



International
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Assessment of livelihood opportunities for returnees/internally displaced persons and host communities in Afghanistan

Submitted to
UNHCR, KABUL



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ACRONYMS

ABA	Afghan Builders' Association
Afs	The currency symbol of Afghan <i>afghani</i>
ANMDP	Afghanistan New Market Development Project
ANQA	Afghan National Qualification Authority
ASDP	Afghanistan Skills Development Project
BDS	Business Development Service
CDC	Community Development Council
CHR	Central Highlands Region
CR	Central Region
ER	Eastern Region
EVI	Extremely Vulnerable Individuals
FAO	United Nations Food and Agriculture Organization
FAOSTAT	United Nations Food and Agriculture Organization Statistics
FE	Financial Education
FI	Financial Institutions
FSP	Financial Service Providers
GYB	Generate Your Business Idea (a training package of the SIYB programme)
HHs	Households
IDPs	Internally Displaced Persons
IGAs	Income-Generating Activities
ILO	International Labour Organization
IYB	Improve Your Business (a training package of the SIYB programme)
LAS	Land Allocation Scheme
MAIL	Ministry of Agriculture, Irrigation and Livestock
MFI	Microfinance Institution
MoE	Ministry of Education
MoLSAMD	Ministry of Labour, Social Affairs, Martyrs & Disabled
MoRR	Ministry of Refugees and Repatriation
MRRD	Ministry of Rural Rehabilitation and Development
MSEs	Micro and Small Enterprises
MT	Metric Ton
NATO	North Atlantic Treaty Organization
NGO	Non-Governmental Organization
NR	Northern Region
NRVA	National Risk and Vulnerability Assessment
NSDP	National Skills Development Programme
PKR	Pakistani Rupees
SER	South Eastern Region
SHG	Self-Help Group
SIYB	Start and Improve Your Business (an ILO entrepreneurial programme)

SME	Small and medium-sized enterprise
SR	Southern Region
SYB	Start Your Business (a training package of the SIYB programme)
TVET	Technical and Vocational Education and Training
UAE	United Arab Emirates
UN	United Nations
UNHCR	United Nations High Commissioner for Refugees
USD	United States Dollar
USDA	United States Department of Agriculture
WFP	World Food Programme
WR	Western Region

EXECUTIVE SUMMARY

Over 5.7 million Afghan refugees have returned to Afghanistan since 2002, following more than three decades of war and political upheaval. As this figure accounts for approximately 25 per cent of the country's population, the sustainable reintegration of those who have already returned - as well as of those who will return in the coming years - is crucial to the overall stability and development of Afghanistan.

The United Nations High Commissioner for Refugees (UNHCR) has been assisting the Government of Afghanistan in reintegrating returnees and seeking durable solutions for internally displaced persons (IDPs) across the country. The Ministry of Refugees and Repatriation (MoRR) and UNHCR initially selected several dozens of pilot reintegration sites throughout Afghanistan, and some livelihood assistance was provided to the returnees and IDPs living at these sites. In search of effective measures to make the sustainable economic reintegration of millions of returnees and IDPs a reality, UNHCR requested the International Labour Organization (ILO) to undertake the assessment of the livelihood opportunities of twenty-two sites.

Eight types of assessment¹ captured a comprehensive picture of the livelihood status and opportunities of the returnees/IDPs and the host communities. The major findings of the assessment study are as follows.

- *Work to live.* The displaced families had to find whatever low-end work was available as soon as they arrived at a place of asylum and upon returning to their country, as they could not afford to remain unemployed. Being well informed of the existing livelihood situation should be the starting point of any external assistance.
- *Financing survival.* The refugees and IDPs relied heavily on savings and borrowing (mostly on the basis of Islamic solidarity mechanisms) until they established a survival income portfolio at their destination of displacement - and later at the reintegration sites. Remittances sometimes supplemented their low income during this period. Against all odds, nearly half of the interviewed HHs accumulated savings over the course of their displacement, which helped them considerably once they had returned. These self-help efforts could be further supported through access to secure financial services such as Islamic savings and remittances at low-cost, as well as to a minimum social protection floor.
- *Income from outside the community.* Much of the HHs' income is earned outside of the reintegration sites, mostly through migration to urban centres in Afghanistan and neighbouring countries. The job absorption capacity in the vicinity of the sites is limited, except in the case of

¹ The eight types of assessments conducted were: household (HH) cases studies; local business mapping and case studies; local labour mapping; mobility mapping of labour and businesses; education mobility and school-to-work transition; business development services (BDS)/training mapping; financial services mapping; and a rapid value chain scoping.

some selected agricultural communities. Support should be targeted at areas with the most employment potential.

- *Assistance too limited in scope.* However, the livelihood support to date has exclusively focused on the reintegration communities and catered to those excluded from the labour market, such as women and youth. The study found that typical livelihood programme-supported jobs were extremely badly paid and often unsustainable. It is high time for the donor community, knowing the risk of demand saturation and oversupply of labour in the same place, to get out of the box of community livelihood and work with the product and labour market.
- *Vulnerable employment status.* A large proportion of the HHs' income is earned by family members working in vulnerable employment such as daily-wage labour in construction and brick making/brick kilns, agricultural wage labour, and informal work at home or in the urban informal economy. Those finding a formal job or running agriculture on a commercial scale remain few and far between. Addressing the vulnerability of those currently at work should be a priority.
- *Exposure to risks in the working life of migrant workers.* Given the high dependence by most of the reintegration sites on migrant work in the major cities in Afghanistan and abroad, a major risk for the HHs is the damage to or loss of the human capital working there and their financial assets. These workers rarely have any formal contracts, protection or compensation. There are no occupational safety and health (OSH) measures at their workplace - and neither are there any compensation schemes for injuries or death at work. The majority of migrant workers in the neighbouring countries do not have proper visas and are at the mercy of the law enforcement agencies. The fact that they prefer to carry cash by hand and mostly shun savings accounts and remittances services puts a significant amount of HHs' income at risk. Addressing these risks are as important as attempting to increase their income, but much easier to do.
- *Pressure on the labour market.* It is likely that the construction boom in Afghanistan is over and this, combined with the rapidly declining currencies and tightening immigration control in the neighbouring countries, seems to be making migrant work less profitable and attractive. Where to find alternative jobs will become a major issue in the future, particularly given that nearly half a million youth are entering employment every year and creating an enormous pressure on the labour market.
- *"Growing ocean, few good divers".* Small businesses and skills-based jobs in the urban economy have enjoyed considerable consumption-led growth during the past few years - but the returnees and IDPs have only partially succeeded in this segment. This is an important area of economic reintegration for returnees and IDPs. This study identified a long list of national and provincial initiatives in the urban centres that could be linked up to the livelihood support for the returnees and IDPs.
- *Varying agricultural patterns.* Due to the high level of variance in agriculture dependence and crop intensity, the job absorption capacity of the agricultural sector vis-à-vis other types of work is highly site-specific. Given the availability of alternative jobs and the extent of support the UNHCR-led

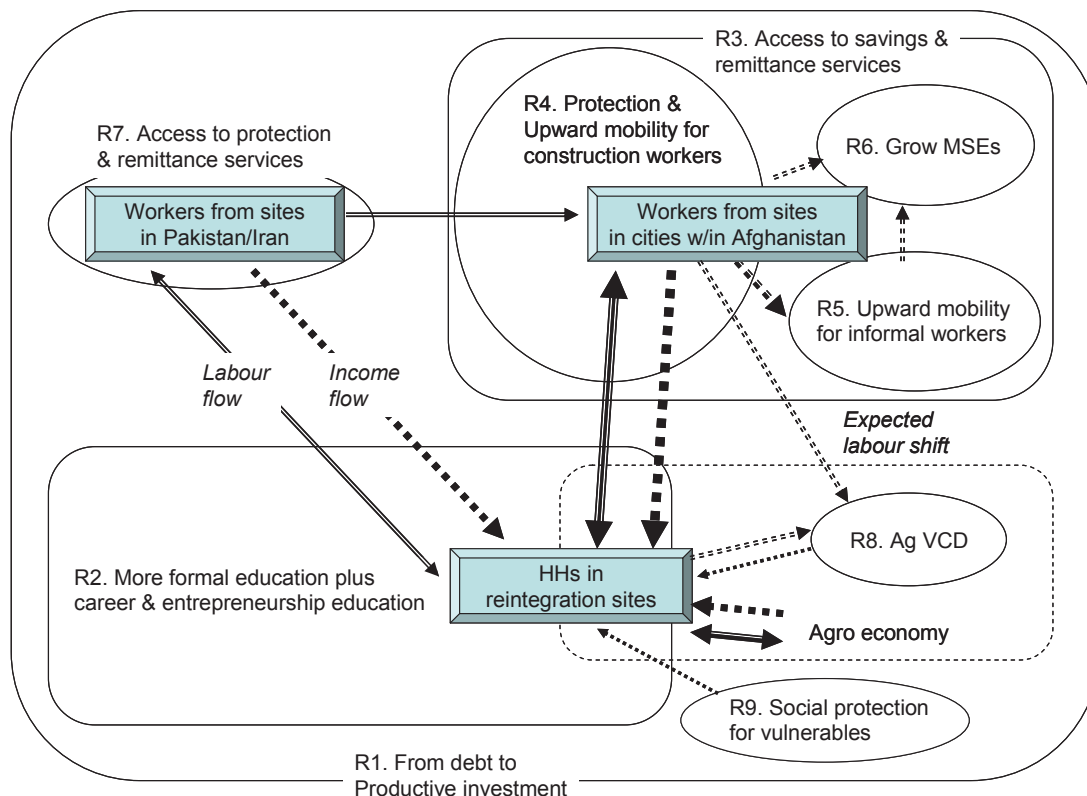
multi-agency programme could provide to enhance agriculture, it would be wise to promote commercial agricultural activities, which would provide a better income than alternative jobs, while investing in public goods such as irrigation facilities would benefit all farmers.

