]			
Number of households that have participated in labor intensive public works undertaken through MCCG subprojects.		Project MIS	Semiannually
INDICATOR 45: Number of market-enabling infrastructure built or upgraded [new indicator]			
Number of market-enabling infrastructure built, upgraded, or maintained through MCCG, Gozar and Business Gozar Grants, and Priority Projects.		Project MIS	Semiannually
INDICATOR 46: Reduction in time taken to obtain a construction permit for commercial properties [new indicator]			
Number of average days reduced for obtaining construction permits for commercial properties		Evaluation Report	Semiannually
MILESTONE M31: Number of pre-feasibility studies completed			
Number of pre-feasibility studies completed under purview of GoIRA/Infrastructure Project Preparation Facility following effective date of this operation.		PMU	Every two years

PRIVATE SECTOR DEVELOPMENT (continued)

DEFINITION	GUIDANCE	DATA	FREQUENCY
MILESTONE M32: PPP Policy and Regulations operationally applied			
This will be measured (maximum of once) not only when the policy and regulations have been approved but once there is evidence that the agencies have actually made them effective and applicable to PPP operations in Afghanistan.		PMU	Every six months until completed
MILESTONE M33: Percentage of complaints/grievances resolved following agreed EZ-Kar service standards [new milestone]			
The number of project-related complaints or grievances resolved in accordance with Eshteghal Zaiee – Karmondona (EZ-Kar) service standards, divided by the number of project-related complaints or grievances received.		GRM systems	Semiannually
MILESTONE M34: Number of market-enabling investments under the project that address the gender gap in access to urban economic centers/ markets [new milestone]			
Number of market-enabling investments under the project that close gender gaps in women's access to markets, which can be in the form of (i) specific subprojects exclusively for women, e.g., restoration of women's markets, rehabilitation of toilet facilities for markets; or (ii) subprojects that are inclusive for (and do not exclude) women, such as extension and upgrading of pedestrian walkways, bus stops and street lighting that link to markets.		Project MIS	Semiannually



PILLAR III: OPERATIONAL AND ORGANIZATIONAL EFFECTIVENESS OF THE ARTF

DEFINITION	DATA SOURCE	FREQUENCY
Portfolio Implementation		
INDICATOR: Project readiness for implementation		
Number of months between project approval to first disbursement.	World Bank data	Annually
INDICATOR: Satisfactory implementation of active projects (%)		
Percentage of active operations rated moderately satisfactory and above on implementation progress and likelihood of achieving development objectives.	World Bank data	Annually
Gender Across the Portfolio		
INDICATOR: ARTF projects that include gender-specific objectives/outcome/ output data with targets (%)		
Percentage of ARTF projects that include gender-specific development objectives, or gender-disaggregated indicators at outcome and output-level in their results frameworks.	Project results frameworks	Annually
INDICATOR: Gender disaggregated data (%)		
Percentage of ARTF projects that include gender-disaggregated indicators in their results framework.	World Bank data	Annually
Percentage of projects that report data and results on the gender-specific indicators within their results frameworks.	World Bank data and Implementation Status and Results reports	Annually
INDICATOR: Gender focal points (%)		
Percentage of relevant projects (those with gender-specific objectives/ outcomes/output) that have gender focal points in client project teams.	Project data on staffing	Annually
INDICATOR: Gender TA (%)		
Percentage of relevant projects (those with gender-specific objectives/ outcomes/output) that include technical assistance (TA) on gender issues and gender supervision in the implementation support missions.	Project paper Aide Memoires Implementation Status and Results reports	Annually
INDICATOR: Gender-related knowledge (%)		
Percentage of projects that have produced gender-related knowledge during the whole project cycle.	Knowledge Product Library and consultation with project teams	Project life cycle
INDICATOR: Gender tagging (%)		
Percentage of ARTF projects that are gender tagged, i.e., has gender analysis, gender, and related indicators.	Knowledge Product Library and consultation with project teams	Annually
Community Engagement		
INDICATOR: Citizen engagement		
Percentage of projects with beneficiary feedback mechanisms in place. The ARTF portfolio has incorporated various Citizen Engagement activities and tools depending on the sector and type of project. A large roads project, for example, has different challenges and mechanisms in place compared to an education project.	Project data	Annually



PILLAR III: OPERATIONAL AND ORGANIZATIONAL EFFECTIVENESS OF THE ARTF (continued)

DEFINITION	DATA SOURCE	FREQUENCY
Human Resources		
INDICATOR: WB staff presence		
Number of days that staff spent on Afghanistan, including resident international and national staff and visiting mission days.	World Bank data	Annually
Bank-executed Windows		
INDICATOR: Technical assistance		
Number of active technical assistance initiatives provided through the ARTF ASIST window.	ARTF database and ARTF Strategy Group Records	Annually
INDICATOR: Third Party Monitoring		
Number of site visits conducted by the ARTF Third Party Supervisory Agent at project sites.	Supervisory Agent	Annually
ARTF Finances		
INDICATOR: ARTF support to the civilian budget		
ARTF Recurrent Cost Window/Investment Window resources as share of GoIRA's operating/development budget (%).	ARTF database and GoIRA budget documents	Annually
INDICATOR: Gross disbursements		
Disbursed amount in an Afghan fiscal year disaggregated for the Recurrent Cost Window and the Investment Window.	ARTF database	Annually
INDICATOR: Disbursement ratio		
Disbursed amount under the ARTF Investment Window as a ratio of undisbursed balance in a fiscal year.	ARTF database	Annually
INDICATOR: Share of assistance provided via incentive mechanisms		
Share of planned financing under the ARTF Incentive Program (FY 1394 – FY 1396) or Incentive Program Development Policy Grant earned by government by the end of the fiscal year.	ARTF database and ARTF Incentive Program Working Group records	Annually
INDICATOR: Funding predictability		
Percentage of total ARTF pledges deposited by donors by end of fiscal year (%).	ARTF database	Annually
Percentage of ARTF contributions preferenced (%)	ARTF database	Annually
INDICATOR: Cash balance		
Unallocated cash balance at the end of the fiscal year as a proportion of the pipeline for the coming year (%).	ARTF database	Annually

