



Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 02-Jun-2022 | Report No: PIDISDSA34331



BASIC INFORMATION

A. Basic Project Data

Country Afghanistan	Project ID P178933	Project Name Afghanistan NGO/CSO Capacity Support Project	Parent Project ID (if any)
Region SOUTH ASIA	Estimated Appraisal Date 06-Jun-2022	Estimated Board Date 22-Jun-2022	Practice Area (Lead) Social Sustainability and Inclusion
Financing Instrument Investment Project Financing	Borrower(s) United Nations Development Programme (UNDP)	Implementing Agency United Nations Development Programme (UNDP)	

Proposed Development Objective(s)

The Project Development Objective (PDO) is to enhance the capacities of select registered national and local Non-Governmental Organizations (NGOs) and Civil Society Organizations (CSOs) to improve their performance and effectiveness.

Components

Mapping and Capacity Strengthening of Select NGOs and CSOs
Operational Support Sub-grants to Select NGOs and CSOs
Development and Coordination of NGO Platform(s)
Project Implementation Support

The processing of this project is applying the policy requirements exceptions for situations of urgent need of assistance or capacity constraints that are outlined in OP 10.00, paragraph 12.

Yes

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	20.00
Total Financing	20.00
of which IBRD/IDA	0.00
Financing Gap	0.00



DETAILS

Non-World Bank Group Financing

Trust Funds	20.00
Afghanistan Reconstruction Trust Fund	20.00

Environmental and Social Risk Classification

Moderate

Decision

The review did authorize the team to appraise and negotiate

B. Introduction and Context

Country Context

1. In response to the crisis in Afghanistan, the World Bank (WB), Afghanistan Reconstruction Trust Fund (ARTF) donors, and international partners have found pragmatic ways to provide support for essential basic services to the Afghan people. On November 30, 2021, the World Bank’s Board of Executive Directors supported Approach Paper 1.0¹ for an immediate Transfer Out of US\$280 million of uncommitted ARTF funds to World Food Programme (WFP) and United Nations Children’s Fund (UNICEF)² for humanitarian gap financing, following a decision by the ARTF donors. On March 1, 2022, responding to requests from the international community, the Board approved Approach Paper 2.0³ (“Approach 2.0”) which aims to protect the vulnerable, help preserve human capital and key economic and social institutions, reduce the need for future humanitarian assistance, and improve gender equality outcomes. This includes financing, analytical work, and coordination/convening opportunities. A key element of this support will be Recipient-executed grants, to be decided by the ARTF and made off-budget and outside of the involvement of the interim Taliban administration (ITA), to United Nations (UN) agencies and potentially international and national non-governmental organization (i/NGOs). Approach 2.0 is designed to respond flexibly, based on experiences of early implementation, and informed by strong coordination among the development partners.

2. Approach 2.0 prioritizes partnership with other funding sources in support of the Afghan people, including from multilaterals like the Asian Development Bank (ADB), European Union (EU), and Islamic Development Bank (IsDB) and the Special Trust Fund for Afghanistan managed by the United Nations Development Programme (UNDP); bilateral partners; and INGOs. The Bank’s Afghanistan Futures analytical work is supporting United Nations Assistance Mission in Afghanistan (UNAMA) and multilateral and bilateral partners in the development of a simple prioritization and reporting framework to support an agile aid architecture that can respond to the crisis in basic services and livelihoods.

¹ Afghanistan Immediate-Term Approach Paper, November 12, 2021, SecM2021-0292.

² In partnership with the World Health Organization (WHO).

³ Afghanistan Approach Paper 2.0: Options for World Bank Engagement to Support the Afghan People, February 15, 2022, R2022-0018/IDAR2022-0036.