- *Value chain potential?* The assessment identified only a few sites carrying out agriculture on a commercial scale, which have the potential to improve their competitiveness through value-chain development, since the target sites do not necessarily overlap with the coverage of competitive value chains - and there may not be too many promising value chains. The key bottlenecks to growth are irrigation, quality inputs and their usage, post-harvest loss, and storage, and opportunity would seem to lie in market access improvement and group marketing. Addressing the financing gap of farmers could be the critical last-mile issue to make value-chain development work for them.
- *Education matters but not for everyone.* The study found that the chance of finding a formal job increased upon completion of high-school education (i.e., 12th grade). High-school graduates were employed as teachers, police and army officers. Although this would seem to support the argument for investing in education, many high-school graduates end up in the same jobs as those with less education, taking on work in construction, agriculture and conventional skills-based small businesses. Many HHs still consider it a rational economic strategy to have many sons and to place them early in the labour market. Girls are more disadvantaged with respect to continuing their education and finding jobs outside the local area. Although investment in basic education should be further promoted, the stark reality of the situation necessitates a pragmatic approach, such as the integration of career and entrepreneurial training, to help students move into the labour market.
- *A traditional social protection.* The Islamic solidarity lending system – interest-free and without set conditions for repayment - functioned well as a social protection mechanism, particularly for the poor and vulnerable during their period of displacement and when they started a new life upon repatriation. Families, friends and neighbours tended to help the poor and needy first, rather than investing excess funds into productive assets. This is a demonstration of the resilience of and solidarity within the Afghan community, something of which Afghanistan should be proud.
- *Trapped in debt.* There is a concern, however, that the vast majority of the households interviewed have outstanding loans, and that a significant portion of them are caught up in a debt spiral with multiple loans, with a high debt-to-income ratio of close to 100 per of their annual income – and sometimes even higher. Two vital characteristics that differentiate those on the path to upward mobility from those in a poverty trap are financial literacy and the propensity to save. Addressing indebtedness among the returnees and IDPs should be the first step of livelihood support.
- *A financial mismatch.* Most of the financial products offered by the microfinance institutions (MFIs) and donor-driven community programmes do not match the target group's current needs. The majority of the target population has a strong bias against interest-bearing savings, but few financial institutions currently offer Islamic savings products. Remittances services exist, but migrant workers from the reintegration sites rarely use them. On the whole, the financial literacy of the target population is low, and this matter has not been addressed in the case of refugees, returnees or IDPs.

Aid agencies should avoid copying the typical micro credit model that has succeeded elsewhere; they should rather seek experts’ advice on ways to design sustainable financial solutions that build on the existing financial practices of the target population.

The assessment outputs clearly lead to a number of Recommendations, which should be adopted to improve the livelihood status of returnees/IDPs and the host communities. They are listed in the order of the number of potential beneficiaries. Given the existing jobs and income portfolio of the target population and future opportunities, the locus of intervention should extend to urban centres within Afghanistan, as well as to areas of high concentration of Afghan refugees and migrant workers in the Islamic Republic of Iran and Pakistan.

The suggested intervention mix could be visualized as follows. These are the core Recommendations for livelihood support; nonetheless, combining them with other humanitarian and social support to the same areas of intervention, particularly in the urban centres, would make the most sense. The UNHCR and other partner agencies may want to explore such supplementary measures to make the socio-economic reintegration of the returnees and IDPs truly holistic and effective in practical terms.



1. Assist HHs in moving from indebtedness to productive investments through financial education and savings mobilization.
2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education.
3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services.
4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility through awareness raising and social dialogue.
5. Assist urban informal workers in finding opportunities for upward mobility through linkages to market-oriented TVET programmes and the introduction of informal apprenticeships.
6. Assist urban micro- and small enterprises (MSEs) in growing through the Start and Improve Your Business (SIYB) programme² - with emphasis on informed business idea selection, financial education and guidance on available financial services, as well as savings mobilization prior to start-up and expansion.
7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected through dialogue with host governments and in benefiting from low-cost and reliable remittances services.
8. Assist in the value-chain development (VCD) of selected agricultural subsectors by addressing constraints related to infrastructure, inputs supply, post-harvest treatment, marketing and the farmers' financing gap.
9. Assist vulnerable HHs and individuals in being linked to Government and donors' social protection programmes, and to more decent work opportunities.

² The SIYB is a flagship small business programme of the ILO. With an outreach of 4.5 million trainees, it is one of the largest global management training systems for the use of MSEs and potential entrepreneurs on the market, with more than 200 Master Trainers and 17,000 trainers.

1. BACKGROUND

As part of the Solutions Strategy for Afghan Refugees (SSAR), UNHCR is taking part in the development of a joint Voluntary Return and Reintegration Programme for Afghan returnees led by the Afghan Ministry of Refugees and Repatriation (MoRR), assisted by several United Nations agencies. Livelihood is an important element of the holistic reintegration strategy conceived in the SSAR. In response to a request from UNHCR, the ILO undertook the assessment of livelihood opportunities of 22 reintegration sites throughout the country.

1.1 Concept

Over 5.7 million Afghan refugees have returned to Afghanistan since 2002, following more than three decades of war and political upheaval.³ As this figure accounts for approximately 25 per cent of the country's population, the sustainable reintegration of those who have already returned - as well as of those who will return in the coming years - is crucial to the overall stability and development of Afghanistan.

Despite continued efforts to facilitate voluntary repatriation and to support reintegration initiatives in the sub-region, there are still approximately 2.7 million Afghan refugees in neighbouring Pakistan and the Islamic Republic of Iran (1.7 and 1 million, respectively). In addition, there are a large number of undocumented Afghans in these two countries who move irregularly for socio-economic and livelihood reasons. As such, there is a pressing need for a more focused attention on stabilizing returnee and internally displaced populations in Afghanistan and securing long-term solutions for the remaining registered Afghan refugees in the countries of asylum.

The Solutions Strategy for Afghan Refugee (SSAR), which constitutes part of the multi-year regional solutions strategy being discussed among the Governments of Afghanistan, the Islamic Republic of Iran, Pakistan and the United Nations High Commissioner for Refugees (UNHCR), includes a holistic reintegration strategy; long-term alternate stay arrangements; livelihood opportunities and migration management policies; and investments in host communities. As part of this strategy, UNHCR is assisting the development of a joint Voluntary Return and Reintegration Programme for Afghan returnees led by the Afghan Ministry of Refugees and Repatriation (MoRR), in which several United Nations agencies - including the International Labour Organization (ILO) - are expected to participate according to their areas of expertise.

It was in this context that UNHCR requested the ILO to undertake the assessment of livelihood opportunities of twenty-two (22) pilot reintegration sites⁴ throughout the country, selected jointly by the MoRR and UNHCR. The assessment will provide an overview of the economic activities of the returnees and host community that will inform and guide the design of pragmatic and effective interventions to enhance the livelihood of the target populations under the joint programme.

³ UNHCR: *International Conference on the Solutions Strategy for Afghan Refugees, to support Voluntary Repatriation, Sustainable Reintegration and Assistance to Host Countries* (Geneva, 2-3 May 2012).

⁴ UNHCR refers to these "reintegration sites" as High Return Areas (HRAs).

1.2 Rationale

Returnees and internally displaced persons (IDPs)⁵ constitute a special category among the general population. As they have spent a significant time in exile or in displacement, their previous social network has either been lost or damaged. After returning to their place of origin, settling elsewhere or moving to an entirely new place (under land allocation schemes), both returnees and IDPs are obliged to rebuild their social network and develop their means of livelihood in a new socio-economic and political setting. In order to help this special target group integrate into their new environment, it is imperative to understand their current livelihood status. To make an informed decision and help the returnees/IDPs reintegrate into the existing host communities, it is vital to understand the livelihood of these communities.

1.3 Objective

The aim is to provide a succinct assessment of the feasibility and development opportunities of the ongoing economic activities of the returnees, the IDPs and the host communities, and to identify those financial services, vocational training and business development services (BDS) that will inform and guide the designing of pragmatic and effective interventions to enhance the livelihood of the target population under the joint programme for Afghan returnees and people living in the host communities.

1.4 Scope of work

The geographical focus of the assessment was the above-mentioned 22 reintegration sites (HRAs) and their economic catchment areas - i.e., the host communities and surrounding areas, as well as the urban centres where the target beneficiaries work. The 22 sites consist of seven sites in the Central Region (CR) and Central Highlands Region (CHR); one site in the Southern Region (SR); two sites in the Northern Region (NR); three sites in the Western Region (WR); and nine sites in the Eastern (ER) and South-Eastern Region (SER). The details of the 22 sites are provided separately in Appendix 1.⁶

⁵ Internally displaced persons (IDPs) are persons or groups of persons who have been forced or obliged to flee or to leave their homes or places of habitual residence, in particular as a result of or in order to avoid the effects of armed conflict, situations of generalized violence, violations of human rights or natural or human-made disasters, and who have not crossed an internationally recognized State border. By « IDP returnee » is meant those IDPs who have returned to their place of origin and have informed UNHCR and/or the regional IDP task force of their return. Afghans who have returned to Afghanistan (mostly from Pakistan and the Islamic Republic of Iran) are referred to as « returnees » or refugee returnees ».

⁶ Detailed site profiles captured the situation during the field investigation period. Many infrastructural development activities by UNHCR, its implementation partners (IPs) and other development organizations were ongoing at that time. For updates on each site please visit: www.unhcr.afghanistanoperation.org, accessed on 15 February 2013.

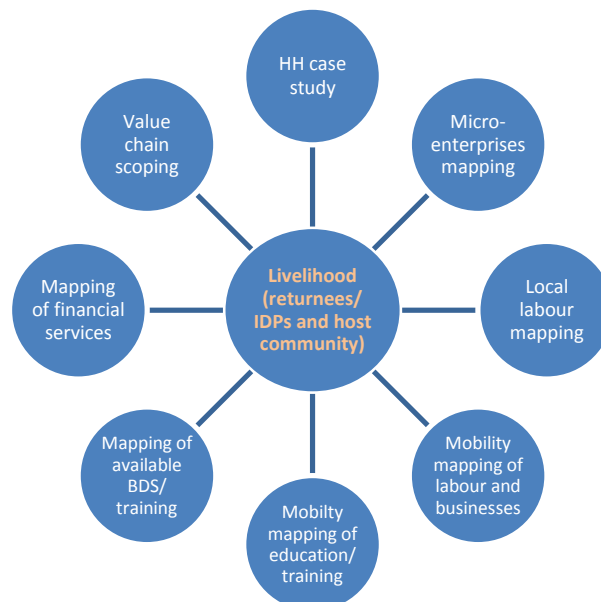
2. METHODOLOGY

Eight types of rapid assessment were conducted to examine the multiple dimensions of the target population's livelihood, from the time of their displacement to their present jobs portfolio. A total of 235 case studies were produced on households, and 102 on income-generating activities/community microenterprises. Other assessments relied on key informant interviews, field observations, focus group discussions and literature reviews. The study did not set out to produce statistically significant findings, but focused on identifying typical patterns of livelihood at the household level.