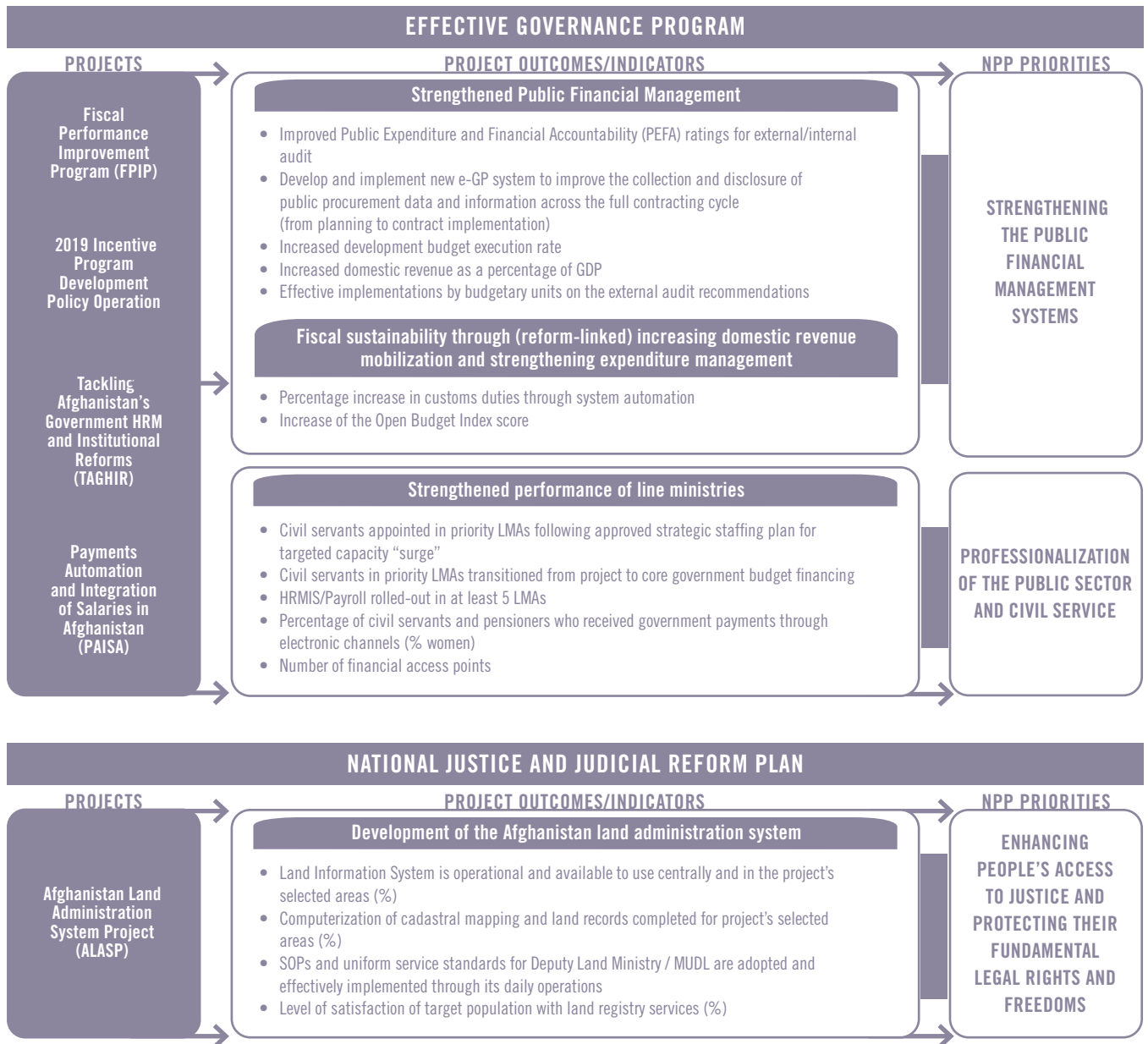


ANNEX II: NPP Mapping and Summary of ARTF Active Projects

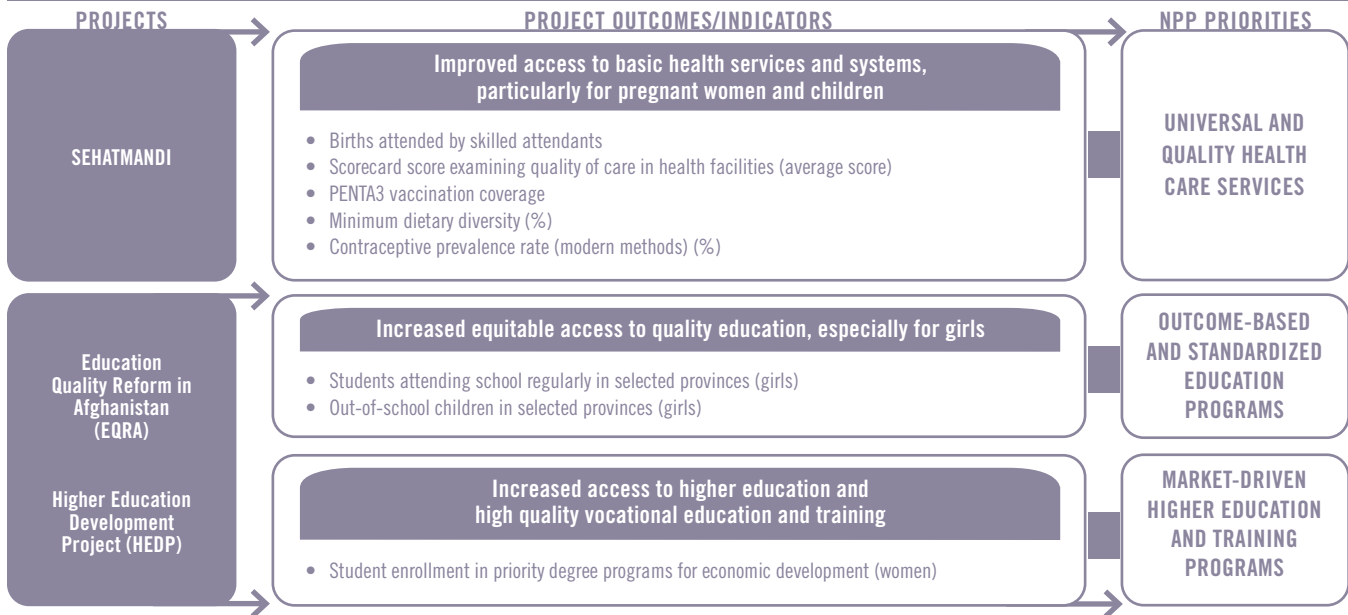
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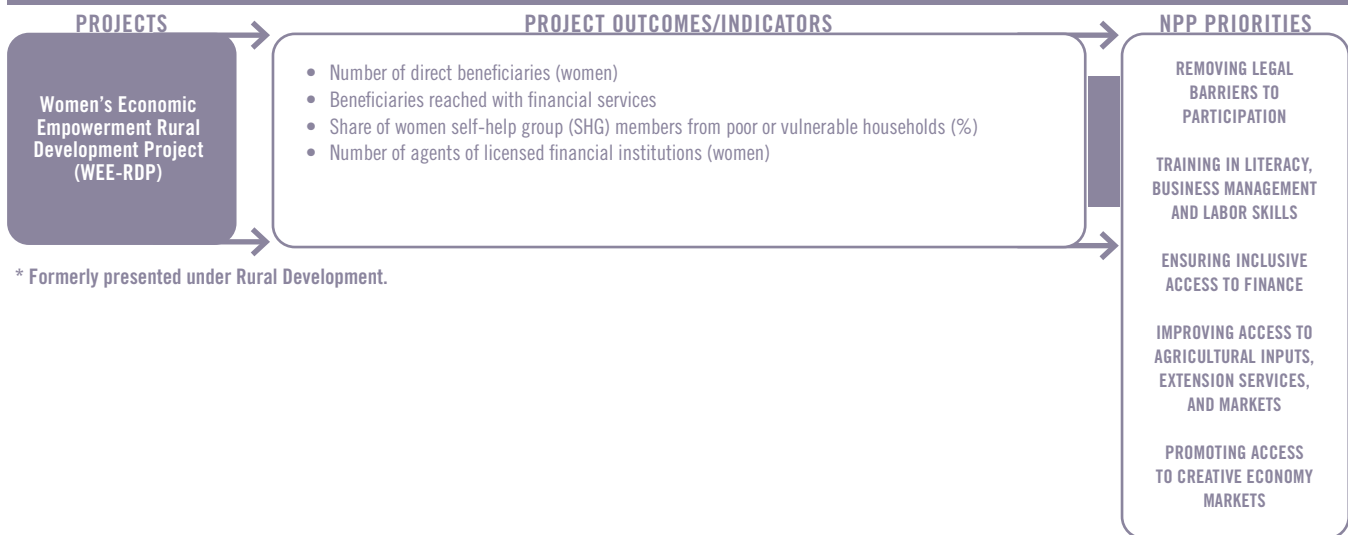
SUMMARY OF ARTF CONTRIBUTIONS TO NATIONAL PRIORITY PROGRAM DEVELOPMENT OUTCOMES