3. The Bank and the ARTF have taken a programmatic approach of engaging in four priority sectors: agriculture, livelihoods, health, and education. The support to the agriculture sector responds to the critical food production situation by providing seeds needed for the next planting season and other support to farmers to improve food security. The livelihoods support focuses on cash-for-work to provide short-term opportunities and deliver essential services in rural and urban areas. The support to the health sector focuses on primary health centers (PHCs), as well as secondary care, in rural and urban settings and is targeted to reach the most vulnerable Afghans in the post-August 15 environment. The support for education remains under development with a focus on access to primary and secondary education and on girls and women teachers. Entry Criteria for Access (ECA) are being introduced, including the principles of equitable access for women are maintained. In addition, support is being provided to two cross-cutting engagement areas: the Humanitarian Exchange Facility (HEF) and capacity-building support to NGOs. Together, these activities are designed to respond rapidly to the situation in Afghanistan and help reduce the need for future humanitarian assistance.

4. Afghanistan achieved important development gains between 2001 and 2021, driven by the reestablishment of a basic functioning state and a huge influx of international grant support. The economy expanded, driving a 75 percent increase in average real per capita incomes. Afghanistan experienced improvements in literacy, life expectancy, infant mortality, and access to basic infrastructure and services. These gains were achieved with the support of the international community, with grants equal to around 45 percent of gross domestic product (GDP) financing around half of the government budget and 75 percent of total public expenditure. The Bank provided critical support to core state functions, administering national programs for primary health and, basic education, and community development.

5. Development gains are now at high risk, with Afghanistan facing a major economic crisis. The August 15, 2021 crisis has resulted in an abrupt cessation of most international aid and all international security assistance. This has disrupted core government services and caused contraction in aggregate demand. Reductions to grant inflows have left Afghanistan without a source of hard currency to finance critical imports (grants previously financed a trade deficit of around 35 percent of GDP, with aid inflows providing hard currency to pay for critical imports including electricity, food, fuel, and medical supplies). The exchange rate has depreciated by 15 percent against the US dollar since August 2021. As a result of international sanctions, Afghanistan has lost access to international reserves while linkages to the international financial system have been disrupted, driving the financial sector into crisis. Unless mitigating measures are taken, fiscal contraction and disruptions to private sector activity are expected to lead to a 30 percent reduction in economic output over the year from August 15, 2021. More recently, the impacts of the war in Ukraine on Afghanistan's food security and rising fuel prices are compounding the existing crises.

6. The crisis is having extreme impacts on firms and households. Two-thirds of businesses have experienced a decline in consumer demand while firms report having laid off more than half of their employees on average. One in four businesses has closed operations. Reduced availability of household products is driving increasing prices with annual inflation for a package of basic household goods reaching around 40 percent. More than two-thirds of households are unable to cover basic food and non-food needs, with around one-third of households unable to cover even food needs. Extreme poverty has led to the widespread adoption of harmful coping mechanisms—such as borrowing at high interest rates, consumption or sale of assets, and reducing investment in human capital. This will have long-term consequences, creating a cycle of poverty. Disruption to health services has further undermined Afghanistan's capacity to manage the ongoing COVID-19 crisis.⁴

⁴ Afghanistan has recorded a total of around 174,000 cases and 7,619 deaths but actual cases and deaths are likely to be far higher given limited testing. WHO Coronavirus Dashboard: Afghanistan (database), World Health Organization, Geneva (accessed March 6, 2022).



7. International efforts are underway to address humanitarian needs and to provide support for essential basic services. While almost all development assistance has paused, humanitarian actors remain active on the ground. UN agencies as well as NGOs are addressing food security and supporting the continued provision of education and other vital services. The United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA) assessed calendar year 2022 humanitarian financing needs at US\$4.4 billion, with 24.4 million Afghans in need of assistance.

8. The ITA is facing major challenges to effective governance. No country has recognized the ITA to date. The ITA is facing major fiscal constraints, with many government workers remaining unpaid.⁵ Priorities remain unclear to the international community, with policy decisions often appearing subject to substantial regional variation (including policies regarding girls' access to education). Repeated commitments to establish an inclusive government are yet to be borne out, with women entirely excluded from leadership positions and minimal representation of minority ethnic groups. Security conditions, however, have improved, allowing humanitarian assistance.

