

An Area-based Approach to Local Socio-Economic Recovery and Community Resilience in Afghanistan

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Context

In the context of the withdrawal of the United States and allied military, Afghanistan is at high risk of increased instability and domestic insecurity. Saving livelihoods is critical, side by side with the immediate imperative of saving lives and can significantly reduce a rapid increase in the demand for humanitarian aid and emergency relief, and the growing numbers of people displaced. Gradual development progress, including gains in education and livelihoods, are at risk of being lost in the current socio-political context, as the country experiences multiple crises, such as COVID-19, the impacts of drought and floods, and rapidly increasing poverty and food insecurity. These factors not only impact the economy, human security and social cohesion, but are potential drivers of further conflict and violent extremism.

The post August 15, 2021, power shift in Afghanistan could drive the country to near universal poverty¹, with numbers falling below the poverty line projected to be over 95-97% by 2022². The severe economic instability due to heightened uncertainty, is halting national production and investment, has interrupted trade and finance, and is leading to an economic implosion. The scale, severity, and complexity of economic and social development impact of the current instability is far-reaching and the consequences in terms of human development losses could soon be irreversible. It is estimated that as of August 2021, over half a million people have already been displaced by conflict³ and thousands more affected by natural disasters. In July 2021⁴, 18.4 million Afghans needed humanitarian assistance. This is double the number a year ago and represent one half of the people in the country.

UNDP has been working in Afghanistan since 2001 to support the rebuilding of the country's fundamental governance, economic, social and environmental infrastructure through various phases of stability and instability, crises and post conflict periods. Together with multilateral and bilateral partners, UNDP has contributed to the gradual expansion of development investments across the country. This has positioned UNDP as a key partner to develop and implement an immediate approach to local socio-economic recovery and community resilience in Afghanistan, using community-based responses to address poverty and vulnerability and enable the rehabilitation of economic, social and environmental assets. The approach is area-based, centered on addressing the multidimensional aspects of poverty and vulnerability, deepening community resilience and enabling the rehabilitation of economic, social and environmental assets that are under threat, with cash-based modalities adapted to the current conditions.

The approach described below provides a vision and set of actionable priorities for taking immediate steps towards saving livelihoods and safeguarding development gains in Afghanistan. It is intended to serve as the basis for discussion on a common approach within the UN development system, as well as multilateral and bilateral international partners, including the EU, World Bank and ADB, and the private sector, INGOs and philanthropic community. As this grows and brings in collaboration and partnerships, the scope and areas of focus, as well as the beneficiaries will expand accordingly.

¹ Based on the multi-dimensional poverty index (MPI), for example, the MPI Head Count Ratio ranges widely from just 14.7% in Kabul (Central Region) to 85.5% in Badghis (Western Region).

² UNDP Economic Outlook for Afghanistan post Aug15, forthcoming (Sept 2021)

³ OCHA Afghanistan weekly humanitarian update (16-21 August 2021)

⁴ <https://hum-insight.info/plan/1031>

Conceptual underpinnings of the local socio-economic recovery and community resilience approach

The concepts of 'local socio-economic recovery' and 'community resilience' in this context denote a localized, integrated approach to addressing the multiple vulnerabilities faced by communities and their ability to cope, due to the prevailing context of uncertainty and instability.

The protection and nurturing of existing development assets, including individual, institutional and societal capabilities, is at the heart of this approach. This translates into decentralized, geographically differentiated area-based interventions, that meet community expectations, and will lay the foundation for longer-term peacebuilding and development.

The related portfolio of activities is inclusive; it brings in local stakeholders to design and deliver, to create jobs, support local entrepreneurs, build local infrastructure, help revitalize local markets, and address immediate threats to water, energy and agriculture from climate change. In so doing, the activities build deeper social cohesion and value the dignity and rights of girls and women as full contributing members to a rich and diverse society.

UNDP's approach to saving livelihoods and shoring up the local economy, is designed to protect and sustain the gains of immediate humanitarian action and protect existing community assets and capabilities. It is thus based on a set of programmatic actions that are designed to help people move from humanitarian relief towards self-reliance. The aim is to provide a foundation for resilience by enabling people and communities to maintain their coping capacities, considering the needs of the displaced, refugees, women and youth, poor and vulnerable households. One of the first steps is to help maintain livelihoods, to encourage young people to be part of a civilian economy, and to facilitate the opportunities to initiate and scale their small businesses.

The patterns of assistance to Afghanistan need to evolve to end the vicious cycle of crises and aid dependency and ensure that communities can withstand future natural and human-induced crises, even as they recover from them. By applying local socio-economic recovery and community resilience approaches in all dimensions of the response, UNDP's interventions aim to prevent and reduce the impact of crises that cause displacement and enable displaced persons to find safe and sustainable livelihoods.