HUMAN CAPITAL DEVELOPMENT PROGRAM

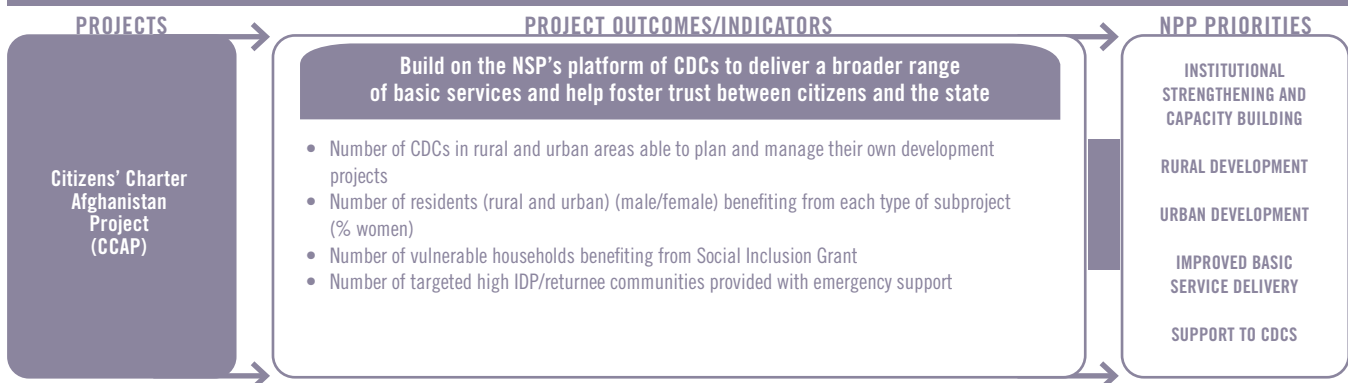


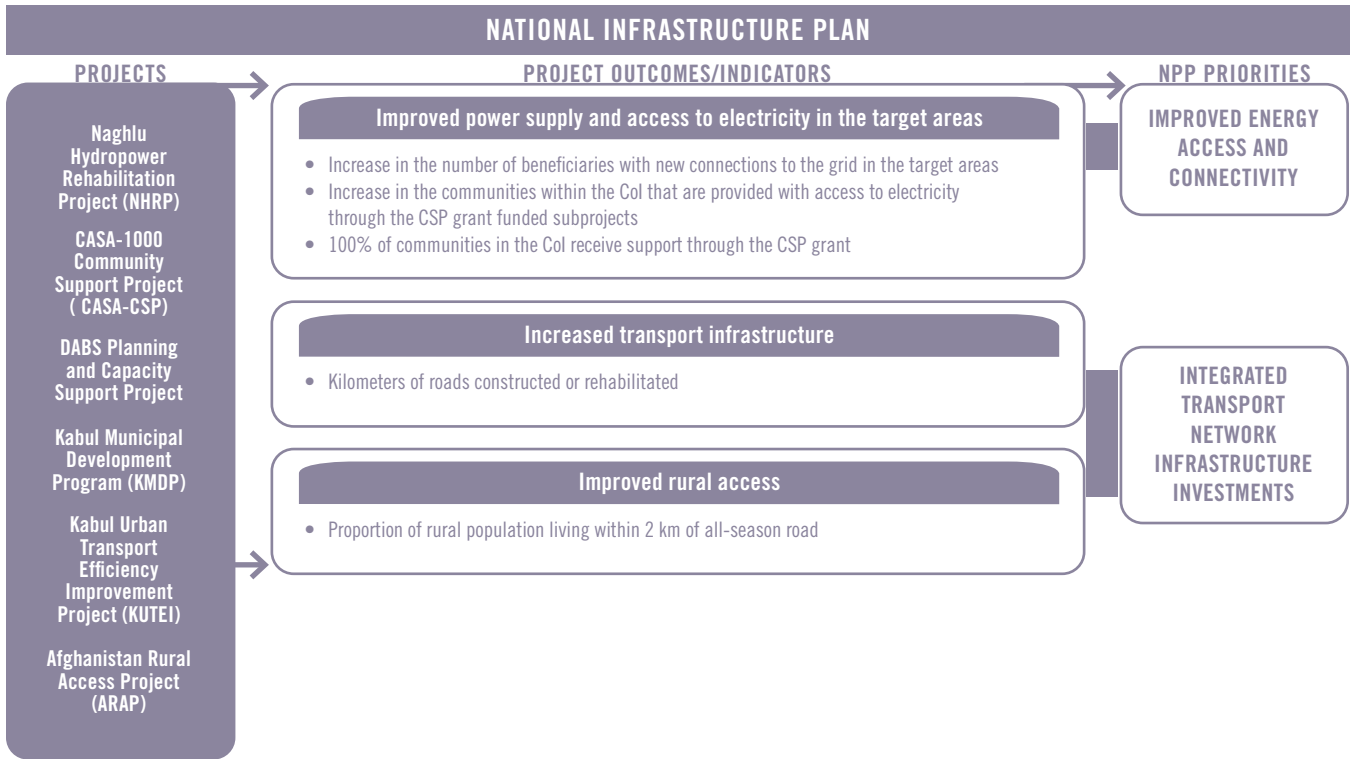
WOMEN'S ECONOMIC EMPOWERMENT PROGRAM*



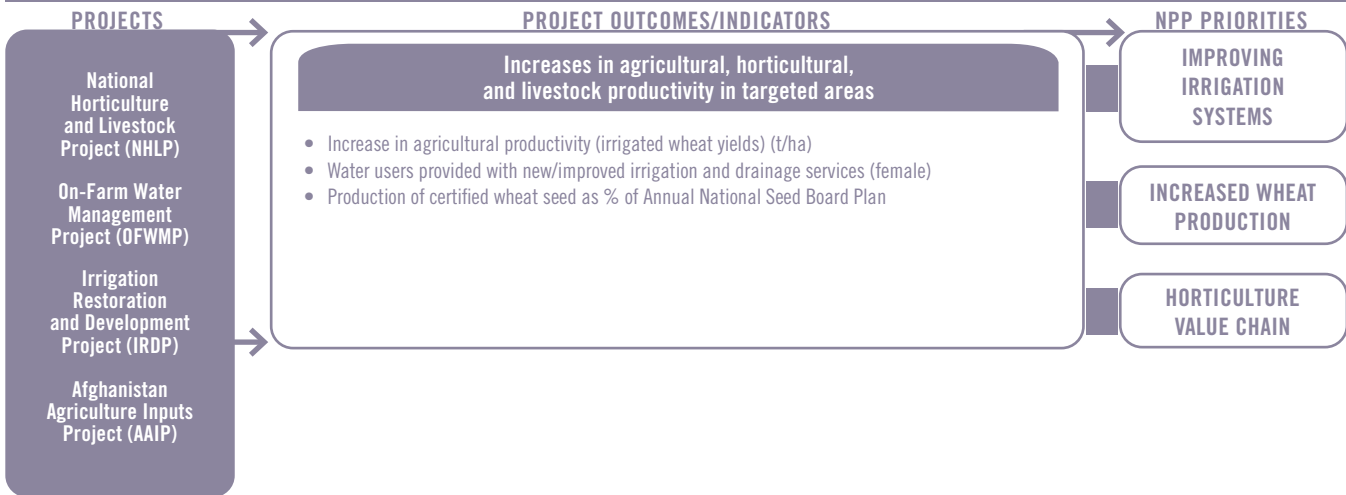
* Formerly presented under Rural Development.

CITIZENS' CHARTER PROGRAM





NATIONAL COMPREHENSIVE AGRICULTURE DEVELOPMENT PRIORITY PROGRAM



PRIVATE SECTOR DEVELOPMENT



ARTF PROJECT DETAILS BY NATIONAL PRIORITY PROGRAM											
ANPDF PILLAR, NPP, AND PRIORITY	PROJECT NAME	LOAN NUMBER	BASIC IDEA	GOIRA AGENCY	APPROVAL	CLOSURE	ARTF (USD, million)	IDA (USD, million)	OTHER (USD, million)	PROJECT RATING DECEMBER 2019	
										PDO	IP
POLICY-BASED BUDGET SUPPORT (IDA-DPG and ARTF-RCW)							5,407	100	0		
Fiscal stability	ARTF – Recurrent and Capital Costs	TF050577	Help fund essential recurrent expenditures, including expenditures on wages, benefits, and other payments for government employees, as well as operations and maintenance and interest payments.	MoF	13 May 2002	31 December 2019	5,107			S	S
Governance and state effectiveness	2019 Incentive Program Development Policy Operation	TF0A9090	Proposed new vehicle for RCW-IP benchmarks. More visibility and alignment with WBG policies.	MoF	17 June 2019	31 May 2020	300	100		–	–
INVESTMENT PROJECT FINANCING (IDA-IPF and ARTF-IW)							2,448	996	133		
GOVERNANCE AND STATE EFFECTIVENESS											
EFFECTIVE GOVERNANCE NPP							160	60	0		
Fiscal performance	Fiscal Performance Improvement Support Project	TF0A6277	Contribute to the improvement of domestic revenue mobilization and public expenditure management, and reinforcing a performance-oriented management culture in the Ministry of Finance.	MoF	19 December 2017	28 December 2022	75	25		MS	MS
Public sector reform	Tackling Afghanistan's Government HRM and Institutional Reforms	TF0A9123	Redesigned next phase of Capacity Building for Results program to tackle core challenge of professionalizing the civil service in a fiscally sustainable manner.	IARCSC	19 December 2018	31 December 2021	50	25		S	S
Digital payment	Payments Automation and Integration of Salaries in Afghanistan	TF0B0027	Support the development of digital government-to-person payments in Afghanistan.	DAB	07 April 2019	31 October 2024	35	10		S	S
NATIONAL JUSTICE AND JUDICIAL REFORM PLAN NPP							14.95	25	0		
Land administration reform	Support to the Independent Afghan Land Authority PPG	TF0A1898	Supported the Afghan government to develop the policy and regulatory framework and build capacity to deliver transparent, pro-poor land services.	MUDL	15 May 2016	31 August 2019	4.95			S	S
Urban land management and administration	Afghanistan Land Administration System Project	TF0A9598	Support the development of the Afghanistan land administration system, and to provide the population in selected areas with improved land registration services, including issuance of Titles and Occupancy Certificates	MUDL	07 April 2019	30 September 2024	10	25		S	S

IP: Implementation progress; PDO: Project Development Objective
Ratings: MS—Moderately Satisfactory; S—Satisfactory