9. Recent developments by the United Nations Security Council (UNSC) and the US Office of Foreign Assets Control (OFAC) have clarified the space for financing flows for humanitarian and basic human needs. UNSC Resolution (UNSCR) 2615 clarifies that humanitarian assistance and other activities that support basic human needs are permitted under UN sanctions against the Taliban. Coinciding with and following adoption of UNSCR 2615, the US Treasury Department announced several new General Licenses for Afghanistan, extending the scope of permissible transactions including with respect to those involving governing institutions in Afghanistan. These licenses provide additional support for humanitarian assistance and extend the scope of permissible activities.

Sectoral and Institutional Context

10. In Afghanistan, Civil Society Organizations (CSOs)⁶ and Non-Governmental Organizations (NGOs)⁷ play a vital role in promoting development, providing inclusive and critical basic services, strengthening local community action and ownership, and responding in swift and flexible ways to the needs of the population.⁸ National and local NGOs/CSOs have a well-established operational track record in Afghanistan and have proven to be effective to deliver services, advance gender equality and protect human rights across the country.⁹ NGOs have built on high degrees of agility, cost-effectiveness, strong outreach capacity as well as their recognized capacity and track-record to serve marginalized and under-represented communities. NGOs also provided

<https://covid19.who.int/region/emro/country/af>

⁵ The ITA is estimated to be raising revenues of around US\$1.5 billion per year (relative to total public spending of around US\$11 billion in 2020).

⁶ CSOs consist of many and diverse expressions of civil society that operate in the public sphere and interact with the state and market. They include farmers organizations, trade unions, local and international non-governmental organizations (NGOs), professional guilds, think-tanks, informal networks, apex organizations or CSO platforms, faith-based associations, indigenous associations, student and youth organizations, academic bodies and business chambers, youth and women's groups, community-based organizations, public and mutual benefit entities and more. See *Issues and Options for Improving Engagement Between the World Bank and Civil Society Organizations* (World Bank: Washington, DC, 2005).

⁷ NGOs are here defined by three main characteristics: independence; not-for profit status; and being a subset of civil society. See Shihata, Ibrahim. 2005. "The World Bank and Non-Governmental Organizations." In *The World Bank in a Changing World*, vol. 2. Washington, DC: World Bank.

⁸ Najimi, B. (2018). Role of Civil Society Organizations and Media in Gender and Public Participation in Afghanistan. In: *Gender and Public Participation in Afghanistan*. Palgrave Pivot, Cham.

⁹ Nemat, O. (2021). The Role of Civil Society in the Afghan Peace Process. Retrieved 24 April 2022, from <https://www.ispionline.it/en/pubblicazione/role-civil-society-afghan-peace-process-29046>.



employment opportunities for Afghans wanting to support development in the non-state sector. Recent estimates¹⁰ indicate that more than 85,000 people were employed by the NGO/CSO sector in 2018, equivalent to more than 17 percent of the total formal workforce, with women constituting 28 percent of the total number of NGO employees.

11. Since the takeover of the ITA, the Afghan civil society has suffered greatly from the dire economic, social and political situation. Many CSOs and NGOs have been impacted at national and local levels. Since August 2021, about 120,000 Afghans have left the country, mostly aid workers and thousands of staff hired in the NGO sector.¹¹ A wide array of national and local NGOs and CSOs have discontinued activities and stopped delivering services. Anecdotal evidence and preliminary consultations with experts, UN agencies, and well-established NGOs indicate that only between 30 and 40 percent of NGOs remain active. This calls for a detailed analysis of the NGO sector through a mapping and needs assessment of active NGOs and CSOs. The new operating environment has also called into question NGOs and CSOs' ability to operate with a certain level of integrity and independence from the ITA. Concomitantly, early reports indicate that newly established NGOs and CSOs are emerging, mostly in the field of food and cash distribution.