2.1 A multidimensional look at livelihood

A household is not a stand-alone entity; neither is its livelihood independent of the prevailing socio-economic and political environment. If any of the dimensions of this environment change - social, economical or political - the livelihood status also changes. A livelihood assessment of any type of target group therefore requires an examination of the environment as a whole. This analysis was designed to capture the various dimensions determining the way in which people find their means of livelihood, survive and even grow. Originally, seven types of assessment were adopted to obtain a comprehensive overview of the livelihood status and opportunities of the returnees/IDPs and the host communities (figure 2.1). During the study, a rapid value chain scoping was added as the eighth component to supplement the overall livelihood assessment. Of limited scope, the value chain scoping examined whether some of the reintegration sites might be integrated with selected value chains for further growth.

Figure 2.1 A multidimensional look at livelihood



2.2 A mix of qualitative and quantitative assessments

The assessment was complex in nature. It captured not only the static aspect but also the dynamics of life and livelihood. A mix of quantitative and qualitative assessments was therefore adopted to ascertain both the static and dynamic pattern of livelihood. While figures in a quantitative analysis reflect the aggregate situation of any parameter at a given moment, a qualitative analysis reveals the way in which livelihood is affected and changed by various socio-economic-political factors over a period of time.

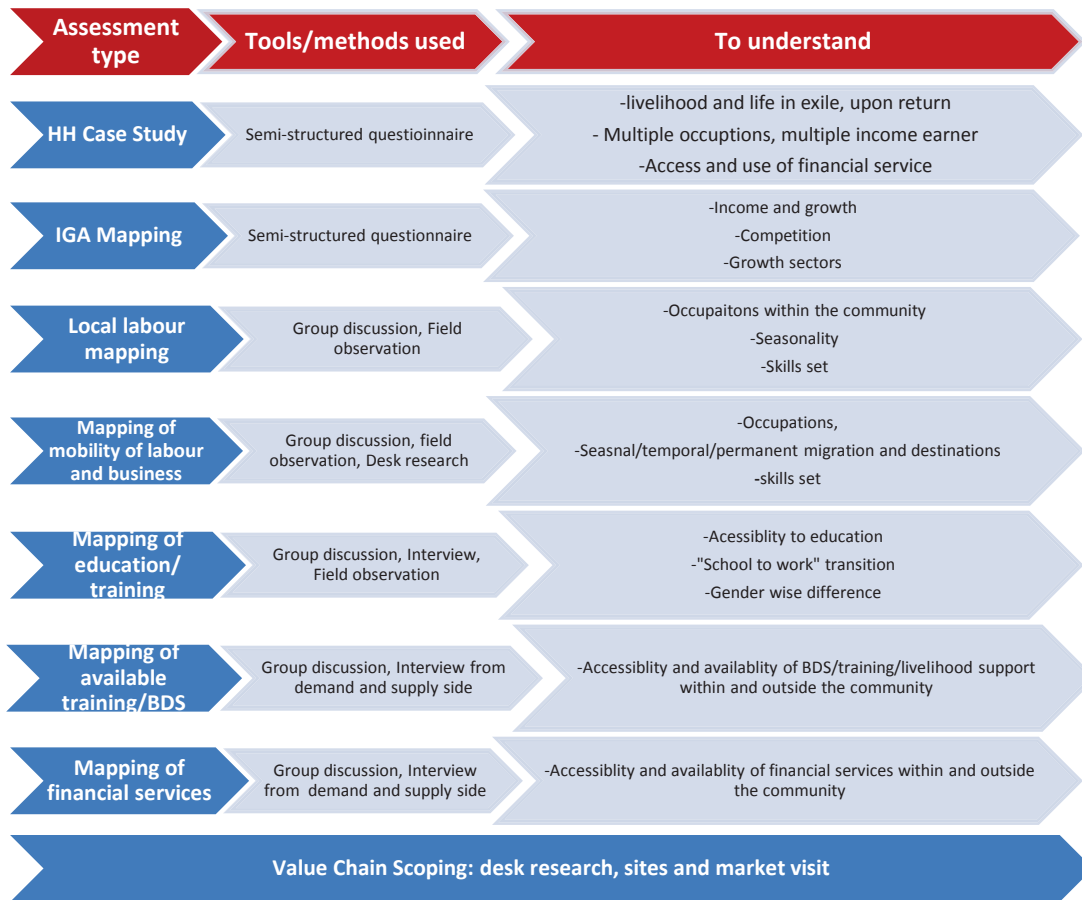
Developing HHs and income-generating activities (IGAs)/small enterprises case studies was instrumental in identifying the livelihood dynamics. This was supplemented by desk research, field observation, group discussions with elderly people in the community, visits to schools and workplaces, and meetings with BDS-providing organizations and financial service providers. Alongside this work, interviews with households and IGAs/small enterprises laid the foundations for quantitative analysis at aggregate level.

The field investigation was conducted from August to November 2012. On average, three to four days were allocated to each site, followed by a respective urban centre visit. Additional visits were also made to Kabul and Jalalabad, being the two major urban centres, as well as to a few selected sites in the vicinity of these cities to explore value chain opportunities.

2.3 Tools and outputs

Because of the multidimensional aspect of the task, a set of different types of tools was used to conduct the overall assessment. Information was collected by means of: one-to-one interviews; group discussions; visiting schools, financial institutions, development organizations, business and work sites and physical marketplaces. Figure 2.2 shows what types of tools/methods were used to gather information.

Figure 2.2 Types of assessments, corresponding tools/methods



2.3.1 HHs case studies

In order to identify different strata of economic well-being, households were categorized into three groups – “better off”, “average” and “vulnerable”. Three households from each group were interviewed in returnee/IDP communities, and two to three from each group in a host community or communities (where applicable). In a particular site, “better off” and “average” households were selected upon the recommendation of the corresponding Community Development Council (CDC) executives. In the case of “vulnerable” households, account was taken of suggestions from the CDC executives and UNHCR’s list of Extremely Vulnerable Individuals (EVIs). As a result, nine HHs were interviewed in each returnee/IDP community - three from each category; and six to nine HHs were interviewed in each host community - two to three from each category. A total of 235 HHs were interviewed in all 22 reintegration sites (including returnee/IDP and host communities).

2.3.2 Mapping of IGAs/small businesses

IGAs/small enterprises were mapped in each community (returnee/IDP and host) to understand the types of enterprises, source of capital, income, competition and growth. In order to make a comparison between the same type of enterprise within a community and also across different communities, at least two enterprises of the same type was interviewed in each community (where available). A total of 102 IGAs of different types were interviewed in all 22 reintegration sites (returnee/IDP and host).

2.4 Limitations and relevance of the study

This study did not set out to produce statistically significant results, but tried to identify livelihood patterns at the households' level of the returnees/IDPs and residents in the host communities. The sample sizes for the assessment are small; they were not collected randomly but with a distinct purpose: to be sufficiently informed to be able to design relevant and effective interventions to build and improve sustainable livelihoods for the target population. Purposive sampling and exploratory inquiries played a useful role in this respect.

Given the nature of this approach, the statistics and percentages reflected in this report should not be taken as representative of the reference population, but as merely indicative and at best proxies for reality. Neither should the findings be taken as average or median of the reference population. As the income chart of the IGAs shows, business performance varies - and we cannot tell whether the assessments captured low-end, middle-end or high-performing cases.

Despite the efforts of the research team to minimize bias by means of elaborated questions and triangulation, there may have been a general tendency to report less income and emphasize difficulties. While the over-indebtedness of HHs may be a fact, some of their accounts of deficits may be attributed to an under-reporting of income.

The authors are not certain whether the regional variations hold true. The strong propensity to save and borrow less, which was observed by the HHs in some regions, may indicate the presence of distinct socio-cultural patterns across regions and ethnic groups. However, this remains a working hypothesis since the assessment could not make a further exploration on this subject within the available research time.

This being said, the authors of this report believe in the relevance and informative nature of the findings of this assessment study. The major challenge in Afghanistan is the lack of clarity in the livelihood picture of HHs and communities, let alone that of the returnees/IDPs. There is a persistent tendency to go for short-term "emergency" quick impact interventions, based on information and the assessment methods applied elsewhere by the development community – which results in confusing the planning priorities. The highly distinct set of Recommendations that emerge from this study bear witness to the fact that a "cookie-cutter approach", uninformed by the livelihood reality in Afghanistan, does not make sense.

3. THE LIVELIHOOD CYCLE

The refugees/IDPs could not afford to remain unemployed, but took whatever available low-end jobs were available soon after their displacement. Their children were often put to work to help the household survive, and thus deprived of educational opportunities. After their repatriation and return to their country, they usually resumed agricultural work or started doing the same type of jobs they had done prior to or during their period of displacement. The households' typical strategy to improve their income involved: placing children in wage work at an early age rather than sending them to school; allowing children to complete higher education and find formal jobs; and adults acquiring new skills. Many had depended on savings as a survival strategy during their exile and were able to accumulate during this period. Islamic solidarity lending (hasana loan) was also common, and served as social protection - both during the period of exile and upon return. To date, 30 per cent of the households have not repaid their loans, and there is no indication that they will do so in the near future.

3.1 In search of a secure life and livelihood

More than three decades of war and political turmoil, leading to chronic insecurity and a diminished livelihood, resulted in hundreds of thousands of people fleeing from Afghanistan to neighbouring countries, mostly to Pakistan and the Islamic Republic of Iran. In addition, many people were displaced internally from their places of origin to more secure locations. Consequently, refugees and IDPs were forced to adapt and find means of livelihood to survive (if not grow) in a new environment characterized by different cultures (for IDPs within the same ethnic area, the change in culture may not be that significant), socio-economic conditions and resources. However, this has never been as easy as it might sound. For refugees, asylum status only provides limited legitimate mobility; they also have to endure restricted or no productive assets, harassment from law enforcement agencies, and so on. Yet, despite these adverse conditions, people found a way to manage and exploit their skills and meagre resources in order to survive and start a new life.

After repatriation, returnees started a new life in their place of origin. Their journey to gain a secure livelihood changed direction once again on account to the new socio-economic and political situation. Despite all this, they soon start finding new means of livelihood. Many Afghan returnees/IDPs started working in the same jobs they had had before exile or displacement, whereas some capitalized on the skills they had learned during this period, and a few entered into the formal job market - but mostly at the lower tier because of their low level of education.