ANPDF PILLAR, NPP, AND PRIORITY	PROJECT NAME	LOAN NUMBER	BASIC IDEA	GOIRA AGENCY	APPROVAL	CLOSURE	ARTF (USD, million)	IDA (USD, million)	OTHER (USD, million)	PROJECT RATING DECEMBER 2019	
										PDO	IP
POVERTY REDUCTION, SERVICE DELIVERY, CITIZENS' ENGAGEMENT, AND SOCIAL INCLUSION											
HUMAN CAPITAL DEVELOPMENT NPP							581.5	240	133		
Primary health care	Afghanistan Sehatmandi Project	TFOA7113	Continue support for provision of primary health care, but with greater emphasis on performance management.	MoPH	28 March 2018	30 June 2021	425	140	35	S	S
Basic education	EQRA	TFOA8449	Continue support for access to quality basic education, but with greater emphasis on governance dimensions of service delivery.	MoE	28 September 2018	31 December 2023	100	100	98	S	S
Youth engagement and skills	Placing Labor Abroad, Connecting to Employment Domestically PPG	TFOA8312	Support the Afghan government to develop the policy and regulatory framework and build capacity to deliver its employment creation and skills development operation.	MoLSA	08 September 2018	30 April 2020	1.5			S	S
Higher education	Higher Education Development Project	TFOA0730	Increase access to and improve the quality and relevance of higher education in Afghanistan.	MoHE	15 September 2015	31 December 2022	55			S	MS
WOMEN'S ECONOMIC EMPOWERMENT NPP							80	25	0		
Women's economic empowerment	Women's Economic Empowerment NPP PPG	TFOA5400	Support GoIRA to establish a National Priority Program on Women's Economic Empowerment (WEE-NPP) that advances women's access to economic assets and opportunities.	MoF	12 July 2017	31 July 2020	5			S	S
Women's economic empowerment	Women's Economic Empowerment Rural Development Project	TFOA8443	Anchor for WEE-NPP, designed to promote economic empowerment for poor women through creation of Self-Help Groups and enterprise development assistance.	MRRD	23 October 2018	30 June 2023	75	25		S	S
CITIZENS' CHARTER NPP							444.3⁷²	227.7	0		
Citizens' engagement	Citizens' Charter Afghanistan Project	TFOA3827	Improve the delivery of core infrastructure and social services to participating communities through strengthened Community Development Councils.	MRRD, IDLG	27 October 2016	31 October 2021	444.3	227.7		S	MS

72 This is the entire ARTF financing for CCAP; the last tranches of USD 244.3 million were transferred in 2019.

ANPDF PILLAR, NPP, AND PRIORITY	PROJECT NAME	LOAN NUMBER	BASIC IDEA	GOIRA AGENCY	APPROVAL	CLOSURE	ARTF (USD, million)	IDA (USD, million)	OTHER (USD, million)	PROJECT RATING DECEMBER 2018	
										PDO	IP
ECONOMIC GROWTH AND JOB CREATION											
NATIONAL INFRASTRUCTURE PLAN NPP							454.8	125	0		
Energy	Naghlu Hydropower Rehabilitation Project	TF0A1691	Improve dam safety and sustainability of hydropower, and increase the supply of domestically generated hydroelectricity at the Naghlu Hydropower Plant.	DABS	14 December 2015	30 September 2022	83			MS	MS
Electricity access	CASA-1000 Community Support Program	TF017012	Provide access to electricity or other social and economic infrastructure services to communities in the project area to strengthen community support for CASA-1000 transmission line.	MRRD	11 April 2014	30 June 2022	40			MS	S
Energy	DABS Planning and Capacity Support	TF0A2026	Improve DABS capacity in distribution investment planning, implementation, operation and maintenance.	DABS	10 February 2016	31 July 2020	6			MS	MS
Energy	Mazar-e-Sharif Gas to Power PPG	TF0A5630	Provide IDA Partial Risk Guarantee (PRG) for pioneer proof-of-concept power generation PPP.	MoEW	10 September 2017	31 October 2020	6.5			S	S
Extractives for development	Afghanistan Extractives for Development PPG	TF0A4809	Enhance administration of extractive resource development by strengthening the capacities of key government institutions, strengthening professional skills, and supporting sector investment opportunities.	MoMP, MoIC	30 May 2017	30 March 2020	7.3			S	S
Transport connectivity	Afghanistan Rural Access Project	TF013093	Enable rural communities to benefit from all-season road access to basic services and facilities.	MoPW	15 September 2012	15 March 2020	312	125		S	MS



ANPDF PILLAR, NPP, AND PRIORITY	PROJECT NAME	LOAN NUMBER	BASIC IDEA	GOIRA AGENCY	APPROVAL	CLOSURE	ARTF (USD, million)	IDA (USD, million)	OTHER (USD, million)	PROJECT RATING DECEMBER 2018	
										PDO	IP
URBAN DEVELOPMENT NPP							215.5	25	0		
Urban services and infrastructure	Kabul Municipal Development Program	TF017016	Increase access to basic municipality services in selected residential areas of Kabul city; redesign Kabul Municipality's financial management system to support better service delivery, and enable early response in the event of an eligible emergency.	KM	11 April 2014	30 June 2021	110			S	MS
Urban services and infrastructure	Kabul Urban Transport Efficiency Improvement Project	TF017061	Improve road conditions and traffic flows on selected corridors of Kabul city.	KM	11 April 2014	31 December 2020	80.5			S	MS
Urban services and infrastructure	Cities Investment Program	TF0A9089	Support strengthening municipal planning and administration and implementation of high-priority public investments in selected cities.	IDLG, MUDL	19 December 2018	30 June 2024	25	25		S	S
COMPREHENSIVE AGRICULTURAL DEVELOPMENT NPP							416.7	97.8	0		
Agricultural productivity	Afghanistan On-Farm Water Management Project	TF099074	Improved agricultural productivity in project areas by enhancing the efficiency of water used.	MAIL	16 March 2011	31 December 2019	70			S	S
Water	Afghanistan Irrigation Restoration and Development Project	TF012029	Increase agriculture productivity and production in the project areas.	MoEW, MAIL	14 March 2012	31 December 2020	118.4	97.8		S	MS
Horticulture and livestock	National Horticulture and Livestock Productivity Project	TF013820	Promote adoption of improved production practices by target farmers, with gradual rollout of farmer-centric agricultural services systems and investment support.	MAIL	22 December 2012	31 December 2020	190			S	MS
Agriculture	Afghanistan Agricultural Inputs Project	TF015003	Strengthened institutional capacity for safety and reliability of agricultural inputs and sustainable production of certified wheat seed.	MAIL	30 June 2013	30 June 2019	38.3			MS	MS
PRIVATE SECTOR DEVELOPMENT NPP							80	170	0		
Enabling environment for business	Public-Private Partnerships and Public Investment Advisory Project	TF0A7087	Establish funding to support upstream development of infrastructure and public-private partnership (PPP) pipeline and strengthen public investment management and PPP framework.	MoF	27 June 2018	28 June 2023	30	20		S	MS
Returnee-IDP reintegration	Eshteghal Zaiee - Karmondena (EZ-Kar) Project	TF0A9092	Implementation of National Action Plan for reintegration of returnees-IDPs targeted primarily at enhancing economic opportunities in urban areas with high numbers of returnees-IDPs.	MoEc, IDLG, MoF	19 December 2018	19 December 2023	50	150		S	S

ANNEX III: ARTF SORT Framework for Risk Management

SORT is applied to the ARTF at the trust fund level, which includes an assessment of risks in eight categories.⁷³

RISK AREA	RISK	RISK RATING ⁷⁴	MITIGATION MEASURES
1. POLITICAL AND GOVERNANCE			
POLITICAL AND GOVERNANCE	<p>The political situation remains fragile and violence pervasive. Power-sharing arrangements under the National Unity Government are a continued source of tension and potential future instability. Election outcomes and potential political instability associated with the parliamentary elections in late 2018 and presidential election in 2019 present important risks to the overall ARTF program.</p> <p>Potential increase in conflict and continued violence around the country adversely affects the ability to operate and implement projects.</p>	H	<p>The WB as the ARTF Administrator continues to monitor the potential impact of changes to the political economy on ARTF financing. This risk is directly addressed by the strong ARTF fiduciary framework and will be mitigated to the extent possible through close cooperation with key government counterparts in the Ministry of Finance (MoF).</p> <p>ARTF-financed projects are implemented by the government. While violence and conflict also affect government staff and are a constant challenge, line ministries and national staff have so far maintained the ability to reach most areas in the country to ensure project implementation and service delivery. This is also helped by project designs that take into consideration the fragile operating environment and make use of design models that rely on community involvement and citizen engagement for implementation.</p>
	<p>While the National Unity Government was negotiated to prevent political crisis, some level of volatility continues. This has slowed down the pace of certain reforms as well as the implementation progress of some ARTF-financed development programs.</p>	H	<p>The ARTF Administrator continuously monitors the situation closely and, through ongoing policy and technical dialogue with key counterparts in the Ministry of Finance and the line ministries, can minimize adverse impacts on the ARTF program to the extent possible.</p> <p>The Administrator has worked to ensure that financing has been/will be allocated to all major service delivery programs in the portfolio so that delivery of health, education, community development, and other critical services can continue without interruption. The Bank's technical teams continue to work closely with the relevant government agencies and development partners to address factors that might impede basic services reaching people.</p> <p>Apart from this, the Administrator will maintain a flexible approach, adjusting the level of its ambition to address short-term service delivery if necessary, and downscaling engagement in reform areas where the political will or ability to move forward is lacking.</p>

73 1. Political and governance; 2. Macroeconomics; 3. Technical design of a project; 4. Institutional capacity for implementation and sustainability; 5. Fiduciary; 6. Environment and social; 7. Stakeholders; and 8. Others. The ninth category that is part of SORT, Sector Strategies and Policies, is not included at the program level.

