



Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

Appraisal Stage | Date Prepared/Updated: 19-Oct-2020 | Report No: PIDISDSA28925



BASIC INFORMATION

A. Basic Project Data

Country Afghanistan	Project ID P173213	Project Name Second Additional Financing for Citizens' Charter Afghanistan Project	Parent Project ID (if any) P160567
Parent Project Name Citizens' Charter Afghanistan Project	Region SOUTH ASIA	Estimated Appraisal Date 05-Nov-2020	Estimated Board Date 11-Dec-2020
Practice Area (Lead) Social Sustainability & Inclusion	Financing Instrument Investment Project Financing	Borrower(s) MINISTRY OF FINANCE	Implementing Agency Ministry of Rural Rehabilitation and Development, Independent Directorate of Local Governance

Proposed Development Objective(s) Parent

The Project Development Objective for the Citizens' Charter Afghanistan Project is to improve the delivery of core infrastructure and social services to participating communities through strengthened Community Development Councils (CDCs). These services are part of a minimum service standards package that the Government is committed to delivering to the citizens of Afghanistan.

Components

1. Block Grants
2. Institution Building
3. Evaluation and Studies
4. Project Implementation and Management
5. Social Inclusion & MCCG

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	193.00
Total Financing	193.00
of which IBRD/IDA	35.00
Financing Gap	0.00



DETAILS

World Bank Group Financing

International Development Association (IDA)	35.00
IDA Grant	35.00

Non-World Bank Group Financing

Trust Funds	158.00
Afghanistan Reconstruction Trust Fund	158.00

Environmental Assessment Category

B-Partial Assessment

Decision

The review did authorize the team to appraise and negotiate

Other Decision (as needed)

B. Introduction and Context

Country Context

Major security threats continue to pose formidable challenges to socioeconomic progress in Afghanistan. The foremost constraint facing Afghanistan’s development prospects is the ongoing conflict and its broader implications for the economy and society. Afghanistan is a deeply fragile and conflict-affected country. Nearly four decades of protracted conflict have resulted in weakened government institutions and severe social and ethnic cleavages. The lack of security affects Afghan citizens on a daily basis and makes the government’s delivery of services across the country’s 34 provinces extremely difficult. The three most relevant sociological fracture lines concern ethnic and tribal identity; rural versus urban divides; and varying beliefs in the changing role of women in political and economic life. Despite the recent signing of a peace agreement between the United States and the Taliban, active conflict between Taliban and government forces continues, and there is no clear path to a sustained and comprehensive peace. Grants equal to around 43 percent of GDP continue to finance more than 75 percent of total public spending, and around half of budget expenditures. Current civilian aid pledges expire in December 2020 and future levels of grant support are not known. Grants may decline rapidly over coming years in the context of the global COVID-19 crisis, and with some donors dissatisfied with the pace of anti-corruption and governance reform efforts. A power-sharing agreement has recently been reached between the two major factions contesting the outcomes of the 2019 presidential elections.



Additional disputes may arise through implementation of this agreement, including around control of key ministries, posing risks of further political instability and administrative disruption.

COVID-19 is also imposing a large social and economic burden on Afghanistan. As of October 19, 2020, the Ministry of Public Health reported 40,287 confirmed cases in the country, with 1,497 deaths reported. Afghanistan is extremely vulnerable to rapid spread of the virus due to limited access to information, high percentage of poor and vulnerable households who subsist on daily earnings, constrained access to water and sanitation, weaknesses in health systems, and ongoing violent conflict. The recent large influx of hundreds of thousands of people crossing back into Afghanistan from Iran has further exacerbated the situation. Economic impacts are already severe and expected to worsen. The pandemic and related containment measures, including border closures and the recent lockdown of major cities, has led to: (i) massive disruptions to productive economic activity and consumption; (ii) disruptions to imports, including of vital household items, leading to rapid inflation; (iii) reduced exports due to disruptions at border points; (iv) negative impacts on remittances; and (v) increased fiscal pressures, with government revenues expected to decline by at least 30 percent below budgeted levels. Due to the impacts of COVID-19, GDP is expected to contract by at least 5.5 percent in 2020. The COVID-19 crisis is one of the subjects of the proposed Additional Financing (AF) to the Citizens' Charter Afghanistan Project and was specifically requested by the Government to provide urgent relief support to the households affected by the pandemic.

Afghanistan's economy was fragile even before the COVID-19 crisis. Growth has averaged only around three percent since 2012, due to the combined impacts of declining grants, increasing insecurity, and political instability. The trade deficit remains extremely large, over 30 percent of GDP, financed mostly by grant inflows. While revenues reached a new high of 14.1 percent of GDP in 2019, more than half of budget expenditure is financed by grants. Short-term priorities for sustainable growth include continued implementation of reforms to improve private sector confidence, mobilize investment, and ensure confidence of the international community. Over the medium-term, reforms should focus on attracting additional investment in agriculture and extractives, to deliver increased employment, exports, government revenues, and growth. To ensure that benefits of growth are maximized, and widely shared, continued investment is required in human capital, regional connectivity, expanded infrastructure, and an improved business regulatory environment.