CASE 1: Livelihood cycle-sustained family income at last - but with a high toll

Hussain, a 60-year old man, fled to Pakistan 27 years ago in 1985. At that time, he was living with his family in a village named Barango in the Sholgora district of Balkh province. Because of the ongoing war, he did not feel safe anymore, and he sold his household assets to get some money to go to Pakistan, where a number of his relatives had already moved. He settled in the Jaloza refugee camp in Peshawar with his parents, wife, one son and one daughter.

After his arrival, Hussain managed to survive with the money that was left after paying the transportation costs, and he soon – with the help of one of his relatives - found a job in a nearby brick kiln. He worked as a daily labourer in the same type of job until he returned to Afghanistan in 2008. Meanwhile, two of his sons had grown up and had also joined him in the brick kilns. At the end of his exile, when the three of them were working, the family income was 12,000 PKR (equivalent to 6,000 Afs at that time) per month, which was barely enough for them to live on.

At the end of 2008, the Pakistan Government forced the family to leave the camp and, with the support of UNHCR, they all returned to Afghanistan and settled in Mahajeer Qishlaq village in the Sholgora district. They brought back with them all their meagre belongings, such as a tent and silverware. By now the family - including children and two grandchildren - had grown to 16 members. His parents died in Pakistan.

A few weeks after the family's return, the two eldest sons went back to Pakistan to work in the brick kilns again. And after three months, his other three sons started working in brick kilns in Afghanistan, two in Mazar and one in Kabul. The sons who are working in Afghanistan are all very young - the youngest one is only nine years old.

Hussain is a happy old man now. Every month he receives 10,000 Afs from his boys working in Mazar and Kabul. He is pleased that all his sons are working, and the money they bring him when they come home allows him to have a better living. His boys come once a month from Mazar, or once every seven months from Kabul. His sons from Pakistan cannot come home very often as transportation costs are expensive, and there is border harassment. They only send money when their father is in a crisis. Right now Hussain has savings of 50,000 Afs.

This all sounds very good. But the "price of life" the young sons are paying by working in the brick kilns is enormous. None of Hussain's sons have ever been to school. However, Hussain's three young daughters (the youngest one is only seven years old) are currently going to the community school in Sholgora and studying at primary level.

This is a typical case that demonstrates how people manage to get money to go into exile, survive upon arrival, and find a means of livelihood - both in exile and after repatriation.

Key message: People find their means of livelihood in a short period of time, in exile or upon return. External supports may help them settle into a new environment, but the job market determines where the new labour force will be absorbed. Another significant finding from this case is that child education was typically given second priority by the household, particularly when it was in exile.

NOTE: All the names of individuals referred to in the case studies of this report are fictional in order to preserve the anonymity of the interviewees. However, the cases are real.

Underemployment is more acute than unemployment in Afghanistan. Although the literature shows only 7.1 per cent unemployment, this figure is tempered by the fact that people simply cannot afford to remain unemployed and are therefore underemployed for the most part (48.2 per cent)⁷. On the whole, 70 per cent of households rely upon a second or third source of income.⁸ The returnees/IDPs, upon returning to or arriving in a community, struggled to find a means of livelihood that could provide them with a year-round cash flow. Consequently many of them started moving out to different places (and from one place to another, even returning to their countries of exile) to supplement their family income. With the boom in the construction industry, most people found daily wage-based labour in major urban centres such as Kabul, Jalalabad, Mazar-e-Sharif and Herat. It became a common phenomenon for income earners in a single family to take on multiple occupations to address the chronic underemployment situation.

3.2 Livelihood in exile

Irrespective of their status - refugee or IDP - households seemed to find their means of livelihood within a short period of time, from the very first day of settlement to one or two months later. In the case of refugees, border countries such as Pakistan and the Islamic Republic of Iran were the major destinations for exile. In those countries low-end labour-based jobs - such as daily wage labour in construction fields, brick making/brick kilns, carrying loads in market places etc. - were easily available, as evidenced by the household cases included in this text. As regards internal displacement, people sought out places where there was not only security, but also greater opportunities for work. The fact that people with refugee or IDP status found work quickly may be attributed to these factors. Nevertheless, to obtain a job, they either used their previous skills (such as driving, carpentry, blacksmithing, masonry, etc.) or became an apprentice to gain a new skill for the job in question (such as carpet-weaving and wool spinning). If neither of these options worked, they took on daily wage-based work (construction, brick making/brick kilns, carrying loads in market, agriculture work, etc.) that required fewer or no skills. Some of the people also started petty trading (such as selling fruits and vegetables on pushcarts), which required less working capital. Starting a small business, either from the savings brought from Afghanistan or through capital accumulation over time, was also quite prevalent. But the incidence of formal jobs was very rare; some found work as guards, cleaners or gardeners in affluent peoples' houses, but they received a very low wage.

As regards the financial access and management of the households during exile, some interesting and revealing facts were revealed by means of the quantitative analysis of the financial part contained in the questionnaires submitted to the HHs during the field investigation.

The first question focused on the financial means of HHs upon arrival. In 40 per cent of the total cases, savings accounted for their most common source of financing and the most widely used tool to finance their first expenditures in their new destination (including the transportation costs involved in reaching

⁷ *National Risk and Vulnerability Assessment (NRVA) 2007/8*, Central Statistics Office, Afghanistan

⁸ Anna Patterson: *Labour markets, livelihood strategies, and food security in Afghanistan* (FEWS NET, 2008).

this destination). More than a quarter of the HHs interviewed stated that they had financed their expenditures by selling assets that they were carrying with them. Nineteen per cent claimed that their main source of financing consisted of interest-free loans from friends or relatives. In only a few cases did the interviewees state that a daily wage was one of the main sources of survival upon arrival, and five percent of the total cases referred to UNHCR assistance. While it is not the aim of this analysis to make a regional disaggregation of the results, it is important to highlight that the data collected revealed striking regional differences. In the ER/SER/SR the dependency on savings was significantly higher⁹ (75 per cent of the cases) and borrowing money was only observed in a few cases (five per cent of the total). The other regions (NR, WR and CR/CHR) showed an opposite pattern: fewer savings and more borrowing. These funds were mainly used for normal household expenditures such as food, electricity, gas, clothes, transport costs and the improvement of housing conditions.

There are some interesting observations to make on those who borrowed money. In the majority of cases, repayment periods extended over a long period of time (54 per cent of these loans took more than six months to repay). In a few cases, despite the many years spent in exile, loans had not been repaid at the time the interview took place. Whenever loans had been effectively cancelled and duly paid, salaries and income from IGAs had mostly covered these.

A second important financial dimension worth highlighting concerns the use of financial services during displacement. One out of five households borrowed or bought on credit during their period of displacement. The use of this credit was similar to the way they had disbursed their money at the beginning of their displacement period - mainly for normal household expenditures. In a few cases, HHs stated that they had financed large expenditures such as weddings and funerals. Another similarity to the first financial dimension is that a high percentage of the loans have still not been repaid - or took a very long time to do so.

These findings reflect to a certain extent that borrowing with no interest was seen as a first option to compensate for a lack of income, especially when savings were no longer available. The failure to repay loans, despite the passing of considerable periods of time, is an important issue and will be developed in the following sections of this report.

CASE 2: The positive use of informal lending mechanisms while living at a refugee camp

This family, displaced from Koprook, decided to go to Pakistan in 1999 because of the Taliban attacks in their area. To make matters worse, the Taliban seriously injured the head of the HH in one leg during their displacement. During the first six months in their new country, the family stayed at Peshawar before moving to a refugee camp in Parachinar Tehsil in Upper Kurram, where they stayed for three years.

The financial management of this seven-member family reflects some of the main trends described in the report. This particular case is a positive example of the use of the informal lending mechanisms prevalent amongst Afghans. This family was only able to go to Peshawar because of their savings, and their only way of surviving upon arrival was to borrow money for their daily expenses. The source of this money was relatives who had migrated

⁹ The reasons for this finding are unclear. Higher income does not seem to be an explanation. Cultural factors might play an important role. Further research could be conducted in this regard.

some time before them, and who were already settled and managing a carpet company. The credit was without interest and was used for expenses such as rent, electricity costs and basic goods.

Some days after their arrival, three daughters and the household head were already working for their relatives in the carpet-weaving company. When they moved away from Peshawar, they made an interesting “lease-purchase” arrangement with their relatives’ carpet weaving-company: through their monthly work, they bought their own weaving machine to take with to the UNHCR camp. Their wages were deducted every month for this purpose, since they kept on working for the same people after moving. Once at the refugee camp, they also received extra help from UNHCR in the form of food supplies (which may have been provided by other agencies such as the World Food Programme – WFP). At the camp, the weaving companies had set up a raw materials distribution scheme, since many households were involved in the same sort of arrangement. The family recounted that they had been able to accumulate savings because they received the daily food ration (and thereby saved the cost of food). It was through this saving that they had been able to repay the original loan in 2.5 years and be owners of a very important productive asset.

Key message: Borrowing money with no interest acts as a safety net at the beginning of exile. Food support and a lease-purchase scheme within the refugee camp allowed the family to work and accumulate savings.

3.3 Return to homeland or from displacement

Refugees and IDPs had different reasons to return to their place of origin. For the refugees living in a camp, the closure of the camp to facilitate repatriation acted as the main driving force, whereas in the case of refugees living outside of any camp, the prime reason was harassment from the law enforcement agencies. Not all refugees or IDPs were pressured into repatriating or returning to their places of origin - but in many cases people returned willingly after the collapse of the Taliban regime in 2001, with the ensuing peace that prevailed. However, the majority of this segment of the population, who came back spontaneously, owned some agricultural land, and this acted as an incentive to return. The majority of the IDPs who returned spontaneously also owned some agricultural land in their place of origin.

The financial analysis tried to identify the patterns of access to financial products and financial management in the initial period upon resettlement and found that some of those noted during the exile period were repeated.

This was particularly true in the case of savings, which is still the most important source of financing for refugees or IDPs upon their return to Afghanistan. It is interesting to note that even more HHs cited savings as their main source of financing upon their return than during the displacement period (46 per cent at this stage, compared to 40 per cent during displacement). The percentage of HHs borrowing money or buying on credit was slightly higher than it had been during their displacement (22 per cent compared to 19 per cent). This might have been because borrowing was easier when they returned to their own country on account of their network of friends and relatives. Furthermore, a considerable proportion of HHs claimed that UNHCR’s assistance was essential upon arrival (16 per cent). Only 10 per

cent of them pointed out the importance of a daily wage. There was considerable less selling of assets than during the period of exile (11 per cent compared to 27 per cent) - possibly because many reportedly converted their assets into cash before coming back to the country to avoid extra transportation costs.