74 H=High, S=Substantial, M=Moderate, L=Low.





RISK AREA	RISK	RISK RATING	MITIGATION MEASURES
2. MACROECONOMICS			
ECONOMIC RISKS	<p>Afghanistan's macroeconomic outlook is subject to substantial downside risks. Political instability could severely disrupt fiscal management and undermine investment confidence.</p> <p>The medium-term economic and fiscal prospects remain highly vulnerable to the uncertain prospects of international aid flows and the likely continued high level of security expenditures while domestic revenue mobilization capacity is severely constrained.</p> <p>Expected decline in aid would inevitably put significant pressure on limited fiscal space and force the government to seek debt financing, which could put Afghanistan at a risk of debt distress.</p>	H	<p>Conditional budget support through the Incentive Program Development Policy Grant (IP-DPG) provides some fiscal buffers, mitigating the risk of revenue shortfalls. MoF regularly monitors and publishes revenue performance (fortnightly) and cash balance (every three weeks), supported by the IP-DPG. The government, under its Fiscal Performance Improvement Plan (FPIP), also implements reform actions to strengthen revenue mobilization and improve the efficiency of public expenditures, supported by the WB through the government-executed FPIP Support Project (FSP) and the IP-DPG.</p> <p>The effectiveness of the mitigation measures, however, will remain limited, with on- and off-budget grants accounting for around 75 percent of total public expenditures. Any rapid decline in international aid flows would inevitably drive difficult fiscal adjustments, undermining the capacity of government to maintain basic services. Continued international assistance in security and development financing is critical to preserve development gains achieved so far and prevent major fiscal shocks.</p>

RISK AREA	RISK	RISK RATING	MITIGATION MEASURES
3. TECHNICAL DESIGN OF A PROJECT			
PROJECT DESIGN	Project performance is easily affected by the challenging context, with risks impacting results.	M	<p>Project design should take into consideration the low capacity and challenging operating environment including security constraints. This requires use of flexible modalities and innovative project design, weighing long-term sustainability gains against short/medium-term service delivery:</p> <ul style="list-style-type: none"> • Outsourcing service delivery: Sehatmandi project: Using NGOs to deliver a basic health package across the country; contracts managed by the Ministry of Public Health. • An in-between model: Citizens' Charter Afghanistan Project, Eshteghat Zaiee – Karmondena (EZ-Kar) and CASA-1000 Community Support Project: Using facilitating partners to work with communities in the field, but general operations maintained by the government implementing agencies. • Using country systems: FSP: fully integrated into the ministry systems, no Project Implementation Units.
PORTFOLIO PERFORMANCE	The overall ARTF program portfolio performance is impacted by the high-risk environment, coupled with weak institutional capacity for implementation and sustainability.	M	<p>Portfolio management requires an integrated approach with regular troubleshooting:</p> <ul style="list-style-type: none"> • Careful and continual monitoring at several levels: (i) Operational—through regular discussions of the WB technical teams on various program implementation issues; (ii) Portfolio Operational Status Reviews to be introduced in the FY 1397 – FY 1399 financing period that focuses on a subset of projects for which project-level operational bottlenecks and fiduciary, safeguard, governance, or performance issues have been flagged during the preceding quarter; (iii) Annual Portfolio Performance Reviews focusing on identifying key bottlenecks to portfolio performance. • Proactive approach to restructuring non-performing projects. • Introduction of enhanced mechanisms to ensure quicker identification and resolution of program implementation bottlenecks through regular Afghanistan country management unit check-ins with Bank technical teams and the Ministry of Finance and other government entities to ensure ownership and a proactive approach.





RISK AREA	RISK	RISK RATING	MITIGATION MEASURES
4. INSTITUTIONAL CAPACITY FOR IMPLEMENTATION AND SUSTAINABILITY			
IMPLEMENTATION CAPACITY	The absorptive and implementation capacity of line ministries is a key factor in how projects perform and how funds can be allocated and disbursed. Implementation continues to face a number of challenges affected by the implementation capacity in line ministries and agencies.	S	<p>Implementation risks are mitigated through careful project design, capacity building supported by ARTF programs such as TAGHIR, and ongoing close implementation support by Bank technical teams to government agencies implementing projects. The TAGHIR program aims to further support the professionalization of the Afghan civil service through support to human resource management and institutional reform. It also aims to support improved structures and strengthened capacity of priority line ministries and independent agencies.</p> <p>The Advisory Services, Implementation Support and Technical Assistance (ASIST) window has enabled the Bank to respond to GoIRA requests for external advisory services in high priority and highly technical sectors, such as fiscal management, energy, mining, and public-private partnerships.</p>
WORLD BANK RESOURCES	The Bank's capacity to support line ministries in project preparation and implementation and to provide implementation support is critical to the quality and effectiveness of the portfolio.	L	<p>With some critical Bank specialists based in the WB Dubai office, more regular and frequent missions take place every week, allowing the Bank to move in skills as needed for the program. Almost all ARTF programs either have a task team leader who is a national staff member and based in Kabul, or is co-led by an international staff member based in-country.</p> <p>In terms of facetime,⁷⁵ the WB in Afghanistan continues to be at the forefront in the Bank with some 32,544 days annually, compared to the average for fragile states (3,000 days) or IDA countries (7,500 days). As a result, Afghanistan leads within the WB for hands-on support to and engagement with the client.</p>

75 Facetime is a measure of the Bank's engagement with client countries that aggregates multiple forms of engagement in a single scale, including field staff (both national and international) and mission travel (from both headquarters and nearby offices).

RISK AREA	RISK	RISK RATING	MITIGATION MEASURES
5. FIDUCIARY			
FIDUCIARY RISKS	Fiduciary risks are significant despite good progress made with establishing and strengthening public financial management systems. ARTF-financed investment operations (e.g., Public Financial Management Reform [PFMR] Project I and II) have helped put in place adequate processes and practices for financial management, procurement, and control.	H	<p>Safeguarding funds is a multifaceted approach taking place through the following complementary modalities:</p> <ul style="list-style-type: none"> • Technical assistance is provided through implementation support and supervision in individual investment projects. Additional implementation support is also extended including ex ante due diligence during the selection stage and Hands-on Expanded Implementation Support for procurement management in projects. There is a comprehensive Financial Management Manual for the entire portfolio to standardize financial management function and strengthen internal controls. An enhanced Fiduciary Framework has also been introduced to all ARTF-funded projects, which will formalize a number of checks to financial control, including switching from the disbursement method to Statement of Expenditure. • Capacity building: The Fiscal Performance Improvement Support Project and other investment projects focused on technical assistance to further strengthen government control systems. The FSP is supporting development and rollout of e-Procurement systems, procurement certification, and setting up Framework Agreements for commonly used items. • Policy reform work: Supported through the Incentive Program, the IP-DPG (results-based budget support) continues to support implementation of reforms and building systems and capacity in government. • The IP-DPG focuses on the timely implementation of PFM measures, which include better budget controls, greater budget transparency, taxpayer facilitation, strengthening tax enforcement, and improving expenditure management. • A robust and comprehensive fiduciary framework to safeguard ARTF funds channeled through the budget along four lines: (i) strong community ownership and monitoring; (ii) government-wide controls; (iii) WB technical assistance and implementation support including in-depth fiduciary reviews; and (iv) additional controls: third party monitoring—Monitoring and Supervisory Agents. <p>The National Unity Government has emphasized its strong stance against corruption and highlighted its intention to root out such practices. In support of the government's strategy, the ARTF Administrator will work with the government and donors to assess potential additional anti-corruption measures.</p>