12. In Afghanistan, the NGO sector has faced significant organizational constraints and sector/institutional gaps, exacerbated by the current operating environment. The new reality on the ground has left some NGOs/CSOs largely unable to continue to operate, which increases the risk of compounding the capacity gaps in the country,¹² and many even face an existential threat. Beyond the uncertainty on the future direction of the country, the NGO sectors faces significant challenges in terms of effectiveness and accountability,¹³ most notably: **(i)** limited capacity for collaboration and reduced ability to negotiate with authorities; **(ii)** lack of financial sustainability; **(iii)** limited Human Resources (HR) capacity (guidelines; systems; and recruitment capacity) and lack of qualified staff; **(iv)** limited capacity on overall project management, fiduciary, monitoring and reporting; **(v)** ineffective dispute settlement mechanisms and systems to engage stakeholders in local development planning; and **(vi)** challenges to recruit and retain female staff, as well as to mobilize and engage with women in communities.

13. Supporting NGOs and CSOs in Afghanistan today remains a critical development need. Most notably, NGOs provide a critical voice for Afghans, are a pathway to expedited and targeted service delivery, and enhance social cohesion and local ownership of the development process, both vital to sustainability and security. By sustaining activities of NGOs/CSOs in the short to medium and enhancing their capacities, the proposed project aims to strengthen local networks, empower, and integrate community members, especially the most vulnerable. Specifically, CSOs and NGOs are particularly important for delivering services to Afghan girls and women. Alarming, while women's mobility has long been limited by local norms governing women's freedom of

¹⁰ See *NGOs and Civil Society in Afghanistan*, ODI, 2020.

¹¹ See Report on Afghanistan, NATO, April 2022. Retrieved 11 May 2022, from https://www.nato.int/cps/en/natohq/topics_8189.htm

¹² *Humanitarian Response Plan Afghanistan*. OCHA, 2022. p33. Retrieved from:

<https://reliefweb.int/sites/reliefweb.int/files/resources/afghanistan-humanitarian-response-plan-2022.pdf>

¹³ These challenges and capacity gaps were identified through: (i) recent reports [including *Barely Above Water: Challenges of National and Local NGOs Navigating Humanitarian Space In the New Afghan Context*, ACBAR Briefing Paper (March 2022); *NGOs and civil society in Afghanistan*, 2020, ODI; *What we need to learn: lessons from twenty years of Afghanistan Reconstruction*, 2022, SIGAR; *Afghanistan Country Roadmap for Engagement with Civil Society 2015-2017*, EU]; (ii) consultations with select networks (ACBAR) and (i)NGOs; and (iii) information shared by UNCT, PMT, and RCO.



movement, poor security conditions, and limited rural infrastructure, it is decreasing even further¹⁴ and women's feelings of insecurity have worsened both inside and outside the home.¹⁵

Institutional Context

14. Prior to the ITA takeover, the legal foundation for civil society was enshrined in the 2004 Afghan Constitution. Article 35 of the Constitution of Afghanistan gives and protects Afghan citizens, the right to form associations and independent NGOs to pursue shared public interest objectives. It distinguishes between:

- *NGOs* registered under the Ministry of Economy (MoE; Act 1384, 2005). The most recent Ministry of Economy's Annual Report on NGOs (2019) accounts 2609 registered NGOs [2333 national/local and 276 International Non-governmental Organizations (INGOs)].¹⁶ Over time, these organizations have referred to themselves as NGOs or as CSOs interchangeably.
- *Civil Society Associations* are registered under the Ministry of Justice (MoJ; 2013). These associations are defined as "communities, unions, councils, assemblies, think tanks and organizations which are voluntarily established by a group of real persons and corporations and non-profits, non-political." According to research conducted by the EU,¹⁷ a total of 5350 civil society associations existed in 2015.

15. With the ITA takeover, uncertainty is high, and the future direction of the legal and regulatory environment is unclear. The recent *Monitoring and Control Plan of NGOs' Activities for Distribution of Urgent Humanitarian Assistance Foodstuffs and Non-food Stuffs* (MCP) is raising particular concern on the part of NGOs' networks and of the humanitarian community. The question of the independence of NGOs under the ITA is at stake and whether any restrictions will be placed on NGOs depending on their sources of funding or scope of work. Concurrently, assessing the nature of these newly established organizations is proving difficult, given the potential changes in the legislative environment regulating NGOs.