CASE 3: Returning home but with no possibility of repayment

This HH was displaced in 1982 from Laghman to Pakistan, where they stayed until 2006. When the family first went to Pakistan, it still had some savings and the head of the HH worked as a religious leader. This gave the family a very low but stable income. The family did not use any type of financial products during the period of displacement. In 2006, they decided to return to Afghanistan because they felt that the situation in the country was stable enough.

They spent their first three years after returning in another community, but from 2009 onwards they have lived in Kas Aziz Khan Township, where the Government assigned them a plot of land. Since then, the family has survived with the help of others, due to their religious status, and on the few savings that they were able to bring with them (10,000 Afs). They asked for a loan of 40,000 Afs from a cousin without any conditionality (*hasana* loan), and spent it on improving their housing conditions and buying supplies of food for the house. Their only source of income at present is their son's salary. He is currently employed by the Afghan Army and contributes part of his salary to the household. The cousin's loan has not been repaid since HH expenses are higher than their income, and there are no prospects for increasing their income in the short-term.

Key message: Borrowing money from a relative acts as a safety net, but there is no possibility of repayment since no extra sources of income are being generated and current income is too low to allow loan repayment.

A deeper look into the patterns of borrowing and buying on credit upon reintegration reveals some significant facts. The vast majority relied on loans from friends or relatives – most of which were interest-free and without any conditionality (only in two cases did people give the use of their land in exchange for receiving the money). Despite a lapse of many years between the period of reintegration and the time the interviews were carried out, 30 per cent of the loans had not been repaid. Of those that had been repaid, five per cent of the HHs repaid their loans in less than one month, 14 per cent between one and six months, 17 per cent between six and 12 months, nine per cent between one and two years - and 19 per cent of the interviewees took more than two years¹⁰. Among those people who had repaid their debts, more tended to repay their installments with money earned as a wage than from their own income-generating activities, indicating that wage work was more stable and possibly a higher earning option than many IGAs. As regards the money borrowed, 40 per cent used the funds for daily expenses and 36 per cent for improving housing conditions. Only seven per cent of the HHs used the money borrowed for starting an IGA.

There is a clear continuation between the period of return and the period of exile or internal displacement, with financial services being mostly used as a safety net. Chapter 7 will explore the day-

¹⁰ The figures do not add up to 100 per cent since some respondents did not provide an answer for their period of repayment

to-day use of financial services to examine whether these trends prevail over time or whether they are just a survival strategy during problematic periods in the lives of the study's target group.

3.4 Livelihood upon return or in displacement

After returning to their place of origin or settling in a new location, returnees/IDPs started a new phase in their "livelihood journey". People with agricultural land started cultivation; others began using their skills (such as driving, metalworking, blacksmithing, carpentry, motor repairs, masonry, plumbing, tailoring, embroidery, carpet weaving and wool spinning), which they had already possessed before leaving their place of origin or acquired during exile or displacement. Some other people started small businesses and petty trading as a response to the influx of people from exile or internal displacement in their respective communities. However, the majority of the people who returned or settled in a new place found their means of livelihood in a fast-growing sector such as construction. Following the collapse of the Taliban regime, billions of donor funds were injected into the country's economy, primarily to reconstruct its physical infrastructure. Subsequently, the construction industry boomed and absorbed a huge volume of the daily wage-based labour force. Construction and its ancillary industries (brick making, sanitary blocks, steelworks, carpentry, painting, etc.) not only require daily wage labourers but also skilled workers. Although this development in physical infrastructure occurred throughout the country as a whole during the past decade (when most of the refugees returned from exile), it was more concentrated in large cities and major urban centres. Consequently, the general population - including the returnees and IDPs - moved from their respective communities to work in large urban centres in the construction industry. But every industry has its ups and downs, growth and declining stages, and the construction sector in Afghanistan seems to have peaked. The HHs case studies reflect a constant decrease in the availability of daily wage-based jobs in construction. Industry experts also express similar concerns. According to the executive manager of the Afghan Builders' Association (ABA), there has been a 30 to 40 per cent drop in investment in construction in 2012 and the number of construction companies has fallen to at most 3,000 compared with 10,000 at one time.¹¹

As mentioned above, the chronic underemployment situation has forced members of returnee/ IDP families to move from one city to another and even to a country of exile (for returnees) to find jobs. As a result, people have been returning to Pakistan or the Islamic Republic of Iran where they were once refugees. The difference now is that the whole family does not leave the country – only those family members who can earn a living for a seasonal or temporary period, or embark upon long-term migration, while the others remain in the country.

¹¹ "As NATO nears exit, construction dries up", in: *The New York Times* (New York), 4 November, 2012

CASE 4: Change in means of livelihood through new skills

Amin was only 26 years old when he moved from Kabul to Herat City in 1998. Prior to that, he used to live in the Sari Khawja community on the Mir Bacha road in Kabul district with his wife, one son and one daughter, and he worked as a mason. Initially he settled in a reintegration site for IDPs in Herat City but left it after one month because of its poor living conditions. He rented a house in the city for 100 Afs per month. To maintain his living standards, he borrowed 2,000 Afs from one of his relatives.

After settling in Herat, he found a job as a porter in the Herat Customs Department through a personal reference from a relative who used to work there. He earned 200 Afs daily for 10 hours of work, with 15 days of work per month. For the rest of the month he worked as a porter in the Herat City market, where he earned 40 to 50 Afs per day. On average, his monthly income ranged from between 5,000 to 6,000 Afs. After four months, he repaid the loan to his relative.

After he had worked 10 months for the Herat Customs, the local people started protesting against the hiring of outsiders when there were so many local people unemployed. Consequently, he lost his job and his monthly income was drastically reduced. As the job at the Herat City market was heavy work and he was not earning enough to pay the rent and maintain a fairly good standard of living, he returned to Kabul City and rented a house again in 1999. He had savings of 9,000 Afs.

After returning to Kabul, he started taking driving lessons from one of his friends who had a taxi. He learned driving in 20 days and started working as a driver for a taxi owner. He was paid 4,000 Afs a month and he continued to work for him for one and half years. In 2000, he bought a taxi on credit for 50,000 Afs. He paid back the taxi loan in two years and operated his own taxi for 8 years - until 2008 when he settled in Alice Ghan.

As he had been living in a rented house, he preferred to settle in Alice Ghan as the Government was distributing plots there. He had to pay a nominal price of 4,500 Afs for a 30-square metre plot. He sold his taxi for 30,000 Afs, and other household assets such as a refrigerator and fans for 10,000 Afs. He also received 10,000 Afs from one of his brothers as a gift. He spent the money on building his house and buying necessary items.

In Alice Ghan, he started working as a mason again as there was plenty of infrastructure development work. As he was a master mason, he took contracts from organizations and built houses, employing two to three labourers. After the first two years, construction work in the site started to decline. Consequently, he went to Kabul and found a job in a private construction company with a monthly salary of 15,000 Afs. He eventually had to leave his job as the city was far from his worksite and there were no proper means of public transportation. After a week, he started to drive a bus donated by a UN agency for people commuting from the site to Kabul City. He receives a fixed salary of 3,500 Afs per month by the donor, and 40 Afs from each passenger for a one-way trip. He also buys fuel and bears the maintenance costs of the bus. He now earns 7,000 to 7,500 Afs net at the end of the month, including his fixed salary.

Key message: Gaining new skills without any external/donor support and consequently using these skills to find a means of livelihood.

4. THE CONTEXT: REINTEGRATION SITES AND TARGET PEOPLE

It was observed that the major source of income for households was daily wage labour in urban centres, followed by agriculture and livestock. Other sources of income included wage labour inside the community, as well as informal work, small businesses and formal jobs – both inside and outside the community. The proportion of households relying on a particular source of income varied from site to site. These discrepancies may be largely attributed to their respective degree of reliance on agriculture and their distance from urban centres. The comparison of income by occupation confirmed that the high ground was occupied by formal jobs and a number of small businesses, while occupations typically promoted by livelihood programmes were extremely badly paid. Income from agriculture and wage labour occupied the middle ground, with substantial variations between those at subsistence level and the “better-offs”.

Reintegration is a process that should result in the disappearance of differences in legal rights and duties between returnees and their compatriots and the equal access of returnees to services, productive assets and opportunities..... In broad terms, reintegration is “equated with the achievement of a sustainable return- in other words the ability of returning refugees to secure the political, economic, [legal] and social conditions needed to maintain life, livelihood and dignity”.¹²

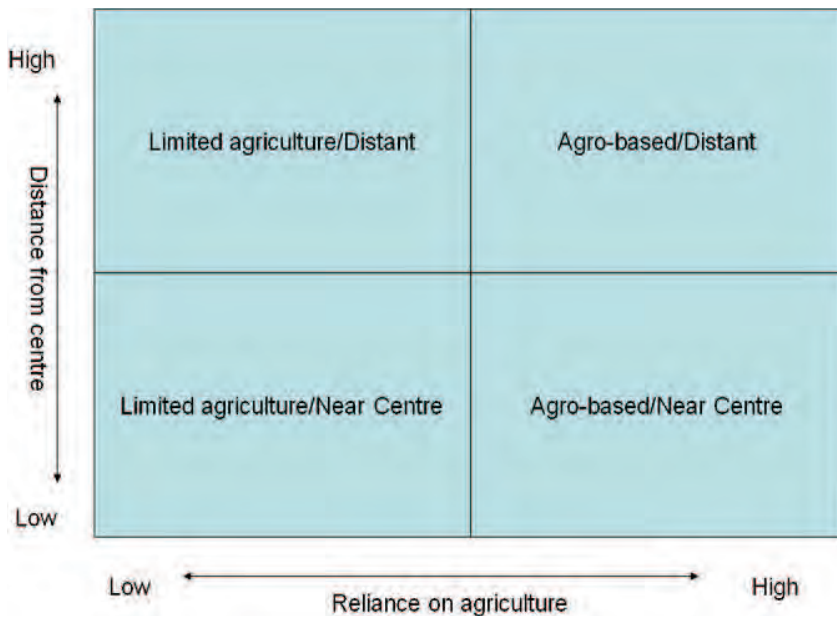
UNHCR is in the process of reintegrating returnees and seeking durable solutions for IDPs in different locations throughout Afghanistan. Among the sites, 22 were selected to carry out this assessment. These sites differ by virtue of their location, resources, ethnic composition, livelihood opportunities, years of establishment, presence of host communities and so on. Despite this, there is a general pattern to these sites.