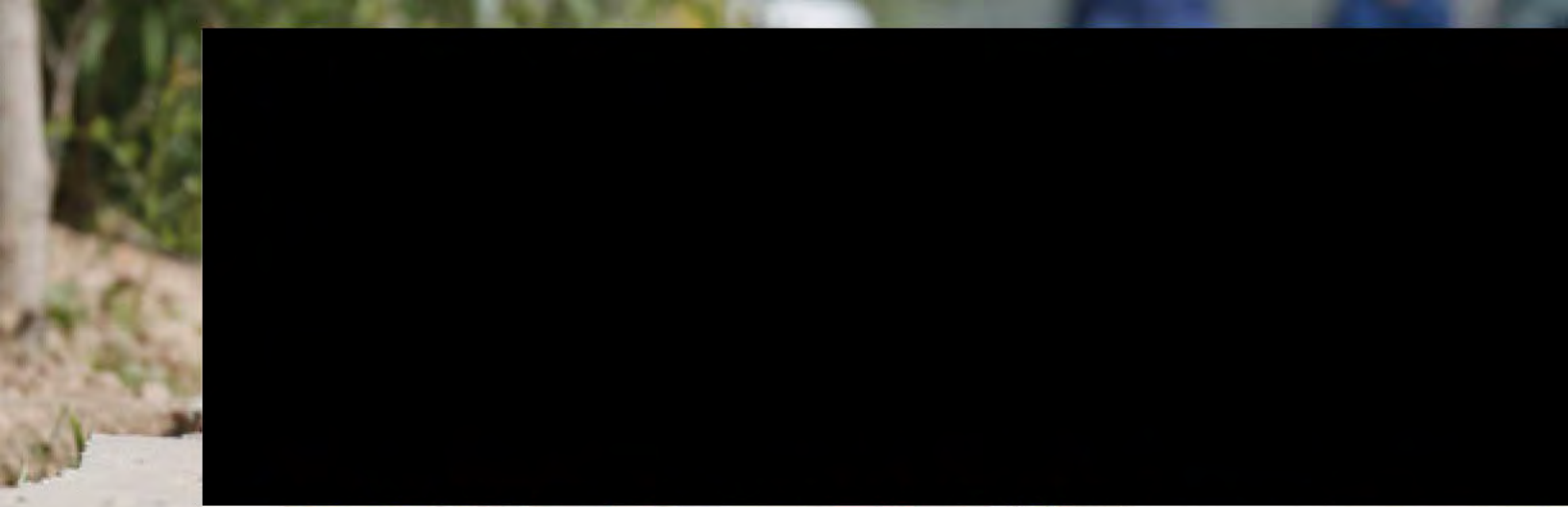
RISK AREA	RISK	RISK RATING	MITIGATION MEASURES
5. FIDUCIARY (continued)			
CONTROLS	Strong controls are needed to mitigate fiduciary risks, including independent verification, to ensure donor confidence in ARTF systems and fiduciary controls.	H	<p>Third Party Monitoring agents address the specific weaknesses of the operating environment and provide an additional layer of control:</p> <ul style="list-style-type: none"> • ARTF Monitoring Agent (accounting firm): Monitors the entire civilian operating budget for eligibility: <ul style="list-style-type: none"> – Performs automated desk review of 100 percent of recurrent cost expenditures; and – Performs risk-based review of expenditures, including visits to provinces. • ARTF Supervisory Agent: Carries out asset verification, quality assurance, and data mapping of national infrastructure projects (NSP/Citizens' Charter, rural roads, education, on-farm water management, and irrigation): <ul style="list-style-type: none"> – Provides the Bank with strengthened outreach to all 34 provinces of Afghanistan, including highly insecure areas, to obtain data from key national programs. <p>In addition, ACREMAP, the fourth window under the ARTF, would be used to consolidate the management and expand the scope of third party monitoring of ARTF-financed operations; introduce smart fiduciary management tools; develop a financial and document management system for all ARTF-financed projects; and carry out periodic in-depth fiduciary reviews of ARTF-financed operations.</p>

RISK AREA	RISK	RISK RATING	MITIGATION MEASURES
6. ENVIRONMENT AND SOCIAL			
ENVIRONMENT	Lack of implementation and monitoring capacity of the national environmental law.	S	<p>Environment risks are analyzed on a project-by-project basis. All projects and operations financed under the ARTF follow WB policies and procedures for environmental safeguards, including the World Bank Group's new Environmental and Social Framework (ESF), which has been applied to projects to be prepared from October 1, 2018, and was rolled out in Afghanistan. Each investment project is required to develop environmental and social management plans.</p> <p>The Bank has initiated a component of ACREMAP that includes (i) the country project portfolio review from the safeguard implementation point of view, which will identify shortcomings, lessons learned, and good practices; (ii) a comparative analysis of the national regulation versus the new WB Environmental and Social Framework Standards to find gaps and fill them; and (iii) enhancing project capacity to address environmental and social management concerns. Both the portfolio review of environmental risks as well as an overview assessment were completed in 2019.</p>
SOCIAL	<p>Tenure insecurity and land conflicts plus multiple, inconsistent, and overlapping legal framework.</p> <p>Grievance Redress Mechanisms: Capacity to deliver and implement robust mechanisms remains a challenge that jeopardizes the success of some projects.</p> <p>Review of ESF/safeguard documents and processes: Low capacity to manage consultants' products in quality assurance and contract management. Ownership of ESF products and processes not always well understood.</p>	S	<p>Social risks are analyzed on a project-by-project basis. All projects and operations financed under the ARTF follow WB policies and procedures for social safeguards. Projects are required to develop environment and social management plans and resettlement action plans in case of land acquisition.</p> <p>2019–2020: An analysis of the gaps between the Afghan land acquisition laws and regulations and those of the WB's ESF is being undertaken as part of AcreMap activities.</p> <p>A suite of initiatives is underway including operationalizing the recommendations of the Grievance Redress Mechanism portfolio review of 2018; ongoing project- by-project support to government and projects; and dedicated training to a few Project Implementation Units in 2019.</p>





RISK AREA	RISK	RISK RATING	MITIGATION MEASURES
6. ENVIRONMENT AND SOCIAL (continued)			
IMPLEMENTATION AND MONITORING	Weak implementation and monitoring capacity in implementing ministries.	H	<p>Assessed during design phase and identified weaknesses addressed through project design, implementation arrangements, and ongoing WB technical assistance and implementation support.</p> <p>The WB has hired an international Third Party Monitoring Supervisory Agent. The Supervisory Agent's trained monitors visit project sites and prepare reports that include information on environmental and social issues affecting projects, as well as data on the quality of project implementation. Reports are shared with the client agencies who give feedback to the Supervisory Agent and take corrective actions based on the findings.</p> <p>The Bank constantly works with the Supervisory Agent and government agencies to improve project implementation, including through usage of Third Party Monitoring data. The Supervisory Agent encourages government agencies to participate in site visits whenever possible, which over time contributes to enhanced capacity for project oversight.</p>
DISASTERS	Natural disaster risks, including flooding, droughts, earthquakes, locusts.	H	<p>The WB focuses on disaster risk management at the project level, where appropriate response mechanisms are incorporated into the project design to be activated in an emergency. In addition, infrastructure quality specifications consider potential disaster risks.</p>
GENDER	Marginalization of women in the economy and broader development.	H	<p>The WB ensures that priority gender gaps, aligned to the WBG Gender Strategy and Country Gender Action Brief, are addressed as a cross-cutting issue in the ARTF portfolio. This includes careful attention to gender issues at the project level, whereby projects address gaps through a results chain that links gender analysis, actions, and indicators in the project's results framework.</p> <p>The WB gender specialists work closely with all project teams and line ministries to provide input and guidance to ensure that projects contribute to closing strategic and priority gender gaps.</p> <p>Policy dialogue with line ministries and capacity building efforts are ongoing to ensure increased gender equity.</p>



ANNEX IV: ADDRESSING GENDER GAPS IN THE ARTF PORTFOLIO

THE GENDER GAPS BEING ADDRESSED in the portfolio align to the pillars of the WB Group Gender Strategy and to the Bank's IDA 18 Commitments on gender. Table A4.1 is an illustration of selected gender gaps identified in the current

PFFP period and how gender-tagged operations addressed persistent gender gaps in women's access to finance, access to markets, land rights, recruitment in the civil service, and in girls' basic education.

TABLE A4.1. SELECTED GENDER GAPS ADDRESSED BY GENDER-TAGGED OPERATIONS

PROJECT TITLE	GLOBAL PRACTICE	GENDER GAP ADDRESSED
EQRA	Education	Reducing the gender gap in access to basic education in selected lagging provinces, through interventions such as school construction, female teachers, and improving school facilities.
Women's Economic Empowerment Rural Development Project	Agriculture	Reducing gender gaps in voice and agency, social and economic participation, and access to finance for rural women through a package of interventions including formation of Saving Groups, Enterprise Groups, Village Savings and Loan Associations, and Small and Medium Enterprise development.
Cities Investment Program	Social, Urban, Rural, and Resilience	Addressing women's mobility and safety in urban public spaces through consultations with women and ensuring four of the participating provincial capital cities have at least one municipal investment specifically for women.
Afghanistan: Eshteghal Zaiee – Karmondena Project	Social, Urban, Rural, and Resilience	Addressing women's access to urban economic centers/markets through market-enabling investments and city-level Government to Business reforms. Also addressing gender gap in access to identity through communication and outreach, and provision of special desks for women to apply for national identity cards and passports.
Tackling Afghanistan's Government HRM and Institutional Reforms	Governance	With a gender quota of 10% for women in civil service recruitment, the project aims to address the gender gap in the formal sector recruitment in middle and senior management positions.
Afghanistan Land Administration System Project	Social, Urban, Rural, and Resilience	Addressing the gender gap in land tenure rights and land ownership through issuance of Occupancy Certificates and some affirmative actions.
Payments Automation and Integration of Salaries in Afghanistan	Finance, Competitiveness, and Innovation	Narrowing the gender gap in financial inclusion by improving women's access to and usage of digital financial services.
2019 Incentive Program Development Policy Operation	Macroeconomics, Trade, and Investment	Addressing the gender gap in civil service recruitment (particularly at the senior management level) and the gender gap in (formal) land ownership through policy reforms.