16. The NGO sector is therefore in critical need of support. As the Bank and partnering UN agencies increasingly rely on the vital support that NGOs provide as local non-governmental implementation partners,¹⁸ addressing the resource and capacity constraints of NGOs/CSOs is essential. Given their central role in terms of basic service delivery, gender equality and life-saving support to the most vulnerable populations, the ***proposed project aims to support NGOs/CSOs in the short to medium term by strengthening their capacities and sustaining their activities.*** Based on a clear identification and classification of existing CSOs/NGOs and the analysis of their challenges and constraints, enhanced capacity of select NGOs/CSOs will contribute to the objectives of the four ARTF-funded projects (strengthening basic services in health, livelihoods, food security and education) and have direct positive economic and social impacts on communities. To develop meaningful and impactful engagements sustained over time, the proposed project will also create avenues for dialogue and coordination to strengthen the voice of NGOs/CSOs.

¹⁴ Women report having less access to "safe spaces". In rural areas, women are still able to move about their neighborhoods/villages and convene in groups, but they are leaving the village (including to markets) less frequently. World Bank. 2022. *Afghanistan Gender Monitoring Survey*.

¹⁵ Ibid.

¹⁶ The previous 2018 report detailed that, among the 2200 registered national and international NGOs, 1200 of them were active, including 200 INGOs. The INGOs received and implemented the larger portion of aid funds. According to the report, NGOs were then executing around USD850 million on annual basis under direct scrutiny and supervision of donors and some government institutions.

¹⁷ *Afghanistan EU Country Roadmap for Engagement with Civil Society*, EU, 2015.

¹⁸ UNICEF. (2021). *Afghanistan Humanitarian Situation Report from January – December 2021*. New York. Retrieved from <https://www.unicef.org/media/114906/file/Afghanistan-Humanitarian-SitRep-31-Dec%20-2021.pdf>



C. Proposed Development Objective(s)

17. The proposed Project Development Objective is to enhance the capacities of select registered national and local Non-Governmental Organizations (NGOs) and Civil Society Organizations (CSOs) to improve their performance and effectiveness. The desired outcome is to build the capacities of select NGOs and CSOs, ultimately contributing to sustaining the provision of basic services and to providing life-saving support to the most vulnerable populations, in the short to medium term.

18. The project aims to target NGOs and CSOs that improve basic service delivery and promote socio-economic empowerment of women and girls. Special focus will be placed on NGOs and CSOs engaged in service delivery in the four priority sectors identified by the Bank (health, agriculture, livelihoods, and education) and on women-led NGOs and CSOs,¹⁹ as well as those which programs and activities focus on the socio-economic empowerment of the most vulnerable populations (girls and women; youth; persons with disabilities; etc.). Although non-governmental community platforms are well established (e.g., Community Development Councils, CDCs)²⁰ and unregistered *shuras* (community-based councils) and *jirgas* (tribal assemblies of elders) are also active and are key civil society actors in Afghanistan, these community structures would not fall within the scope of the proposed project. By design, the proposed project opted for selectivity and simplicity by focusing on Afghan national and/or local registered organizations that have a well-established track record and carry legitimacy within their communities.

Key Results

The proposed outcome indicators are:

- NGO/CSO personnel capacity enhanced on core management functions and service delivery focused areas (including project management; fiduciary capacity; reporting on results; outreach and mobilization of women; and SEA/SH mitigation and response); (percent)
- NGOs/CSOs benefitting from Project grant awards have enhanced their programs on women outreach/mobilization and GBV mitigation and response mechanisms; (percent)
- NGOs/CSOs benefitting from improved coordination and access to better information and networking (percent).

D. Project Description

19. The project will be financed by an Afghanistan Reconstruction Trust Fund (ARTF) recipient-executed grant of US\$20 million. The project includes four components which will be implemented over 24 months.