4.1 The typology of the sites

The following two criteria seemed to play a vital role in determining the livelihood of people in the reintegration sites, and are therefore used to categorize the sites’ typology.

1. **Degree of reliance upon agriculture:** the number of people in the site dependent upon agriculture for their income; opportunities of agricultural wage labour for those who do not have land; cropping intensity in the area; subsistence or commercial farming.
2. **Distance from an urban centre:** “distance” is considered here as being more than physical distance. It includes road conditions; means of transportation, their availability and accessibility; time needed to reach the urban centre; and commutability.

¹² UNHCR: *Handbook for Repatriation and Reintegration Activities* (Geneva, 2004).



4.2 Twenty-two reintegration sites broken down by typology

In line with the criteria discussed above, all 22 reintegration sites have been positioned according to their characteristics in figure 4.1. It may be noted that only the returnee/IDP communities are considered in the figure, as in most cases the host communities exhibit different characteristics with respect to “reliance on agriculture”. The details of the reintegration site profiles, contained in Appendix I, have captured these characteristics of both returnee/IDP and host communities.

Figure 4.1 Twenty-two reintegration sites broken down by typology



Figure 4.1 clearly divides the sites into four categories. But it is clear that the relative position of each site compared to the others – even those in a particular category - demonstrates its inclination towards either or both of the criteria.

4.2.1 Limited agriculture and near an urban centre

Region ¹³	Reintegration sites
CR and CHR	Shashpool, Kochi Abad
NR	None
WR	Shogofan, Kurji
ER/SER/SR	Sheikh Mesri New Township (LAS), Tera Bagh, Kerala

Key features

- *Mostly under land allocation schemes or a new settlement*
- *Less economic activity within the community*
- *Higher propensity for urban-based informal work or wage labour (daily commuting but also some seasonal migration)*
- *Livestock is also limited*
- *Access to naturally grown resources (fruit, etc.) is also limited*

In this typology, all sites apart from Tera Bagh are either under land allocation schemes (LAS) or newly established, where people settled after returning or coming from displacement. In general, there is hardly any agricultural activity within these sites, as the people do not own any cultivable land. However, some of the neighbouring host communities are involved in agriculture, thereby providing the people within the reintegration sites with agriculture-based wage labour and/or sharecropping opportunities. Although Shashpool and Kurji returnee/IDP communities do not have any agricultural land, some people have been able to find sharecropping or agri-labour opportunities in the host communities or surrounding villages. The relative position of these reintegration sites therefore show a greater reliance on agriculture than other sites classified under this typology.

Because of the proximity to an urban centre and better road connectivity, many people commute on a daily basis to find work. Consequently, long-term seasonal migration to other major urban centres is less frequent compared to other site typologies.

As these sites are LAS or new settlements, there were usually job opportunities in the construction sector when they were first established. Over time, this construction work decreased and more people tended to move to the nearest urban centre to find employment.

¹³ For the ease of analysis, CR and CHR are grouped together. Similarly, ER, SER and SR are grouped together.

4.2.2 Limited agriculture and far from an urban centre

Region	Reintegration sites
CR and CHR	Alice Ghan, Barikab
NR	Sholgora
WR	None
ER/SER/SR	Chilmati, Kas Aziz Khan

Key features

- Mostly under land allocation schemes or a new settlement
- Least economic activity within the community
- Seasonal migration to urban centres
- Limited basic services, with people tending to move to other places permanently

These sites share some similarities with those in the previous typology. There are little or no agriculture-based work opportunities and most of them are LAS; however, they differ on account of commuting difficulties. The sites are far from the nearest urban centre - not only in terms of physical distance but also because of the public transport situation, and the cost and time required for daily commuting. As a result, people tend to work outside the community in major urban centres or other countries on a seasonal or temporary migration basis, rather than commuting every day. In the worst case scenario, people even leave the sites permanently and settle elsewhere. Many people from Alice Ghan, Barikab and Kas Aziz Khan (all of which are LAS) have left the sites permanently and are currently living in another place. In addition to the problems of commuting, the lack or limitation of basic services such as drinking water, schools and healthcare services have prompted them to leave the site, even if they have bought land in the community. By contrast, Sholgora has successfully retained its returnees/IDPs, despite being an LAS, for two main reasons: first, the presence of host communities with agricultural land close to the site; and second, a nearby bazaar that has facilitated economic activities.

4.2.3 Agriculture-based and near an urban centre

Region	Reintegration sites
CR and CHR	Khanjar Khil
NR	Qizli Sai
WR	Kahdistan
ER/SER/SR	Saracha, Fatih Abad, Baba Wali

Key features

- Six to nine months' work in agricultural fields
- Commercial agriculture prevails to some extent
- Upward mobility towards a better livelihood based on capital accumulation through agriculture
- Livestock as a primary or secondary income source or as a safety net

These reintegration sites are blessed with agricultural land within the community and are also located in proximity to an urban centre, both of which factors help the residents in the community attain a better economic profile compared to those living in other site typologies. The sites in the ER/SER/SR have three crop cycles a year, whereas the other sites have only two. This comparative advantage of higher cropping intensity provides the people in the site with more work in agricultural fields of their own, or under sharecropping arrangements or as agricultural wage labourers. As far as agricultural wage labour is concerned, a single crop can provide 1-2 months of labour opportunities, and this multiplies as the number of crops per year increases. Higher cropping intensity (attributed to irrigation facilities) leads to the growing of cash crops such as vegetables, which also enables the farmers to trade in the markets in the nearby urban centre.

In addition, an area suitable for agriculture enables people to rear livestock due to the availability of grazing land and livestock fodder. Consequently, many people in these sites also have livestock, which are mostly considered as a form of savings that can be liquidated in a crisis. Nonetheless, some of the people also rear livestock on a commercial basis. Because of the proximity to the urban centre, daily commuting is extremely prevalent, alongside seasonal or temporal migration to other urban centres.

4.2.4 Agriculture-based and far from an urban centre

Region	Reintegration sites
CR and CHR	Koprook, Aqrabad
NR	Baimoghly
WR	None
ER/SER/SR	Gardighous

Key features

- *Three to nine months' work in agricultural fields*
- *Limited commercial agriculture*
- *Livestock as primary or secondary income source or as a safety net*
- *Seasonal migration to urban centres for wage-based work*

This site typology resembles the previous one with respect to reliance on agriculture but strongly differs in terms of distance to urban centres. Bamyān, Koprook and Aqrabad have only one cropping season – albeit prolonged - because of the altitude and harsh winter; however, Gardighous has three crop cycles a year and Baimoghly has two, and these keep people in the community occupied for six to nine months a year. By contrast, the sites in Bamyān only provide agricultural opportunities for three to six months a year. Among the sites under this typology, commercial agriculture only prevails to a significant extent in Baimoghly. Although this site is far from the provincial capital, the presence of an agricultural wholesale market in the district centre has worked as a catalyst for commercial agriculture in the village. Despite all this, people from all these sites tend to migrate to different provinces (and also outside the country)

on a temporary or seasonal basis because of the distance from an urban centre and poor commutability. The rearing of livestock is also common in these sites, as a primary or secondary income source and also as savings that might be liquidated in a crisis.

4.3 Household category by means of livelihood

HHs can be categorized according to a number of criteria such as types of occupation, number of income earners, education level, annual income or even migration, but the overarching determinant is their means of livelihood. Table 4.1 shows the livelihood means of HHs in different sites (a single HH often has multiple sources of income).

Table 4.1 Means of livelihood inside and outside the community¹⁴

Reintegration Site	Inside the community						Outside the community			
	Agriculture (%)	Livestock (%)	Wage labour (%)	Informal workers (%)	Small business (%)	Formal jobs (%)	Wage labour (%)	Informal workers (%)	Small business (%)	Formal jobs (%)
CHR/CR										
Shaspool	10	4	30	85	3	2	65	8	<1	4
Koprook	100	90	0	15	1	2	80	3	1	3
Aqrabad	95	70	0	5	<1	2	100	10	<1	2
Kochi Abad	<1	25	95	<1	0	0	95	0	0	<1
Barikab*	0	0	30	<1	3	10	33	5	4	10
Alice Ghan*	0	0	20	30	7	5	20	5	4	3
Khanjar Khil	70	10	10	<1	2	0	30	<1	5	15
ER/SER/SR										
Saracha	60	30	10	5	10	10	60	15	5	1
Fatih Abad	40	30	5	1	<1	<1	60	5	5	2
Sheikh Mesri	1	1	10	2	<1	<1	80	5	5	4
Gardighous	50	20	2	1	5	1	40	1	2	5
Chilmati	10	15	10	<1	<1	<1	70	1	2	1
Aziz Khan Kas township	0	15	10	5	<1	<1	80	9	4	5
Kerala	8	5	10	20	8	1	30	15	20	2
Tera Bagh	0	0	10	<1	<1	<1	90	10	2	4
Baba Wali	40	30	10	<1	1	<1	60	2	5	1
NR										
Sholgora	30	10	10	30	<1	0	99	10	5	1
Qizli Sai	80	50	5	1	1	1	90	10	5	15
Baimoghly	99	30	5	2	1	<1	50	6	2	4
WR										
Shogofan	0	6	30	1	1	<1	80	5	0	1
Kahdistan	70	30	10	<1	2	0	80	10	5	0
Kurji	10	5	20	0	<1	0	80	7	1	0

*Although no agricultural work is recorded in these sites, some people have agricultural land outside the community and cultivate crops in the Qarabagh district, although this only applies to a few persons. However, the percentages of HHs involved in different occupations in these two sites are somewhat unclear and not in line with those of other sites. They may be under-reported to emphasize the difficulties in finding jobs.

¹⁴ Based on information gathered from the inception meeting with the respective CDC executives and follow-up field visits.

Three major groups of livelihood may be observed:

- A. Daily wage-based HHs
- B. Agriculture-based HHs
- C. Livestock-based HHs

It should be noted that many HHs have several income-earning members with different means of livelihood, so that HHs are usually of a mixed type. Nonetheless, the dominant means of livelihood can determine the type of HH.