Despite earlier accomplishments, the poverty rate in Afghanistan has increased markedly from 38 percent in 2012 to 55 percent in 2017, when the last household survey was carried out. The mass majority of the Afghan population was poor and vulnerable before the arrival of the COVID-19 crisis. The official poverty rate of 55 percent understates the extent of poverty and vulnerability as illustrated by the fact that 93 percent of the population lived on less than US\$ 2 a day before the crisis. Poverty co-exists with exposure to a large number of shocks, which disproportionately affect the poor. Shocks that are inherent in a conflict affected country (e.g. forced displacement, disrupted access to markets and basic services, price volatility of consumption staples) are added to high prevalence of food insecurity due to the unique geography of Afghanistan (e.g. droughts, floods, avalanches and infestation of agricultural production). Three in four poor households are affected by at least one shock and 80 percent of them cannot recover from their shocks within one year; many of them need to turn to harmful coping strategies such as the sale of productive assets and taking children out of school for income generation. While new data is not available, poverty is expected to have since increased and deepened. The widespread poverty also makes the population especially vulnerable to extreme weather events such as droughts and floods.



Drought-induced displacement has reached record levels of nearly 300,000 individuals. Economic growth over recent years has barely exceeded the rate of population growth (2.7 percent annually). Per capita incomes will decline substantially over the coming years as the economy contracts in 2020, leading to a likely substantial deterioration in living standards. While new data is not available, poverty is expected to have since increased and deepened. The widespread poverty also makes the population especially vulnerable to extreme weather events such as droughts and floods. Drought-induced displacement has reached record levels of nearly 300,000 individuals. Economic growth over recent years has barely exceeded the rate of population growth (2.7 percent annually). Per capita incomes will decline substantially over the coming years as the economy contracts in 2020, leading to a likely substantial deterioration in living standards.

Afghanistan has a Human Capital Index of 0.4 and is in a bottom quartile globally. This suggests that children born in Afghanistan today will be on average 60 percent less productive than they would be if there was perfect survival, education and health in the country. About 7 out of 100 children do not survive to age 5; children on average have only about 4.9 learning-adjusted years of school (out of a maximum of 14 years); 41 out of 100 children are stunted ; and only 78 percent of the population over 15 years survive to the age of 60. In addition to increasing the intrinsic benefits and values of optimal health and education of its people, Afghanistan could more than double its GDP by improving its health and education outcomes. In contrast, an income and nutritional shock to the population may significantly worsen human capital prospects for the future.

Sectoral and Institutional Context

In 2003, in response to the severe deficit of basic services and trust in central government's abilities, the newly installed government of President Karzai established the National Solidarity Program (NSP). NSP is one of the earliest World Bank-funded initiatives, which has used a community-driven development (CDD) approach to reach approximately 35,000 communities over the past 14 years. NSP was an on-budget program implemented by the Ministry of Rural Rehabilitation and Development (MRRD) that provided block grants to communities so that they can invest on the basis of community development plans formulated with the help of Facilitating Partners (usually NGOs) hired and managed by the government.

Over a decade and a half, NSP provided the main participatory platform for service delivery in an estimated 90 percent of villages in rural Afghanistan. It was repeatedly called in to be the emergency response mechanism for various shocks (displacement, earthquakes, droughts, etc.) the country faced. Approximately 35,000 CDCs were formed by NSP between 2003-2016 in all rural areas of the 34 provinces. Half of all council seats were allocated to women, giving them the opportunity to participate in decision-making at the village level and a forum to voice their opinions. NSP worked through CDCs to identify and implement some 82,000 small-scale reconstruction and development activities, providing over 20 million Afghans with access to improved water supply and sanitation, rural roads, irrigation, power supply, health, and education services. The program generated 47.8 million days of work for skilled and unskilled workers, injecting much needed short-term wage transfers into poor rural communities throughout Afghanistan. NSP's Maintenance Cash Grant (MCG) program helped ensure that the employment generated will provide an estimated two to three months of food security to participating households.



The Citizens' Charter National Priority Program (CCNPP), the successor to the NSP, was launched by the Government in 2016 to set a threshold of core services to be provided to all communities and make CDCs inclusive and representative bodies. In line with the country's reform plans, the Afghanistan Country Partnership Framework (CPF) contains three broad pillars: (i) building strong and accountable institutions; (ii) inclusive growth; and (iii) social inclusion. The Citizens' Charter Afghanistan Project (CCAP), funded by an IDA grant in the amount of US\$500 million (US\$100 equivalent from the International Development Association (IDA) and US\$400 million from the Afghanistan Reconstruction Trust Fund (ARTF)) and counterpart financing in the amount of US\$128 million, supports the first phase implementation of the CCNPP by strengthening the capacity of CDCs to plan and monitor local service delivery and hold government and service providers better to account. By helping to improve the delivery of core infrastructure, emergency support, and social services to participating communities through CDCs, especially for the poor and most vulnerable, the Citizens' Charter also contributes to the third CPF pillar of social inclusion.