Component 1: Mapping & Capacity Strengthening of Select NGOs and CSOs (US\$5 million)

20. The objective of this component is to provide capacity strengthening support to select NGOs and CSOs. This support will be informed by a comprehensive overview of the registered NGOs and CSOs currently operating in Afghanistan. This component will produce a rapid mapping and needs assessment that will be used to identify and select the CSOs and NGOs to train. Under this component, the project will shortlist approximately 400 NGOs

¹⁹ Defined by UN Women Afghanistan as organizations that are “woman-headed and/or with more than 50% female staff/membership.”

²⁰ CDCs are community-based organizations, composed of men and women democratically elected by their communities. These non-governmental bodies have been operating in Afghanistan for over 18 years. There are over 35,000 CDCs established in 361 districts in all of Afghanistan’s 34 provinces, providing the main participatory platform for service delivery in an estimated 90 percent of villages in rural Afghanistan and most major urban cities.



and CSOs for the actual training and hands-on support sub-component, with an estimated target of 50 NGOs/CSOs per region (across the 8 UN-delineated administrative regions of Afghanistan; see table infra).²¹ The training modules will focus on helping NGOs/CSOs manage themselves better, raise donor funds more effectively, implement projects more efficiently, and be more accountable and transparent institutions. Beyond past training programs, the proposed project will focus on standardizing trainings across the beneficiary organizations and further strengthen their capacity in these fields.

21. This component will map the current landscape of the Afghan civil society across all of the 34 provinces and keep track of the NGOs and CSOs that have remained active. It will include an analysis of the legal and regulatory environment under which NGOs/CSOs are operating and monitoring policy changes in the short to medium term (including to take stock of the registration process and potential changes). The rapid mapping and analysis will extend to all NGOs/CSOs, including those engaged on advocacy (human rights, rule of law, women and youth, peace and security, etc.). The mapping of CSOs will include a gender focus analysis in terms of programmatic focus by CSOs (e.g., access to basic services and livelihoods for women) and their organizations (e.g., women led CSOs). This assessment will ultimately inform the strategic capacity building plan elaborated through extensive stakeholder consultations, notably with networks of NGOs such as ACBAR²² and with key stakeholders (e.g., technical experts, female activists, vulnerable and marginalized groups, donor community, etc.).

22. This component will also finance an integrated approach combining direct training and hands-on support. Lessons learned from past experiences highlight the limitations of one-time training. The delivery of capacity-building will therefore include three sub-activities: (i) direct provision of training; (ii) on-the-job training; and (iii) production of self-instruction handbooks and kits to promote self-study on delivery of services and local engagement. The training will largely focus on project management, fiduciary capacity (budget, financial management and procurement), environmental and social safeguards, as well as raising awareness on climate risks, M&E (reporting on results), mobilization of women and sexual exploitation, abuse and sexual harassment (SEA/SH) mitigation and response mechanisms, and communication and outreach. The training will contribute to building social cohesion through community outreach and engagement, notably with marginalized and vulnerable groups, managing differing points of view and conflicting interests, and maintaining channels of communication. Community resilience is also considered through training in community-led planning, designing and implementation of prioritized development projects, and using the role of feedback from civil society to improve development management and services. The proposed approach, competency areas, and preliminary list of training modules are detailed in Annex 2 in the Project Appraisal Document.

23. The overall capacity building support will also promote gender-sensitive programming. Specifically, capacity strengthening activities will focus on select registered NGOs and CSOs engaged in the delivery of services. Initial focus will be placed on the four areas of engagement of current Bank operations, namely education, health, livelihoods, and food security. The selection of CSOs will prioritize women led CSOs and CSOs that promote gender equality principles, support girls' and women's empowerment and their access to basic services (education, vocational training, health services, legal services, livelihoods support, access to finance, GBV services, etc.).²³

²¹ The project will only work with organizations where women are not prohibited to participate, as workers and recipients of aid/services.

²² In close collaboration with the EU as it is currently working with ACBAR to update its Roadmap for Engagement with Civil Society. ACBAR is a national, independent NGO created in 1988 to provide a platform for information-sharing and networking for national and international NGOs. Its main office is based in Kabul (since 2002), with five regional offices in the main cities. ACBAR currently has a membership of 177 NGOs.