A. Daily wage-based HHs

Who does this group include? It includes HHs with family members working in unskilled and daily wage-based labour - in construction, brick making/brick kilns, carrying goods at the market, loading and unloading, etc.

Where do the members of this group work? They work mostly outside the community. A few sites (particularly LAS) have a considerable amount of building activities when they are newly established, and people tend to work inside the community. However, over time, when construction decreases, people tend either to leave the site permanently or commute daily; they may also leave the community to work on a seasonal basis in other major urban centres or even go outside the country, which is also a common pattern - to a varied extent - in different types of sites. Seasonal or temporary migration for work in major urban centres is related to the typology of the site. For instance, in sites with one agricultural crop a year, many people go to urban centres to look for daily wage opportunities. The ratio of persons moving out is inversely proportional to the cropping intensity in a particular site, which, of course, is understandable.

How much do members of this group earn? In the case of an unskilled wage labourer, the daily wage rate does not vary much - 250 Afs to 300 Afs, sometimes 400 Afs. On average, a wage labourer earns 6,000-7,000 Afs per month. Nonetheless, this average income can only serve as a reference for a maximum of nine months per year, as there is hardly any work during the winter. This is one of the reasons why people migrate to Pakistan and the Islamic Republic of Iran as these countries provide year-round job opportunities.

B. Agriculture-based HHs

Who does this group include? It includes all types of HHs either cultivating their own or leased land, or involved in sharecropping and in agri-based wage labour.

How does the cropping intensity affect involvement in farms? The greater the cropping intensity, the greater is the availability of work. In CHR, there is only one crop cycle a year and hence farmers remain occupied for only five to six months (an extended period due to agro-climatic conditions). When there are two crops a year (in CR, WR and NR), farmers remained occupied for six to nine months, and in the case of three crops a year (ER/SER/SR), they work almost year round. If cultivation is under a leasing

agreement or sharecropping, the involvement is similar. In the case of agricultural-wage labourers, they are able to work for one or two months in an area that has only one crop - mostly during the harvest. But in an area with three crops, they are able to work for three to six months.

Types of land and crops. Land can be basically classified as rain-fed or irrigated. ER has the highest degree of irrigated land. In other regions, both types of land exist, even within a site with only one cropping season. Growing wheat is common on all rain-fed land, and it is harvested in spring. Irrigated land, on the other hand, is used for growing wheat, vegetables, fruit or other cash crops.

Is the agriculture at subsistence level or carried out on a commercial basis? This varies according to the site typology but also according to the size of the land holding. Wheat is mostly grown for home-consumption, whereas other crops are grown more for commercial purposes. People with small plots of land tend to grow wheat.

Income earned from agriculture. This naturally also varies according to the size of the land holding. Taking the average land holding to be 1-2 *jerib*¹⁵, wheat farmers harvest around 500 kg per cycle. The cost of production does not exceed 1,000 Afs, which means that real income is around 7,000-8,000 Afs for one *jerib* of land. Other cash crops, however, can earn from 15,000 to 30,000 Afs (30,000 Afs can be earned from growing grapes, 20,000 Afs from potatoes, etc.) for a single crop excluding expenditures. An agri-wage labourer can earn a wage rate that is similar to other daily wage rates (250 to 300 Afs), but they are usually paid in crops not in cash. In the case of leased land, a farmer usually pays 3,000-4,000 Afs for land with a single crop. The distribution of crops in sharecropping, on the other hand, varies from area to area; a farmer receives one-fifth to half of the crops harvested and the remainder goes to the landowner. The share varies - depending on whether the farmer is contributing only labour or also the costs of other inputs.

C. Livestock-based HHs

It is common to find households with a few livestock throughout all the sites and typologies, although their number varies. The LAS or new settlements, such as Barikab, Alice Ghan, Kochi Abad and Shashpool, have the lowest number of such households. The tendency to have more livestock is particularly marked in those sites with a greater reliance on agriculture, irrespective of their distance from urban centres. However, nomads (Kochi), even if they live in a LAS or new settlement, rear livestock on a commercial basis (a few live in the Kochi Abad site), although there are not many of them. Many of the households rear a few animals as a savings in kind, which they can sell to address their periodic debts or when they need additional finance.

OTHER TYPES OF HHs

Informal work-based HHs. This group includes HHs with family members working in skills-based jobs such as welding, carpentry, carpet weaving, masonry, electric works, tailoring and so on. Most of the

¹⁵ 1 *jerib*= 1/5 hectare or 2,000 square metres

sites include people with these skills as a result of the development organizations' extensive skills-building activities, although some other people acquired them on their own initiative by working with private sector. Unfortunately most of the people trained by the development organizations are either idle or have returned to their previous jobs (mostly daily-wage labour), or have ended up working with subsidized wages for the same organization that provided the training, which is not sustainable.¹⁶ On the other hand, those who gained their skills from the market (as an apprentice or working informally) are continuing with their jobs - but mostly outside the community. People working outside their community as informal workers without external support earn 2,000-10,000 Afs per month, whereas those working with a development organization earn 1,000-3,000 Afs a month - but they do not have a permanent job. The occupations and earnings vary significantly across the sites and from individual to individual. Further details can be found in the site profiles in Appendix 1.

IGAs/small businesses. A significant portion of HHs are involved in small businesses both inside and outside the community. Inside the community, running a grocery shop is the most common business, whereas, in the city, selling items such as vegetables, fruits, stationary and children's toys on pushcarts is widespread.

Formal jobs. The two most common formal occupations are teaching in schools, and working with the Afghan Police and Army. A school teacher usually earns 6,000 Afs a month, whereas those working for the Police and Army earn a salary ranging from 6,000 to 15,000 Afs. The constant cash flow is the major characteristic that differentiates formal jobs from others – where, in most cases, the cash flow is seasonal.

4.4 Occupations and income

The target population is involved in a wide range of jobs, with levels of income that vary both across occupations and within the same one. Although not representative of the target population, this study collected samples of income levels across typical types of jobs. Some of these jobs provide a stable income year round, while others are seasonal or fluctuate to a great extent. People also often have multiple occupations, either simultaneously or periodically, to address the situation of poor income or the seasonal nature of jobs. Figures 4.2 and 4.3 assess all these dimensions, with one comparing monthly income and the other annual income. To compare monthly income, the total income from one particular job is divided by the months of occupation, whereas to compare annual income, all the income from one or multiple occupations of a single person is summed up. Figures 4.2 and 4.3 confirm that jobs in the formal sector (medical doctor, police officer, office secretary in NGOs, etc.) and some small businesses (meat shops, truck driving, taxi driving etc.) bring in a higher income than occupations usually promoted by livelihood programmes (tailoring, embroidery, wool spinning, etc.), which are extremely badly paid. Income from agriculture and wage labour occupies the middle ground, with substantial variations between those living at subsistence level and the “better-offs”.

¹⁶ There is a notable exception where a Fair Trade NGO (ARZU) successfully captured a high-end niche in the United States for Afghan rugs, which provides better-than-market wages for the home-based weavers. However, their expansion capacity is limited and the success in a reintegration site cannot be replicated on a large scale.

Figure 4.2 Varying levels of monthly income per person by occupation

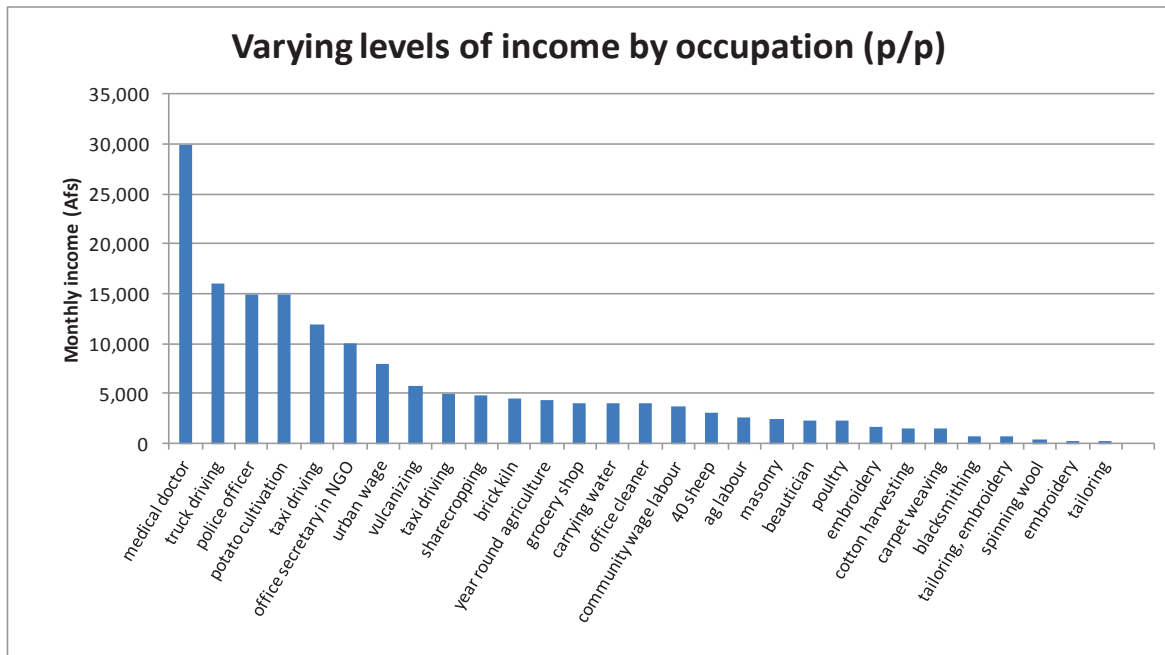
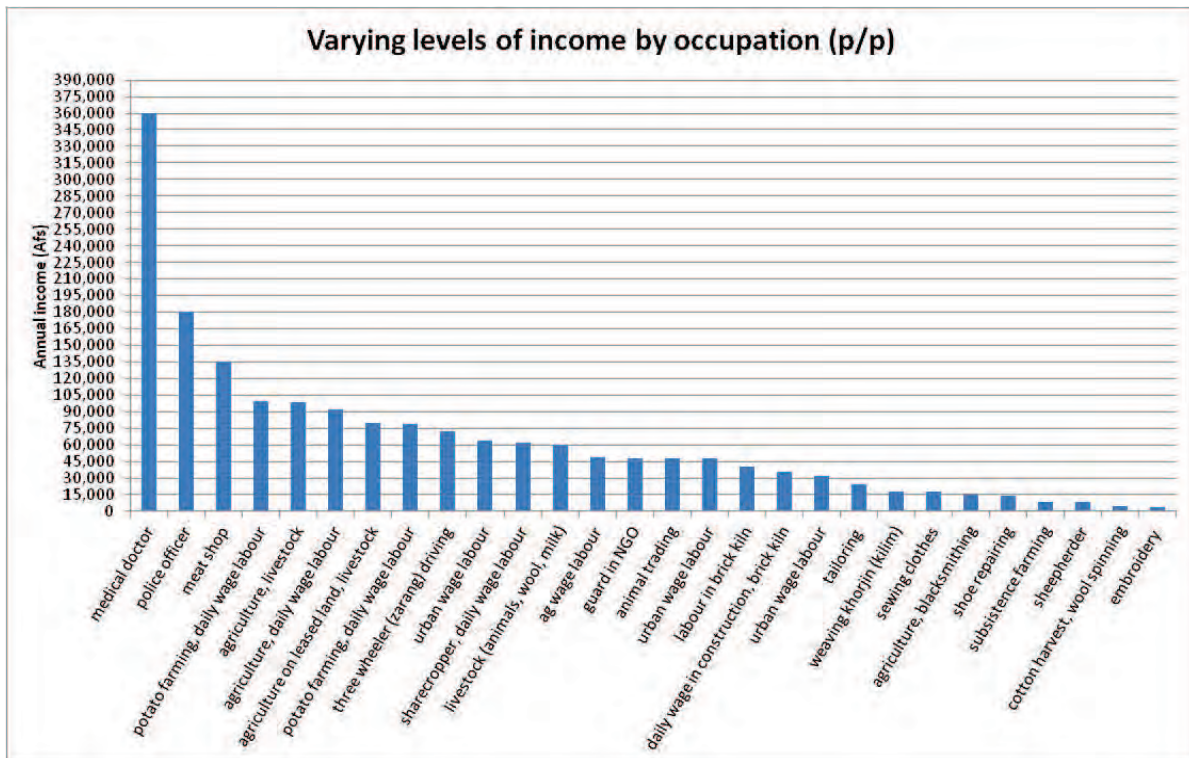