In the context of the COVID-19 crisis with major food security concerns, the proposed AF will leverage CCAP-financed institutions and mechanisms to manage a large-scale human security/social protection effort. The CDD platform established by CCAP will be used for COVID-19 relief response, most notably the Social Inclusion Grant (SIG)/Grain Banks program that has established almost 10,000 "grain banks" across the country and became a critical response mechanism during the 2018 drought. These provide food and cash assistance to the most vulnerable households in the community. CCAP also launched a cash for work community asset building program (Maintenance and Construction Cash Grant – MCCG) as part of the emergency response to the 2017 regional displacement crisis. CCAP currently operates in one third of Afghanistan's 36,000 communities as well as the four major cities of Jalalabad, Mazar-i-Sharif, Herat, and Kandahar. Under the proposed additional financing, each CDC will receive a relief grant based on the number of eligible households. The CDC, in turn, will distribute the relief package worth AFN4,000 (equivalent to ~US\$52) to its constituent eligible households in kind (based on a standard relief package that will include essential food staples and hygiene products). The COVID-19 Relief Efforts for Afghan Communities and Households (REACH) project will complement CCAP and provide the same household relief packages in the remaining two thirds of the country except the hard-to-reach districts. As with the REACH project, while the package will be distributed once in rural and peri-urban areas, it will be distributed twice (totaling AFN8,000 or ~US\$104) in urban areas. Taken together, CCAP and REACH provide the largest and institutionally most capable set-up to provide scaled-up relief to communities and households nationwide.

C. Proposed Development Objective(s)

Original PDO

The Project Development Objective for the Citizens' Charter Afghanistan Project is to improve the delivery of core infrastructure and social services to participating communities through strengthened Community Development Councils (CDCs). These services are part of a minimum service standards package that the Government is committed to delivering to the citizens of Afghanistan.

Current PDO



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

Key Results

The following are the Project Development Objective Indicators:

- Direct project beneficiaries (Number)
 - Female beneficiaries (Percentage)
- Number of CDCs in rural and urban areas able to plan and manage their own development projects (Number)
 - Rural CDCs able to plan and manage their own development projects (Number)
 - Urban CDCs able to plan and manage their own development projects (Number)
- Number of communities meeting all minimum service standards (Number)
 - Rural communities meeting all minimum service standards (Number)
 - Urban communities meeting all minimum service standards (Number)
- Number of targeted high IDP/returnee communities provided with emergency support (Number)
 - Number of rural targeted high IDP/returnee communities provided with emergency support (Number)
 - Number of urban targeted high IDP/returnee communities provided with emergency support (Number)

D. Project Description

The project design of the original CCAP was structured around four components:

Component 1: Service Standards Grants

This component supports two types of grants to CDCs:

- i. Rural Areas Service Standards (RASS) Grants support delivery of the minimum service standards related to rural infrastructure. The investments include water supply and a choice between basic road access, electricity, or small-scale irrigation. Ministry of Rural Rehabilitation and Development (MRRD) has overall responsibility for the implementation of these service standard grants.
- ii. Urban Areas Block Grants (UABGs) support grants to 600 urban CDCs and 120 Gozars in four major cities (Herat, Mazar-i-Sharif, Kandahar, and Jalalabad) to fund small infrastructure works in urban settings. The menu of options includes street upgrading, parks, lighting, provision of potable water, solid waste management arrangements, and women's economic activities. The Independent Directorate of Local Governance (IDLG) – CCAP's urban implementing agency - has overall responsibility for the implementation of the urban areas block grants.

Component 2: Institution Building

This component supports capacity building; technical assistance; and community facilitation services.

Component 3: Monitoring and Knowledge Learning

This component includes learning activities from village to national levels, exchange visits across communities, especially for women, and support for thematic studies and evaluations. It covers two subcomponents:



- i. Citizens' monitoring and scorecard – which covers a range of participatory monitoring and evaluation (M&E) tools, including the roll out of simple citizens' scorecards to be completed by CDCs and Social Organizers to report upon the minimum service standards;
- ii. Studies and evaluations - several coordination and reporting arrangements, as well as a program of technical studies, thematic research, and evaluations that are supported through this component.

Component 4: Project Implementation and Management

The last CCAP component supports the management and oversight of the project at the national, provincial and district levels in rural areas and the municipal management units in the four regional hub cities. This includes areas such as policy and operational planning; capacity building; management information and reporting systems; grievance redress mechanisms; human resource management; communications; donor and field coordination, financial management and procurement functions; and safeguards oversight.