ANNEX V: ANNUAL FINANCIAL REPORT

This report provides an overview of ARTF resources, contributions, commitments, and disbursements during FY 1398.

CASH BALANCE AT THE START OF THE PARTNERSHIP FRAMEWORK AND FINANCING PROGRAM

THE ARTF PARENT ACCOUNT held an unallocated cash balance of USD 447 million at the start of the financing period. Outstanding commitments to previously approved programs totalling USD 749.08 million exceeded the cash balance, resulting in a negative net position of USD 302.16 million. The ARTF parent account entered the FY 1397 – FY 1399 (2018–2020) period under fiscal stress because the total funds contributed under the previous financing strategy period (FY 1394 – FY 1396) were USD 2.0 million, which is about USD 700 million short of the strategy endorsed programming of USD 2.7 billion, requiring a careful management of cash resources.

SOURCES AND USES OF FUNDS

TABLE A5.1 PRESENTS FY 1398 SOURCES and uses of funds compared with last several years falling under Financing Program FY 2012–2014 and Financing Program FY 2015–2017. The sources of funds are net donor contributions, investment income less administration fees, and the cash balance carried forward from FY 1397.

As of December 21, 2019, the cash balance stood at USD 1,480.74 million comprising (a) USD 1.82 million in the Recurrent Cost Child Trust Fund (excluding USD 50 million in the Designated Account); (b) combined undisbursed balance of the ARTF active investment portfolio of USD 654.73 million; (c) USD 0 balance in the Research and Analysis Program; (d) USD 12.30 million reserved for the Monitoring and Supervisory Agents; (e) USD 0 balance in the Recurrent Cost Window; (f) USD 3.33 million available for the ASIST window; and (g) USD 2.48 million reserved for the ACREMAP window, leaving a net unallocated cash balance of USD 756 million.



**TABLE A5.1. FY 1398 (2019) SOURCES AND USES OF FUNDS
COMPARISON WITH LAST TWO FINANCING PROGRAM PERIODS (USD, MILLION)**

	Financing Program FY 1391–1393			Financing Program FY 1394–1396			PFFP YR 1	PFFP YR 2
	FY 1391 Total Actual	FY 1392 Total Actual	FY 1393 Total Actual	FY 1394 Total Actual	FY 1395 Total Actual	FY 1396 Total Actual	FY 1397 Total Actual	FY 1398 Total Actual
SOURCES OF FUNDS (A+B)								
A. Net Donors Contributions (A1-A2)	928.69	779.93	1010.17	643.26	906.53	840.44	1011.63	789.28
A.1. Donors Contributions	942.20	791.00	1027.64	651.50	917.92	853.05	1021.10	780.38
A.2. Admin fees minus Investment Income	13.51	11.32	17.47	8.23	11.39	12.61	9.47	-8.90
A.3. Refund of Ineligible Expenditure	0.00	0.26	0.00	0.00	0.00	0.00	0.00	0.00
B. Cash Carried-Over (=D previous year)	1148.49	1584.93	1671.70	1677.88	1482.90	1502.70	1398.32	1358.23
USES OF FUNDS (C+D)								
C. Disbursements (C1+C2+C3+C4+C5+C6+C7+C8)	492.25	693.16	1003.99	838.24	886.73	944.82	1051.72	666.77
C.1 Recurrent Window - Disbursed by DAB	225.00	256.10	419.56	435.69	469.86	457.46	385.07	9.53
Wages	225.00	150.00	125.00	125.00	100.00	75.00	0.00	0.00
O&M	0.00	32.00	33.90	33.60	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
IP (Incentive Program)	0.00	74.10	113.70	93.60	244.20	235.68	225.83	0.00
AHP (Ad Hoc Payments)	0.00	0.00	146.96	183.49	125.66	146.78	159.24	9.53
C.2. Investment Window	256.86	424.39	570.36	394.69	401.98	476.25	345.94	345.23
C.3. Pass-through to LOTFA (UNDP Police)								
C.4. Fees to monitoring agent	10.39	12.67	14.08	7.86	13.37	8.10	9.40	9.45
C.5. Research and Analysis Program	0.00	0.00	0.00	0.00	1.51	3.01	1.09	0.04
C.6. ASIST Window	0.00	0.00	0.00	0.00	0.00	0.00	0.22	1.96
C.7. ACREMAP Window	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.55
C.8. Recurrent Cost Window (FSF & IP-DPG)	0.00	0.00	0.00	0.00	0.00	0.00	310.00	300.00
D. Cash Balance (end-of-period) (A+B-C=D1+D2)	1584.93	1671.70	1677.88	1482.90	1502.70	1398.32	1358.26	1480.74
D.1. Committed Cash Balance:	861.86	948.32	1152.50	1129.89	1015.79	951.40	999.21	724.66
to Recurrent Window special account	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
to Recurrent Window Trust Fund	50.00	115.90	265.44	151.75	51.88	84.42	11.35	1.82
undisbursed Investment Window balance	741.00	770.73	827.44	897.74	890.45	793.63	920.36	654.73
to Monitoring Agent	20.86	11.69	9.61	30.25	20.08	22.15	12.75	12.30
to Research and Analysis Program	0.00	0.00	0.00	0.15	3.38	1.19	0.31	0.00
to ASIST Window	0.00	0.00	0.00	0.00	0.00	0.00	3.94	3.33
to ACREMAP Window	0.00	0.00	0.00	0.00	0.00	0.00	0.50	2.48
undisbursed Recurrent Cost window balance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D.2. Unallocated Cash Balance	723.07	723.38	525.39	353.01	486.91	446.92	359.02	756.09



CONTRIBUTIONS

THE TOP FIVE DONORS are the United States, European Commission/European Union (EC/EU), United Kingdom, Germany, and Sweden. The three-year Financing Program approach has given predictability of the donor funding and programming of critical projects for Afghanistan, including human development, service deliveries, governance, and economic development projects.

In the past eight years, donors have contributed an average of USD 873 million per annum. The estimated financing envelope of USD 2,500 million under the PFFP 2018–2020 is a slight increase from the previous three-year Financing Program for 2015–2017. Since the country continues to rely heavily on development grants from donors, decline in international aid flows would undermine the government to maintain the delivery of basic services. Sustained international assistance in development is critical to preserve development gains achieved so far without major disruptions.

In FY 1398 contributions reached 88 percent of the expected totals, marking a slight drop from 99 percent in FY 1997, which was the highest “funding predictability” since tracking contributions against pledges began to be documented formally in the Scorecard. Table A5.2 details FY 1398 contributions. Over the year, donors contributed a total of USD 790 million to the ARTF, comprising USD 780.38 million to the core ARTF program and an additional USD 9.46 million paid through the Recurrent Cost Window Ad Hoc Payments Facility.

Donors may preference up to 50 percent of the total annual contribution toward specific sectors or projects. Preferences must be for ongoing, on-budget programs outlined in the PFFP, which have a clear funding gap. However, ARTF does not accept geographic preferencing.