²³ Similarly, women and girls are crucial in the work to achieve more effective and equitable climate outcomes. The negative impacts of



Component 2: Operational Support Subgrants to Select NGOs and CSOs (US\$10 million)

24. The objective of this component is to provide subgrants²⁴ to select NGOs/CSOs to support their capacity to deliver basic services, by helping them to reactivate their operations, retain key staff and solicit development solutions in support of the most vulnerable populations. Typically, operational support subgrants aim to provide core funding, boost organizational capacity and promote innovative approaches and projects (including Quick Impact Projects) for which no repayment is required. This component will provide cash awards to select trained NGOs/CSOs according to a set of predefined eligibility and selection criteria. Ultimately, it will serve to enhance the capacity of national and local NGOs/CSOs, provide life-saving support when needed, and contribute to leveling the playing field in support of a more vibrant civil society.

25. The operational support subgrants target group will be a subset of the NGOs/CSOs that completed the capacity strengthening activities (under component 1). This component will aim to target approximately 200 NGOs/CSOs (i.e., 50 percent of NGOs/CSOs trained). All the NGOs/CSOs undergoing the trainings will be able to apply for the operational support subgrants. Their applications/proposals will need to clearly indicate how the management, implementation, monitoring and/or reporting on this subgrant can assist to build the capacity of their personnel further.

26. This component will prioritize women-led organizations and local NGOs and CSOs that serve the most vulnerable populations. The project will specifically support NGOs and CSOs involved with women socio-economic empowerment activities, poverty eradication, impact of climate change, or community-based self-help initiatives.²⁵ Special attention will be placed on marginalized groups,²⁶ notably: (i) women and girls; (ii) ethnic and regional/rural populations; (iii) people affected by disabilities; and/or (iv) youth not in education, employment or training (NEETs).

Component 3: Development and Coordination of NGO Platform(s) (US\$ 1.5 million)

27. The objective of this component is to strengthen the dialogue and coordination structures of the NGO sector. This will be done by assessing existing platforms and then by identifying specific measures to build more resilient NGOs, strengthen the existing platform(s) and/or the establishment of new one(s) at national/provincial levels. This component first entails to take stock of the existing structures and networks, conduct consultations²⁷ to identify needs, and reach an agreement between relevant stakeholders on common objective, vision statement, structure, operating procedures of the platform(s) – before rollout. This component will ensure close collaboration with existing structures (e.g., ACBAR) to determine the best approach to enhance coordination at national and provincial levels, avoid overlaps and duplications, and strengthen communication channels, notably on gender equality and human protection. Most notably, the proposed project will first examine the feasibility of leveraging ACBAR, given its leading role in representing and defending the interests of its member NGOs and its ongoing capacity building programs.

climate change disproportionately affect women and girls and women are among the most dependent on local natural resources for their livelihood and food security, particularly in rural areas. Improving access to basic services like education, training, health services, and food support will set a pathway to gender parity in climate leadership.

²⁴ Also termed Low Value Grants (Subgrants) by the implementing partner, UNDP.

²⁵ It could include low income-generating activities designed to alleviate poverty as well strengthening institutional capacity of entities critical for achieving development objectives; promoting advocacy activities and networking; providing support for development challenges that still require some level of experimentation to identify possible solutions.

²⁶ In line with 2030 agenda's focus on "leave no one behind" (LNOB) and "reach those furthest behind first".

²⁷ Separate consultations will be conducted with women-led organizations seek their feedback for engagement and participation.



28. This component will optimize linkages between project components/activities. For instance, the data and information collected for the mapping/analysis (under component 1) will be essential to the outreach and design of the platform(s). These mutually reinforcing benefits will ultimately promote intra-NGO coordination, with a special focus on smaller national and local NGOs that have been under-represented in the existing coordination platforms. This component will therefore contribute to revised and improved platform(s) more inclusive of the project target group – i.e., national and local NGOs.