The first additional financing expanded the scope of the original components and added one additional component and one sub-component to the overall scope of the CCAP as described below:

Geographic Expansion and Coverage

The original CCAP covered a total of 117 rural/peri-urban districts (1/3rd of the country) across all 34 provinces, as well as approximately half the catchment of 4 major cities – Herat, Mazar-e-Sharif, Kandahar, and Jalalabad. In terms of CDCs, this translated into 12,000 on the rural side and 600 CDCs (plus 120 Gozars or CDC clusters) on the urban side in the four cities. The funding under the first AF expanded the overall coverage of the CCAP to include additional high IDP/R concentration areas as well as provide extra support in the high IDP/R districts that were already in the original project's catchment. Specifically, based on the available funding (including parallel financing from the Governments of Germany and Denmark) the geographic coverage of the AF is as follows:

- i. Rural/Peri-Urban Coverage: The AF covers a total of 14 rural/peri-urban districts– half of which were already part of the original CCAP coverage. These districts have the highest estimated population of displaced persons (both IDPs and Returnees) among rural/peri-urban areas when taking the average of all existing data sources.
- ii. Urban Coverage: On the urban side, the AF fully covers 2 cities – Jalalabad and Kandahar – that are also amongst the top 10 IDP/R hosting areas in the country based on existing data sources. With the expansion under the AF, an additional 250 CDCs and 50 Gozars are added to the urban component of the CCAP.

New Subcomponent 3: Enhanced Displacement Data Collection and Coordination Support

A new sub-component was included in the overall Component 3 of the CCAP around M&E, Knowledge and Learning. This sub-component adapts the social mobilization and community profiling that was undertaken via the CCAP roll-out to include additional data around IDPs and Returnees, their vulnerability and livelihood profiles, core service delivery and infrastructure needs for the communities hosting them.

New Component-5: Social Inclusion and Maintenance and Construction Cash Grants (MCCG)

The AF added a new component (#5) to the CCAP to provide emergency short-term employment opportunities through labor intensive public works, as well as support for collective action activities beyond public works that are aimed to foster greater social inclusion and protect the ultrapoor/



vulnerable in communities. The two sub-components in this new component are as follows:

- i. *Maintenance and Construction Cash Grants (MCCG)* - the MCCG was a modified version of the Maintenance Cash Grant (MCG) program that was implemented by the MRRD under NSP-3 as part of the Jobs for Peace Initiative. Like MCG, the MCCG serves as a quick-disbursing emergency cash for work/labor-intensive public works scheme that is targeted to vulnerable households within the AF communities and managed through a community driven approach. The MCCG essentially expands the menu of public works covered by MCG to include 'light construction' – defined to be anything that can be built within a 6-month time frame and which involve a minimum labor to materials ratio of 60-40. The maintenance and construction could include things like road paving, maintenance of community infrastructure, building of boundary walls and toilets in clinics, and construction of additional classrooms in schools, etc. The roll out of the MCCG is done through a household level targeting model in which eligible households are selected using specific vulnerability criteria outlined in the well-being analysis that is part of the social mobilization process.
- ii. *Social Inclusion Grants*: Recognizing that there may actually be a number of households in the target communities where there is no able bodied man to undertake the MCCG work (e.g. women headed households or disabled households), a 'social inclusion grant' (SIG) is provided alongside the MCCG roll out. The objective is to promote collective action and community philanthropy in an effort to provide sustainable welfare support for these 'ultra-vulnerable' households. Mechanism: The SIG takes the form of a 'matching grant' up to a total value of \$2000 per community that will be used to provide incentives for community philanthropy (particularly around festivals such as Eid). The combination of the matching grant and community donations is used in the first instance to initiate a 'food/grain bank' for the ultra-poor in each of the targeted AF communities.

The second AF extends the project closing date by 14 months from October 31, 2021 to December 31, 2022 and reallocates budgets across components and expenditure categories. Additionally, the second AF proposes the following changes to the project design:

i. Expansion of the geographic coverage of Urban Areas Block Grants in 10 cities

The Urban Area Block Grants (worth US\$70,000 each) will be extended to approximately 335 additional urban communities in Mazar-i-Sharif and nine other cities that have not been covered by CCAP. These communities will also form approximately 67 Gozar Assemblies, each of which will receive a Gozar Assembly Grant worth US\$200,000. The permissible menu of climate resilient SPs includes (provision of potable water, lighting/electricity, street construction or upgrading and drainage, park/recreation area/playground, solid waste management, boundary walls for schools and health clinics, construction of toilets, and construction of community halls). The revised Operations Manual will emphasize the need to prioritize SPs that focus on climate resilient road networks and connectivity; use higher design standards for lines and pylons to withstand climate-related hazards, efficient use and savings of water resources; development of climate-smart design/rehabilitation of sewerage; construct new or rehabilitate existing irrigation infrastructure to enhance resilience to climate change impacts and other climate smart solutions. The same existing processes and arrangements for implementing UABGs will be applied to these communities, except Facilitating Partners (FPs) will only provide social mobilization assistance to



the communities, while IDLG will directly provide assistance for the implementation of subprojects. The approximate cost (US\$45 million) of this expansion will be financed through the AF from the ARTF.