FIGURE A5.1. ARTF DONOR CONTRIBUTIONS, 2012–2019 (USD, MILLION)



TABLE A5.2. FY 1398 DONOR CONTRIBUTIONS AND COMPARISON WITH PREVIOUS FINANCING STRATEGY PERIODS (USD, MILLION)

DONOR	Financing Program FY 1391–1393			Financing Program FY 1394–1396			PFFP YR 1	PFFP YR 2	Grand Total Paid-In Since Inception (through end of FY 1398)
	FY 1391 (2012)	FY 1392 (2013)	FY 1393 (2014)	FY 1394 (2015)	FY 1395 (2016)	FY 1396 (2017)	FY 1397 (2018)	FY 1398 (2019)	
Australia	6.03	62.36	74.88	13.29	18.92	35.93	24.06	19.86	444.22
Bahrain	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50
Belgium	0.00	2.60	2.50	0.00	0.00	0.00	0.00	0.00	13.13
Brazil	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20
Canada	26.08	11.84	18.67	74.33	29.92	10.50	77.81	49.08	854.38
Czech Republic	0.00	0.00	0.00	0.86	1.64	0.91	0.00	1.77	5.18
Denmark	11.38	10.70	6.50	12.70	41.40	22.73	33.98	31.54	244.21
EC/EU	34.79	39.55	76.19	12.29	139.42	173.08	141.25	94.59	1072.90
Estonia	0.00	1.26	0.62	0.54	0.44	0.34	0.00	1.01	4.50
Finland	11.10	13.30	12.35	9.98	11.29	13.02	11.64	13.78	149.96
France	5.17	5.52	0.00	0.00	0.00	0.00	0.00	0.00	27.09
Germany	78.16	55.01	75.26	0.00	76.38	167.50	71.29	86.36	994.88
India	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.79
Iran, Islamic Republic of	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.99
Ireland	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16.12
Italy	3.89	3.60	17.69	8.77	13.97	11.82	11.36	2.85	168.27
Japan	138.00	110.00	70.00	60.14	63.65	12.23	2.32	2.23	483.59
Korea, Republic of	0.00	10.00	0.00	0.00	0.00	0.00	5.00	7.00	28.00
Kuwait	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.00
Luxembourg	0.00	0.67	0.48	0.30	0.00	0.00	0.00	0.00	10.04
Netherlands	32.48	23.78	24.91	22.23	22.15	23.52	22.72	22.49	582.34
New Zealand	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.63
Norway	55.11	51.24	39.13	27.79	19.23	26.90	35.23	26.25	543.95
Poland	1.26	0.59	0.00	0.61	0.49	0.27	0.26	0.00	8.80
Portugal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.18
Russian Federation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00
Saudi Arabia	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25.00
Spain	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	91.50
Sweden	31.49	39.98	32.12	0.00	65.54	41.63	52.07	49.92	500.37
Switzerland	0.00	0.00	0.00	3.90	2.54	3.10	4.81	1.01	16.04
Turkey	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50
UNDP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.41
United Kingdom	136.02	130.41	132.86	127.81	149.91	124.16	127.30	128.65	2051.64
United States	371.24	218.59	443.47	275.95	261.03	185.40	400.00	240.00	3767.68
TOTAL	942.20	781.00	1027.64	651.50	917.92	853.05	1021.10	780.38	12157.22

Estonia and Czech Republic paid their 2018 pledged amount in 2019.

In FY 1398, ARTF donors preferenced 52 percent (USD 457.65 million) of their core contributions. This sum exceeds the allowable target of 50 percent, but after excluding the USD 150 million preferenced to the Incentive Program Development Policy Grant (IP-DPG), the percentage of preferencing drops to 42 percent. This preference is not calculated in the percentage of allowable preferencing because the IP-DPG is financed through the Recurrent Cost Window, rather than the Investment Window.

The bulk of preferenced contributions was directed to the community development initiatives of the Citizens' Charter Afghanistan Project (USD 57.02 million), health delivery via the Sehatmandi program (USD 44.16 million), and basic education via the EQRA initiative (USD 39.33 million).



TABLE: A5.3. PREFERENCES MADE TOWARD ACTIVE PROJECTS (AS OF END-2019) (USD, MILLION)

Program	Donor	FY 1381–FY 1396 (2002–2017)	FY 1397 (2018)	FY 1398 (2019)	Total Since Inception (2002–2019)
Citizens' Charter Afghanistan Project	Denmark	0.00	9.34	4.45	13.79
	EC/EU	0.00	18.65	13.48	32.13
	Finland	3.26	2.91	3.44	9.60
	Germany	68.18	34.22	0.00	102.40
	Italy	0.00	0.00	2.85	2.85
	Sweden	9.43	0.00	0.00	9.43
	United States	0.00	34.31	32.80	67.11
Total Citizens' Charter Afghanistan Project		80.87	99.44	57.02	237.33
System Enhancement for Health Action in Transition Project	Canada	26.93	0.00	0.00	26.93
	EC/EU	144.12	50.55	0.00	194.67
	United States	218.68	0.00	0.00	218.68
Total System Enhancement for Health Action in Transition Project		389.73	50.55	0.00	440.29
Afghanistan SEHATMANDI Project	Canada	0.00	24.92	0.00	24.92
	EU/EC	0.00	0.00	11.01	11.01
	Korea, Republic of	0.00	0.00	1.75	1.75
	United States	0.00	34.60	31.40	66.00
Total Afghanistan SEHATMANDI Project		0.00	59.52	44.16	103.68
Education Quality Improvement Project	Australia	12.10	0.00	0.00	12.10
	Canada	109.81	0.00	0.00	109.81
	Denmark	31.30	11.24	0.00	42.54
	Estonia	1.13	0.00	0.00	1.13
	Finland	8.40	0.00	0.00	8.40
	Germany	180.16	0.00	0.00	180.16
	Italy	2.60	0.00	0.00	2.60
	Netherlands	4.00	0.00	0.00	4.00
	Norway	18.19	0.00	0.00	18.19
	Spain	2.11	0.00	0.00	2.11
	Sweden	27.29	0.00	0.00	27.29
	United States	146.00	0.00	0.00	146.00
Total Education Quality Improvement Project		543.10	11.24	0.00	554.34
Education Quality Reform in Afghanistan	Canada	0.00	26.60	0.00	26.60
	Czech Republic	0.23	0.00	0.44	0.67
	Denmark	0.00	0.00	7.39	7.39
	Estonia	0.17	0.00	0.51	0.68
	Finland	0.00	2.91	3.44	6.35
	Korea, Republic of	0.00	2.50	1.75	4.25
	United States	0.00	21.09	25.80	46.89
Total Education Quality Reform in Afghanistan		0.40	53.10	39.33	92.83
ARTF Higher Education Development Project	Norway	6.42	2.35	2.19	10.96
	United States	22.00	0.00	0.00	22.00
Total ARTF Higher Education Development Project		28.42	2.35	2.19	32.96
Irrigation Restoration and Development Project	Denmark	1.83	0.00	0.00	1.83
	Italy	1.94	0.00	0.00	1.94
	Japan	21.15	1.16	0.62	22.93
Total Irrigation Restoration and Development Project		24.92	1.16	0.62	26.70
National Horticulture and Livestock Project	Czech Republic	0.64	0.00	0.44	1.08
	EC/EU	65.38	0.00	22.73	88.11
	Japan	45.14	0.00	0.50	45.64
Total National Horticulture and Livestock Project		111.16	0.00	23.67	134.83

TABLE A5.3. (continued)

Program	Donor	FY 1381–FY 1396 (2002–2017)	FY 1397 (2018)	FY 1398 (2019)	Total Since Inception (2002–2019)
On-Farm Water Management Project	France	2.59	0.00	0.00	2.59
	United States	39.25	0.00	0.00	39.25
Total On-Farm Water Management Project		41.84	0.00	0.00	41.84
Afghanistan Rural Access Project	Japan	15.00	0.00	0.00	15.00
Total Afghanistan Rural Access Project		15.00	0.00	0.00	15.00
Public-Private Partnerships and Public Investment Advisory Project	Australia	15.17	0.00	0.00	15.17
Total Public-Private Partnerships and Public Investment Advisory Project		15.17	0.00	0.00	15.17
Fiscal Performance Improvement Support Project	EC/EU	0.00	3.51	0.00	3.51
Total Fiscal Performance Improvement Support Project		0.00	3.51	0.00	3.51
Incentive Program Development Policy Grant	United States	0.00	210.00	150.00	360.00
Total Incentive Program Development Policy Grant		0.00	210.00	150.00	360.00
Ad Hoc Payments	Australia	18.32	0.00	0.00	18.32
	Canada	8.11	0.00	0.00	8.11
	EC/EU	92.60	61.46	9.46	163.52
	Italy	1.19	0.00	0.00	1.19
	Norway	4.94	0.00	0.00	4.94
	United Kingdom	66.43	0.00	0.00	66.43
	United States	419.91	100.00	0.00	519.91
Total Ad Hoc Payments		611.51	161.46	9.46	782.43



Afghanistan Reconstruction Trust Fund



The ARTF was established in 2002 to provide a coordinated financing mechanism for the Government of Afghanistan's budget and national investment projects. Seventeen years later, the ARTF is the largest single source of on-budget financing for Afghanistan's development. The 2017 ARTF External Review of the ARTF concluded that "in a challenging and rapidly changing context, the ARTF remains a critical arena for joint analysis, discussion and decision; a mechanism for directive, prioritized collective action; a cost-efficient tool for channeling financial and technical support to the Government's priorities; and an enduring commitment and partnership with Afghanistan's future that allows and invites critical assessments of choices ahead" (*External Evaluation 2017, Taking Charge: Government Ownership in a Complex Context*).

The ARTF is delivering important results within key sectors, including education, health, agriculture, rural development, infrastructure, and governance. It is also the World Bank's largest multidonor trust fund. As of December 31, 2019, the ARTF has received a total of USD 12.23 billion from 34 donors.

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