Area-based Programme for Afghanistan

Over the last 20 years, UNDP has learnt valuable lessons on what works and what doesn't in Afghanistan. Neither a one-size-fits-all nor a fragmented sector-based approach has been effective. A more integrated approach is needed, that accounts for the significant differences in development needs between the provinces and administrative regions and yet also recognizes that development gains in one area are linked to and dependent on development gains in others. An innovative and highly flexible approach is needed, one that puts people first, targets the most vulnerable and meets local needs by focusing on saving livelihoods. UNDP has therefore adopted a highly integrated yet decentralized approach to programming articulated in its *Area-based Programme for Afghanistan* (hereafter referred to as Area Based Programme).

The value proposition of UNDP's Area-based Programme lies in its contribution to preserving human, social and institutional capital in a context of active conflict, serving as a bridge between short-term humanitarian life-saving assistance and medium-term post-conflict recovery. Moreover, the Programme aims at achieving immediate and visible gains in reducing inequalities and addressing the drivers of vulnerability and fragility, while providing greater accountability to beneficiaries and ultimately contributing to improved resilience at the community level to future shocks. It also opens up opportunities, in time, for deepening development impacts by generating important economic benefits that go beyond what life-saving humanitarian assistance alone can provide, thus strengthening the humanitarian, development, peace nexus.

In designing the Area-based Programme, UNDP conducted an initial analysis of key drivers of socio-economic recovery and resilience for each of the eight administrative regions of Afghanistan. Although unsurprisingly, some critical issues such as water security, access to energy and improving food security are common to all regions in Afghanistan, the analysis has shown that each region has a unique socio-economic profile with slightly different immediate priorities and needs. Under the overall Area-based Programme, one specific area-based programme has been designed for each of the eight regions based on the socio-economic needs of the provinces in each region. The focus will be on prioritized interventions in four key areas (or pillars) and a gradual approach will be applied to the offer: roll-out of small-scale priority activities immediately, with an initial implementation period of 12-18 months in a two-year horizon. A robust monitoring and evaluation system will be established from the outset.

1 Provision of essential services	2 Community based livelihoods and local economies	3 Disaster and climate resilient response	4 Social cohesion and inclusive participatory processes
<p>ESSENTIAL SERVICES</p> <ol style="list-style-type: none"> 1. Health & essential services supported and sustained with particular focus on containing, controlling and management of COVID-19. 2. Essential Food Security & Agro-Business Infrastructure and Services supported. 3. Renewable Energy services supported. 	<p>ECONOMIC RECOVERY & PRIVATE SECTOR</p> <ol style="list-style-type: none"> 1. Households in high poverty, high insecurity areas provided with basic income (TBI) 2. Local level livelihoods and economies sustained through Cash for Work (CFW) & Cash for Market (CFM) - <i>Green, agro and non-agro inclusive value chains.</i> 3. Local Private Sector Development (Support to women-led informal businesses, technical and financial support to SMEs expanding to new market areas and community-led social enterprises) 4. Cross Border Trade and Regional Market Access 	<p>ENVIRONMENT & CLIMATE CHANGE</p> <ol style="list-style-type: none"> 1. Community preparedness for human and natural disasters 2. Climate risk resilient infrastructure in place. 3. Community resilience built through regenerative agriculture, agroforestry, irrigation support/water access and nature-based solutions. 4. Improved productivity and sustainable livelihood opportunities provided. 	<p>COMMUNITY-LED ACTIVITIES</p> <ol style="list-style-type: none"> 1. Communities empowered for peace and social cohesion (women and youth) 2. Gender inequality and empowerment promoted 3. Access to justice and community security fostered 4. Alternative dispute resolution mechanisms involving traditional/customary, tribal, religious leaders linking formal and informal actors 5. Community led needs-based stabilization plans identified (promote reconciliation, prevent conflict) 6. Community-managed interventions promoted – social protection, economic recovery, service delivery

1. PROVISION OF ESSENTIAL SERVICES AND BASIC INFRASTRUCTURE

The rehabilitation of essential infrastructure and services is key to establishing and maintaining livable conditions in vulnerable areas. UNDP will provide targeted support to i) public infrastructure for the delivery of essential education; health services; electricity and water supply, for example; ii) economic infrastructure such as local roads, bridges, marketplaces as well as boreholes and irrigation channels for agricultural communities; and iii) productive infrastructures such as greenhouses and the rehabilitation of barren lands.

2. DISASTER AND CLIMATE-RESILIENT INFRASTRUCTURE

Adopting a climate-resilient approach is important to protect and sustain development gains from the start. Priority will be given to improving the ability of communities to avoid and recover quickly from disasters, increase their access to renewable energy, and promote sustainable food production through regenerative agriculture and agroforestry, for example. Poor and marginalized communities, particularly displaced women and youth will be provided with environmentally sustainable livelihood opportunities as they recover from the crisis.