ii. Scaling up of Social Inclusion Grant (SIG) initiatives in response to the COVID-19 crisis

In order to provide urgent relief support to the households affected by the COVID-19 pandemic and reduce damage arising from food insecurity, the SIG initiative, which has been rolled out in over 10,000 rural communities to provide food and other essential goods to poor households, is scaled up in all urban and rural CCAP coverage areas (~12,000 rural and peri-urban CDCs and 850 urban CDCs). Under this initiative, each CDC will receive a relief grant based on the number of eligible households. The CDC, in turn, distributes the relief package worth AFN4,000 (equivalent to ~US\$52) to its constituent eligible households in kind (based on a standard relief package that will include essential food staples and hygiene products). Based on the underlying principle of near-universal coverage, approximately top 10 percent of affluent households will be excluded from the coverage using pre-determined standard exclusion criteria. The criteria and packages will be aligned to those of the COVID-19 Relief Efforts for Afghan Communities and Households (REACH) project, which will be covering the areas currently not covered by CCAP. As with the REACH project, while the package will be distributed once in rural and peri-urban areas, it will be distributed twice (totaling AFN8,000 or ~US\$104) in urban areas. Implementation of this activity will generally follow the SIG procedures of the Operations Manual with some additional procedures specific to COVID-19 response provided in a new annex to the Operations Manual, which has been updated. US\$100 million (US\$77 million for rural and peri-urban areas including 19 provincial capital cities and US\$23 million for urban areas) from additional financing will be allocated for this activity.

iii. Addition of a new Kuchi Block Grants sub-component under Component 1 (Service Standards Grants)

A new subcomponent (Component 1c - Kuchi Block Grants) will be added to the project. US\$27 million will be reallocated to this subcomponent (from other components) to provide approximately 900 Kuchi communities (*Elbands*) with block grants worth maximum US\$30,000. The Kuchi nomadic encampments or *Elbands* will receive assistance from the project's social organizers to form locally-elected KCDCs, with equal male and female CDC members and office bearers, which will consist of minimum 15 households. Subsequently, the project will support the KCDCs to plan and implement subprojects with the block grants through participatory, inclusive CDD processes. As with other CDCs of the project, Participatory Learning and Action (PLA) tools will be used to prepare the Kuchi Community Development Plans (KCDPs). Based on the KCDP, each KCDC will select and implement one or more subprojects from a pre-established positive climate resilient menu of subprojects in the fields of water, energy, roads, irrigation, among others, funded by the Kuchi Block Grant. Unlike other block grants of the project, the facilitation support to KCDCs will be provided by the project's Provincial Management Units (PMUs), instead of by FPs.

iv. Inclusion of a "peace pilot"



As part of ongoing discussion with several ARTF donors on the potential for CCAP to be used as a post-peace settlement development response, the proposed restructuring will also redirect resources to areas recently freed from AGEs and brought under Government control. The focus in the immediate term was on the three provinces of Nangahar, Kunar, and Laghman and would involve around 300 rural CDCs across 10 districts where peace and security has recently been attained. These communities will partially replace the originally targeted communities that are currently not accessible due to security situation. Additionally, 75 new CDCs and 15 Gozars would be added in the city of Jalalabad where peace has been regained recently. The expansion will allow the project to experiment with new peace promotion activities (e.g., peace fora and peace grants to finance community collective action and social cohesion-building activities like tree planting, youth camps, vocational training, cultural and sports activities) and social processes (e.g., do no harm project identification, conflict resolution training) that could subsequently be scaled-up in the future phase of CCAP. In all these, particularly peace fora and peace grant women's participation will be considered. These new activities will complement the regular RASS grants and MCCG/SIG activities in rural areas and UABG activities in urban areas. The pilot will also test alternative implementation modalities (e.g., using a limited FP role on the urban side, and end-to-end social mobilization by MRRD on the rural side) and This peace pilot would also heavily rely on the high-risk area implementation strategy (HRAIS) that had been approved for CCAP in 2019.

v. Postponement of RASS grants in insecure areas to the future phase of the program

There are currently approximately 1,100 communities in rural areas in which sub-project implementation has begun due to insecurity. It is unlikely that these communities could go through their entire mobilization and complete subprojects by the time CCAP closes; therefore, the implementation of RASS grants in these communities will be postponed until after the CCAP implementation period (to the 2nd phase of CCNPP or potential CCAP2).

vi. Adjustments to the Maintenance and Construction Cash Grants (MCCG) initiative in response to the COVID-19 situation

Due to the social distancing restrictions necessitated by the COVID-19 crisis, the MCCG activities cannot be carried out as initially planned, while the need for MCCG work persist in communities. Therefore, the menu of public works to be undertaken through MCCG will be modified to include those that: (a) can adhere to social distancing restrictions; (b) do not require supply and materials of which availability is affected by the COVID-19 crisis; and (c) accommodate the higher labor-to-supply cost ratio demanded by communities. MCCG will also allow communities to hire laborers from as much as 60 percent of households (rather than 35 percent as per the original design). MCCG implementation during the COVID-19 crisis will be planned for 1,550 communities in 15 districts of seven provinces, providing 20-40 days of employment for each of approximately 87,000 households at the daily rate of AFN350 (~US\$4.50). For the MCCG work, communities will be required to allocate a minimum of 80 percent of the MCCG amounts for labor costs (vis-à-vis 60 percent required under the original design).