29. The development and deployment of this platform(s) will create an avenue for dialogue and serve as a coordination structure for national and local NGOs, as well as for donors, for better integrating service delivery. It will offer the opportunity to engage local, national, and international NGOs to develop common approaches and practices, enhance skills through knowledge exchanges and peer-to-peer learning activities, strengthen the collective and individual ability to negotiate with all stakeholders, as well as to respond to specific needs voiced by platform members, notably related to joint advocacy. Through active engagement and dialogue with NGOs, this component will thus aim to ensure the sustainability of the project activities and the achievement of the project objectives and results.

Component 4: Project Implementation Support (US\$3.5 million)

30. The Component will finance costs related to the project management activities of the implementing partner, which include: (i) general management support and indirect costs and fees for the implementing partner; (ii) direct project management and supervision costs required to support project implementation; (iii) project monitoring, evaluation and coordination at the national and regional levels; (iv) project tailored Management Information System (MIS) and Geospatial Information System (GIS) to promote transparency and accountability; and (v) the establishment of a Grievance Redress Mechanism (GRM).

Legal Operational Policies

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

Summary of Assessment of Environmental and Social Risks and Impacts

31. Waiver of Application of the Anti-Corruption Guidelines (ACGs). A waiver to the application of the WB’s Anti-Corruption Guidelines to UNDP was approved by the WB on June 2, 2022, for the proposed project pursuant to Bank policy and procedures for Operational Policy Waivers. To ensure appropriate adherence to the principles of the ACGs, including in terms of due diligence and the monitoring of fraud and corruption, UNDP will use its own rules, regulations, policies and procedures for fraud and corruption, based on a special purpose procedure for fraud and corruption under alternative arrangements modeled on the integrity provisions of the WB-UN FPA, to which UNDP is party.



E. Implementation

Institutional and Implementation Arrangements

- 1. This program will be implemented completely through non-government actors.** The UN agency partner, namely UNDP, will receive grant financing from the Bank. UNDP will then finance implementation partners (including consultancy firms) and targeted recipients (including registered NGOs and CSOs). Based on the capacity strengthening plan developed under the first component, the lead implementing partner will coordinate/conduct capacity-building activities at the level of the NGO/CSO itself as well as at individual/staff level.
- 2. UNDP will have overall implementing responsibility.** This will include overall coordination, procurement arrangements with local organizations and contractors, engagement with communities, fiduciary, environment and social management, quality assurance, monitoring and reporting, and managing technical assistance activities. The mapping and capacity building gap assessments, and development of the database with a taxonomy of NGOs/CSOs under Component 1 will be contracted out to a consultancy firm. UNDP will be directly executing Component 2. Component 3 should be conducted both through direct implementation by UNDP and potential subgrant to strengthen the capacities of existing networks (i.e., ACBAR) and to provide support on operational capacities.
- 3. UNDP will house the Project Implementation Unit (PIU).** The PIU will include staff supporting several key functions: program and contract management, financial management, procurement, social mobilization and training, reporting, M&E, regional coordination, gender/GBV expert, GRM, and environmental and social risk management.
- 4. Fiduciary Arrangements.** The institutional level Financial Management Framework Agreement (FMFA) and WB-UN Fiduciary Principles Accord (FPA) provide the authorizing frameworks for the UN engagements. The frameworks allow for reliance on the various UN financial management systems. During project preparation, the WB's fiduciary team has undertaken an assessment of UNDP's fiduciary system to design the fiduciary arrangements for the proposed operation.
- 5. Environmental and Social implementation arrangements.** The Project Implementation Unit (PIU) will include staff directly responsible for ensuring environmental and social compliance as detailed in the ESCP and other relevant instruments. The UNDP-PIU staff will include one environmental expert and social/social mobilization expert and one GRM officer. UNDP will train their employees on E&S instruments and preparation of reports. The implementation of E&S measures will be regularly monitored and reported quarterly by UNDP as well as consultancies, subgrant recipients, contractors, and responsible parties.



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