3. COMMUNITY-BASED LIVELIHOODS AND LOCAL ECONOMIES

The revitalization of local economies is an important dimension of the ability of communities to cope in the current situation, while also addressing the drivers of the vulnerabilities they face and future shocks. UNDP is working directly with communities to address extreme poverty by providing, for example, immediate financial assistance to households, leveraging digital and innovative delivery mechanisms, by creating jobs, and targeting unemployed youth.

UNDP is already supporting local economies by developing green, inclusive value-chains based on local market assessments, strengthening the private sector by providing access to innovative financial services and products and supporting producers and micro-enterprises including women-owned small and medium businesses.

4. SOCIAL COHESION AND INCLUSIVE PARTICIPATION

To protect development gains, UNDP developed community-led needs-based socio-economic recovery plans that promote reconciliation and prevent conflict, work with communities to improve access to justice, support alternative dispute resolution mechanisms, and protect the rights of women and girls. The Area-based Programme will be designed and implemented in a participatory manner, to ensure that activities are responsive to local needs and priorities and will contribute to local peacebuilding while empowering local stakeholders.

Given the continued conflict and division of national-level institutional and state structures, implementation of these activities will be at the sub-national level: provincial, district and community levels. This will allow the UNDP and partners to work directly with community organizations, local NGOs, local Afghan institutions, and the private sector in identifying needs, delivering assistance and strengthening local service delivery. A 'bottom-up' and 'local first' approach to addressing needs, strengthening resilience, and tackling structural drivers of vulnerability and conflict will be used in the first phases of a transition period while national institutions are (re)established. Finally, the Area-based Programme will give special attention to the needs of women and youth, which constitute more than 50% of the population of the country. The number of women and women-headed households who will need urgent support is expected to increase due to anticipated restrictions of their freedom of movement and economic independence.

Factors of Success

Close to 9 million people out of a total population of 38 million would benefit from the Area-based Programme, with the understanding that this would need to be continuously adjusted based on population movement and displacement.

The success of the Area-based Programme will be achieved through the following factors:

- Stakeholder ownership of activities due to a close working relationship with local communities and a demand-driven approach.
- Trust in communities based on UNDP's perceived political neutrality in allocating resources based on vulnerability and needs.
- Rigorous application and compliance with socio-environmental safeguards.
- Flexibility built in the modalities of funding and operations in a rapidly changing context.
- The interventions will be highly relevant to beneficiaries who will in turn provide strong support and effective protection for what is being achieved.
- A robust network of local and international partnerships.

Partnerships and Implementation Arrangements

UNDP will draw on its nationwide network of capable personnel, with four regional offices at the provincial level, and a well-developed roster of implementing partners throughout Afghanistan to facilitate local oversight and implementation and maintain relationships with communities. UNDP has invested heavily in monitoring systems including a digital system, robust procurement systems and an advanced information management system, enabling simultaneous management of projects across the country. UNDP is also able to effectively demonstrate its value for money through rigorous monitoring and evaluation practices and the effective adaptation to lessons learned.

In the uncertain environment, direct implementation by UNDP is being maximized (Direct Implementation Modality). Implementation of the Area-based Programme will be undertaken through third party organisations, including non-governmental organisations, formal and informal local community networks, private operators, and vetted money service providers.

UNDP is partnering with sister UN agencies with comparative advantages in the key areas of the Area-based Programme in the different regions of Afghanistan. Based on the access and reach of their programme intervention, the total population that benefits would be adjusted accordingly.

Funding Requirements

Funding for these local socio-economic recovery and community resilience efforts will be key, and UNDP is already working through decentralized area-based portfolios across the country, to ensure we deliver on our commitment to development. The funding requirements for the local socio-economic recovery and community resilience interventions amounts to US\$ US\$1.6bn for the period 2021-2023. Of this total, US\$ 17m is funded so most of the US\$ 1.6bn is unfunded. For the initial implementation period of 12-18 months, an estimated US\$ 667.4 m are needed.

Conclusion

UNDP is using the funding in current projects, where agreed with donors, to provide initial seed funding to initiate and expand efforts. The operating space at local level, while it varies by administrative region and district, is thus far allowing for continuation of some decentralized programme delivery. New funding is required to scale the work, rapidly, to ensure development reaches the most vulnerable and supports them to live with some level of safety and dignity, ensured of decent livelihoods and access to basic income and services, and avoid massive disruptions and displacements during this crisis. Attention to the spread of COVID-19 and to climate-related disruptions are also being addressed, in supporting these efforts. This integrated approach to support those most in need, is the fundamental underpinning of UNDP's local socio-economic recovery and community resilience effort as detailed in this Concept Note.

UNDP is discussing with each partner – multilateral and bilateral; UN entities; private sector and philanthropy; local authorities, CSOs and community groups - on how to optimally proceed with both existing and new funds to finance this critical work going forward. The shared goal is to save both lives and livelihoods, with hope and dignity for the Afghan people in their time of need.