E. Implementation

The overall institutional arrangements for the AF will remain the same as the parent CCAP. MRRD will be the main implementing agency (IA) for Citizens' Charter/CCAP in rural areas whereas the Independent Directorate of Local Governance (IDLG) through the Deputy Minister of Municipalities (DMM) will be the main IA in urban areas.

In early 2017, MRRD established a General Directorate for the Citizens' Charter with subdirectorates for each of the four core services, which is responsible for the Citizens' Charter's minimum services, and one sub-directorate for coordination. In addition, MRRD has a single Provincial Management Unit (PMU), one for each of the 34 provinces located in existing MRRD provincial offices. The PMU is the primary unit responsible for direct monitoring of all Facilitating Partner activities on the ground, sample monitoring of all community and cluster level activities under the Citizens' Charter related to the MRRD, review of all subproject proposals and disbursement requests under the investment windows to the communities/clusters, coordination with other line ministries and sectoral plans for the province, and database management and reporting.

On the urban side, IDLG has established a Citizens' Charter Central Project Implementation Unit (PIU), which is responsible for policy development and implementation as well as coordination with other national development programs. It is responsible for all management and administrative issues of the Citizens' Charter as well as communications. At the sub-national level, four Provincial Management Units (PMUs) oversee program implementation in each municipality (Mazar-i-Sharif, Herat, Jalalabad, Kandahar).

With the expansion in the scope and coverage and the overall package of support (e.g. addition of new cities), additional staffing will be needed. Both agencies MRRD and IDLG will need to hire additional staff to deliver and manage the activities rural and urban areas. The new Kuchi subcomponent, as well as peace pilots and the COVID-19 relief efforts in rural areas will be managed by MRRD social organizers (SOs) and engineers. On the urban side, nine additional PMUs will be established to oversee implementation in the nine additional cities where the project is expanded, and additional staff will be hired. As the current number of SOs and engineers is not sufficient, additional SOs will also be hired.

In addition to the Government implementation structure, NGO facilitating partners (FPs) act as implementation arms and partners in delivering services particularly in remote areas. The FP's role includes: community and cluster of communities' mobilization; CDC and Cluster CDC (CCDC) elections and office bearer elections; Community Participatory Monitoring (CPM) team selection; capacity building of CDC, CCDC, CPM members and communities in a variety of areas; participatory community empowerment; social audits; grievance handling; linkages; participatory community and cluster development planning, etc.

With the AF and expansion of activities in terms of scope and geographical coverage, the FP scope is also being expanded. In areas where FPs are already present, the scope of their work can be expanded by amending and extending their contracts. In the new areas, additional FPs will be contracted.

Finally, at the community level the Community Development Councils (CDCs), Cluster CDCs, and Gozar Assemblies (urban areas) remain the vehicles for program implementation. The CDCs have been established through democratic election processes. Elected CDCs have a term of four years in office. Elected members of the CDC have elect the CDC's office bearers, such as the Chairperson, the Vice Chairperson, the Secretary and the Treasurer. The positions of the Vice Chairperson and the Secretary are reserved for women members only. The CDC has two kinds of sub-committees, those that extend to all line ministries, such as operations and maintenance, project management, etc., and those specific to



the mandates of the line ministries under the CC, such as the educational subcommittee, health sub-committee etc. Sub-committee membership include both CDC and non-CDC members and the details of this have been outlined in the CCAP Operations Manual.

F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

The project will be implemented throughout Afghanistan including rural and urban areas covering wide range of micro and small sub-projects. As part of the Phase-1 roll-out of the Citizens Charter National Priority Program, the original CCAP covers a total of 123 rural/peri-urban districts (1/3rd of the country) across all 34 provinces, as well as approximately half the catchment of 4 major cities Herat, Mazar-e-Sharif, Kandahar, and Jalalabad. In terms of CDCs, this translates into 12,123 on the rural side and 850 CDCs (plus 170 Gozars or CDC clusters) on the urban side in the four cities. The AF will in turn cover 14 high IDP/R concentration districts on the rural/per-urban side, and will saturate the two cities of Jalalabad and Kandahar. A wide range of stakeholders and relevant ministries will be engaged to provide basic infrastructure services comprising micro-hydropower, basic road access, health and education services deliveries, water and sanitation facilities and agricultural supports. Under the Second AF phase, the project will provide relief support to households affected by the COVID-19 pandemic. The SIG initiative, which has been rolled out in over 10,000 rural communities to provide food and other essential goods to poor households, is scaled up in all urban and rural CCAP coverage areas (~12,000 rural and peri-urban CDCs and 850 urban CDCs). Each CDC will receive a relief grant based on the number of eligible households and distribute the relief package worth AFN4,000 (or ~US\$52) to eligible households either in-kind (essential food and hygiene products) or in cash. The Environmental and Social safeguards impacts will remain minor and reversible in nature during the AF stage. However, the existing foreseeable risks and impact of the overall program including the delivery grants under Component-1 will be managed through the original safeguards framework approach. The framework will further spell out extra safeguards tools for the operation which will be used throughout the project life. Environmental and social risks related to COVID-19 have a direct relationship with project operations, especially in medium-range construction activities and those dealing with a larger number of laborers. Interim COVID-19 Guidance disclosed on April 07, 2020 provides guidance to the borrower on how to address these risks (including improper social distancing, poor labor camp management, etc.). It should be used in place of other guidance provided to date.

G. Environmental and Social Safeguards Specialists on the Team

Obaidullah Hidayat, Environmental Specialist
Qais Agah, Social Specialist



SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	
Performance Standards for Private Sector Activities OP/BP 4.03	No	
Natural Habitats OP/BP 4.04	No	
Forests OP/BP 4.36	No	
Pest Management OP 4.09	No	
Physical Cultural Resources OP/BP 4.11	Yes	
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/BP 4.12	Yes	
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	No	
Projects in Disputed Areas OP/BP 7.60	No	

KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

OP/BP 4.01: Environmental Assessment is triggered as the service delivery grants under Component -1 as a whole may cause adverse environmental impacts, including occupational health and safety issues. Component 1 will continue to cause some adverse environmental impacts, including OHS (Occupational Health and Safety) issues. During the AF stage, the existing ESMF which spells out the policy, guidelines and procedures to prevent minimize and mitigate any likelihood of the negative impacts will remain applicable. The physical cash distribution and distribution of food and sanitary items under the COVID-19 relief efforts pose a risk of increasing the spread of the corona virus by infected but asymptomatic workers or workers coming into contact with infected community/household members in the dispensation of their duties. The project will provide adequate Personal Protective Equipment (PPE) for staff and counterparts associated with the delivery of relief packages and cash. The main concern for the project is the safe use and disposal of PPEs. The disposal of used Personal Protective Equipment (PPE) if improperly disposed could cause infections, but these can be minimized through the implementation of guidelines for disposal of PPEs. The project will also put screening measures in place to screen project staff and frontline relief delivery agents to ensure that potentially exposed or infected staff are adequately isolated and disinfection measures put in place within relief packaging areas to arrest a potential infection of items for delivery to households. Due to the capacity of the client to



implement these mitigation measures, the project environmental risks can be minimized or eliminated by the implementation of relevant guidelines for observing social distancing and minimizing exposure and spread of the virus as a result of project activities. The ESMF will address issues regarding the environmental impacts as well as spelling out the policy, guidelines and procedures to minimize and mitigate the likelihood of any adverse impacts on the environment. As for social inclusion issues, the Project has thus far undertaken substantial measures to improve the participation of women on community development councils and in project activities. These measures include quotas for female participation in CDCs; female staffing; provision of gender-related trainings; involving women in community planning, decision-making, and monitoring processes; and sensitizing the communities on the role of gender in development. Vulnerable groups such as IDPs, returnees, persons with disabilities and poor women are beneficiaries of the Social inclusion grants and grain bank assistance. The COVID assistance (which follows the recently approved REACH Project) identifies especially vulnerable groups through wealth ranking and Participatory Rural Appraisal techniques. The poorest groups including female-heads of households, persons with disabilities refugees/IDPs and victims of abuse (SEA/SH/GBV) in dependent households will be receiving assistance. In the context where female headed households who qualify for assistance could also be potential victims of SEA/SH and people with disabilities may find it harder to access information, the proposed operation has strengthened communications and grievance redress mechanisms to ensure that women and vulnerable groups have proper access to services. Additionally, widespread distribution of food or cash resources carries risks for SEA/SH, particularly for women eligible for relief assistance. For that matter, a specific GBV code of conduct, as well as a general code for interacting with communities and partners are included under CCAP and REACH operations.

WB OP 4.11: Physical Cultural Resources is triggered because it is possible that proposed investments might be located in areas and locations that may negatively impact local cultural properties and/or historical sites. Such possibilities are considered remote because of the small size of any sub-investments, none of which involve excavation. Procedures for dealing with chance finds of historical or cultural artifacts are set out in Annex 4 of the ESMF. Cultural and Historical Management Plans will be prepared as required.

OP/BP 4.12: Involuntary Resettlement is triggered to the parent project due to potential land acquisition. Although no resettlement, major land acquisition and/or asset loss is expected, very small areas of land may be bought outright (willing buyer - willing seller) or acquired against community compensation to facilitate new or rehabilitation of small-scale infrastructure work under Component 1. Since the activities under the parent project did not involve resettlement and major land acquisition; therefore, No RAP is prepared. The existing RPF which outlines the guidelines and procedures for land acquisition/land donation will be applied to the activities under Additional Financing.

Lesson Learnt from Parent Project: The environmental and social safeguards management under parent project is Moderately Satisfactory. Overall, the implementation of ESMF prerequisites are adequate, however since, most of the the sub-projects are being implemented by local CDCs where capacity always remains low; therefore, the mainstreaming of the safeguards tools in the field level remains challenging. However, MRRD has ample experience in implementation of community driven projects and mainstreaming the basic requirements of prepared safeguards management tools are well handled at field level. IDLG, as the primary implementing agency for UABGs, has lesser experience with the WB safeguards policies. Nonetheless, both agencies have created good coordination and mobilized required resources both in HQ and field levels, also numerous onsite and higher level trainings are conducted to ensure the compliances of ESMF. CCAP is being monitored by the TPMA (Third Party Monitoring Agent) however, no major deviation has been observed and or reported by independent third party monitor.

GRM- The IAs (MRRD and IDLG) established a robust GRM system in country with a strong grievance handling team. Both entities have established Grievance Redressal Committees (GRCs) at different level of project which are accessible to project beneficiates. A total of 2,689 grievances have been registered by both MRRD and IDLG, for which



95% of the grievances were resolved to date. The client has also initiated the integration of GRM database into project MIS system. Under the REACH, the IAs are in the process to upgrade the existing GRM system with introducing a new IVR tool which will be utilized for CCAP as well.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:
There will be no indirect/or long term impacts.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.
Not relevant.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

The Government has prepared an Environment and Social Management Framework to address safeguard policy issues. MRRD has 16 years of experience addressing safeguards issues through the National Solidarity Project. Independent audits and third party monitoring have uncovered no violations of safeguards policies. IDLG will be guided by the same ESMF and Operations Manual as MRRD and will have a training on safeguards.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

Under the parent project consultations on an advanced draft of the ESMF were held with a range of stakeholders in Kabul on June 29, 2016. The minutes from those consultations are attached as an annex to the final draft of the ESMF. In addition, as part of the additional financing, the client has conducted several consultations meetings in the 10 new urban areas and also with various kuchi groups. The CCAP team worked with herding groups (khels) from four provinces (Zabul, Paktya, Kapisa, Jawzjan) to create their socio-economic profile of the community, their routes of movement, their access to (or lack of access to) services, and their development needs. Kuchi herding groups (khels) which are largely made up of kin-related households move between summer and winter camps and are led by informal leaders, called Sarkhels. Khels are not static, nor are the number of herding groups that move to summer pastures. Whilst khels generally stay together in winter areas, only some khels stay together to migrate to summer areas, where they might be joined by groups from other winter areas. Some khels from the same winter area move to different summer camps. This has to do with the carrying capacity of summer pasture areas which may change annually based on previous year's pasture use, annual precipitation, security on route, and so on. The implication is that it is best to implement the Kuchi program in winter areas, where the population is more stable.

Khels can range from 10 to 100 households and so does the animal herd size they travel with. Just as with settled communities, Kuchi communities are socio-economically differentiated and there are better off, middle, poor and very poor households. Better off and middle households move their herds by truck and are food secure and generally have an annual income surplus; whereas poor and very poor households walk with their livestock, reduce food intake, and have annual income shortages. Given the kin-based nature of herding groups, better off and middle households provide food to the poor and very poor on a charitable basis and give interest free loans in times of crisis and distress. From a development perspective, the most pressing issues for Kuchi herding groups are drinking water for humans and their animals, access to education that can accommodate their mobile lifestyle and basic health services (Kuchi households report discriminatory practices at clinics and hospitals), and veterinary care for their livestock. Further, access to pasture and conflict over pastureland or conflict between Government and Armed Opposition Groups, effect nomads' movements and safety and their ability to return to their preferred pasture areas. This summary of consultation and assessment is annexed in the ESMF as well.

The final updated version of the ESMF has been disclosed on MRRD and IDLG websites in Pashto and Dari languages in 2019. The updated ESMF related to the Second Additional Financing was updated and re-disclosed in country prior to



appraisal.

B. Disclosure Requirements (N.B. The sections below appear only if corresponding safeguard policy is triggered)

Environmental Assessment/Audit/Management Plan/Other

Date of receipt by the Bank

Date of submission for disclosure

For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors

"In country" Disclosure

Resettlement Action Plan/Framework/Policy Process

Date of receipt by the Bank

Date of submission for disclosure

"In country" Disclosure

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting) (N.B. The sections below appear only if corresponding safeguard policy is triggered)



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APPROVAL

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