Figure 4.3 Varying levels of annual income per person by occupation/s



5. A CLOSER LOOK THROUGH THE LIVELIHOOD LENS

Local labour mapping identified the dependence of the target households on various types of livelihood options within the community, while the labour and business mobility mapping captured jobs outside the community, mostly migrant work in urban centres or in other countries. The patterns reflected the limited impact of external assistance, and demonstrated the dynamics of the labour market – people move to where jobs are and continuously search for better ones.

Findings from the educational mobility and school-to-work transition mapping confirmed the utility of investing in education for high-school graduates and higher education in general, but the fact that many still end up with low-end jobs could strengthen the resolve of some households to force their children to start working early. Most young people who spent their childhood in exile have little or no education. Girls remain disadvantaged when it comes to continuing their education and finding jobs outside their community.

Households can be vulnerable for various reasons, but the matter is particularly acute when the main income-earner is disabled. Almost every site has a significant number of people with disabilities, of which the most common cause appears to be the effects of war. In most cases, people with disabilities remain idle at home. In cases of partial disability, men tend to work in areas that require less physical labour. There are some social protection schemes available, but few from the target population seem to benefit from them.

The business development services (BDS)/training mapping found that few returnees/IDPs have access to these fee-based services. There are opportunities to tap private firms providing agriculture and livestock inputs to provide embedded BDS, which are self-sustainable by nature. There are a number of free or public services available through the Government or donor-supported programmes.

After having analysed the site typologies and household categories broken down by major livelihood means, a closer look at the various dimensions to which a livelihood is linked reveals information that will help design effective interventions.

5.1 Local labour mapping

Local labour mapping identifies different types of livelihood options that the HHs have within the community. As shown in table 4.1, the major means of livelihood are agriculture, livestock, wage labour, informal work, small businesses and formal jobs, which vary from site to site depending on certain characteristics of sites typology. Local labour mapping has been partially examined under the sections on the typology of sites and categories of households in Chapter 4. This section will therefore highlight only the dynamics of local labour opportunities - how they change over time or in different seasons.

Although agriculture is at subsistence level in some sites and in certain HHs, there is also evidence of capital accumulation based on commercial agriculture in some areas – hence pointing to upward mobility towards better economic well-being. Wheat is the staple food item and thus cultivated in both rain-fed and irrigated lands. It is unlikely that subsistence farmers will shift from wheat to other cash

crops in the near future. Commercial agriculture is mainly confined to vegetables, fruits, oil seeds etc. However, rainfall and irrigation are strong determinants of agricultural production. Drought has severe effects on people's livelihoods as production declines in rain-fed lands. On the other hand, a lack of irrigation facilities also hampers production and forces people to find an alternative livelihood even when they have irrigated lands.

The level of construction work determines the wage-labour opportunities within the community. Land allocation sites or new settlements increase daily wage-based labour - but when construction work declines over time, so do the work opportunities. Consequently, wage labourers leave the community either temporarily or permanently to find similar work. This has happened in many LAS such as Alice Ghan, Barikab and Kas Aziz Khan.

Site-based informal work is mostly dominated by donor support-driven training, leading to little work with poor wages or no work at all. Nonetheless, people gaining market-oriented skills are better off as they have more work and a better income.

IGAs/small businesses within the community are directly linked to the population at the site. In many of the sites the population is somewhat stagnant (as fewer people are coming in) or even decreasing (in the case of LAS), resulting in the poor or sluggish growth of small businesses.

Formal jobs within the community are very limited and are unlikely to open up more opportunities in the near future. Building new schools can create some positions for a handful of new teachers, but other jobs linked with NGOs (such as cleaners and guards) are mostly project-based and unsustainable.

CASE 5: Capital accumulation primarily based on agriculture (also livestock) and occupational diversification; an example of a family's upward mobility

Hadi fled to Pakistan in 1979 from Qizli Sai village along with his parents, wife, three younger brothers and one sister. He settled in Peshawar in the Bara area (not in a refugee camp) and stayed there for 17 years before he finally returned to his village. After being in Peshawar one or two weeks, he found work as a wage labourer. He was the only wage earner in his family then, as his father was too old and his brothers too young to work. At the beginning, his wage was 25 PKR per day for 12 hours of work. At the end of his exile period, he was still working as a daily wage labourer and earning 150 PKR per day. By that time, one of his brothers had opened a shop and another brother had started working as a sharecropper with local landowners. The family, as a whole, was earning well and living a fairly good life.

He returned to Qizli Sai in 1996, as the civil war ended, along with his wife, two sons and one daughter, one brother and his wife. He brought 50,000 PKR as savings - but unfortunately people had grabbed his land in Qizli Sai and most of his savings were spent on recovering his land. The remaining amount was used for food during the resettlement period.

After coming back, Hadi and his brother started working on their agricultural land growing wheat. They were kept busy working on their land for almost the whole year, except for three months in winter. They used to sell half of their harvest for 15,000 Afs and kept the rest for family consumption. After a number of years, his brother left and his sons had grown up – but he remained busy cultivating wheat and cotton on his 4.5 *jerib* of irrigated land. He grows wheat for family consumption and cotton for commercial purposes. Currently, he earns 35,000 Afs per year by selling cotton. He feels that his yields are higher than before because of the good irrigation facilities. Meanwhile, he has started rearing livestock for supplementary income, and to cultivate land. He now has ten goats and six sheep for commercial purpose to multiply and sell. Every year he earns 10,000 Afs by selling livestock and maintains the same herd size. He has also two oxen and one milking cow - but for agriculture and household purpose.

In addition to his agricultural activity, Hadi has opened a restaurant in Kunduz city drawing upon his capital accumulation. Two of his sons work with him in the restaurant and also live there, going home once a month. The daily net income from the restaurant is 500 Afs. Hadi himself goes to Kunduz city once a week to supervise the restaurant. Another son found a job as a security guard in MTN (a mobile network operator) earning 10,000 Afs per month. He comes home once a week. The other son has opened a fruit juice shop in Kunduz City earning 250 Afs per day. All together the current family income is 36,250 Afs per month. Hadi usually saves money for the future. He is planning to buy a house in Kunduz City in one year's time. He thinks a house would cost 700,000 Afs.

This case is important as it demonstrates how uninterrupted agricultural activities can lead to capital accumulation, and from there to starting a small business. These types of cases are observed in the agricultural-based reintegration sites, where irrigation facilities are comparatively better and consistent.

Key message: Commercial agriculture supported by better irrigation facilities can lead to improved household economic conditions. Capital accumulation may also pave the way for new businesses.

CASE 6: Subsistence agriculture-based family with multiple sources of income becomes vulnerable when agriculture fails

Fida Hussain, a 27-year old man, fled to Pakistan with his family when he was only nine months of age. The family went to Quetta in Beluchistan province in Pakistan, but they did not live in a refugee camp. In 2006, he returned to his birthplace, Qizli Sai village, in the Aliabad district of Kunduz, along with his mother, wife, one son and a younger brother (his father had returned a few years earlier). Fida had savings of 20,000 PKR (equivalent to Afs 16,000 in 2006) in Pakistan, which he spent on travelling back to his village (transportation and food). He could only carry items of furniture such as mattresses, blankets and kitchen utensils. By the time they arrived in Qizli Sai, his father had already started working in agriculture and had managed to save some money. Upon arrival, they did not have a house and lived under a tent for one month. After a month they started building their home with the father's savings - and by selling his cows for around 90,000 Afs.

Five to six months later, Fida's brother, father and himself started working as agricultural wage labourers. They were employed for almost nine months of the year. Each of them earned 3 *ser* (1 *ser* =7 kg) of wheat for every day's work (13 hours). Each *ser* could sell for 60 Afs. This way, their total monthly income was around 16,200 Afs.

However, after a while, they started working on their own agricultural land (5 *jerib* and rain-fed), where they grew wheat. They used it for their own consumption and also partly as seeds for the following year's crop. As time went by, the crop yield started to decline considerably. Whereas earlier they had harvested 500 *ser* of wheat, now they were only getting 200 *ser*. Drought was no doubt one of the key reasons for this decline. In 2008/9, there was a severe drought and agriculture was seriously affected, resulting in few or no jobs. At that time, Fida and his brother went to Pakistan for six months to work as daily wage labourers.

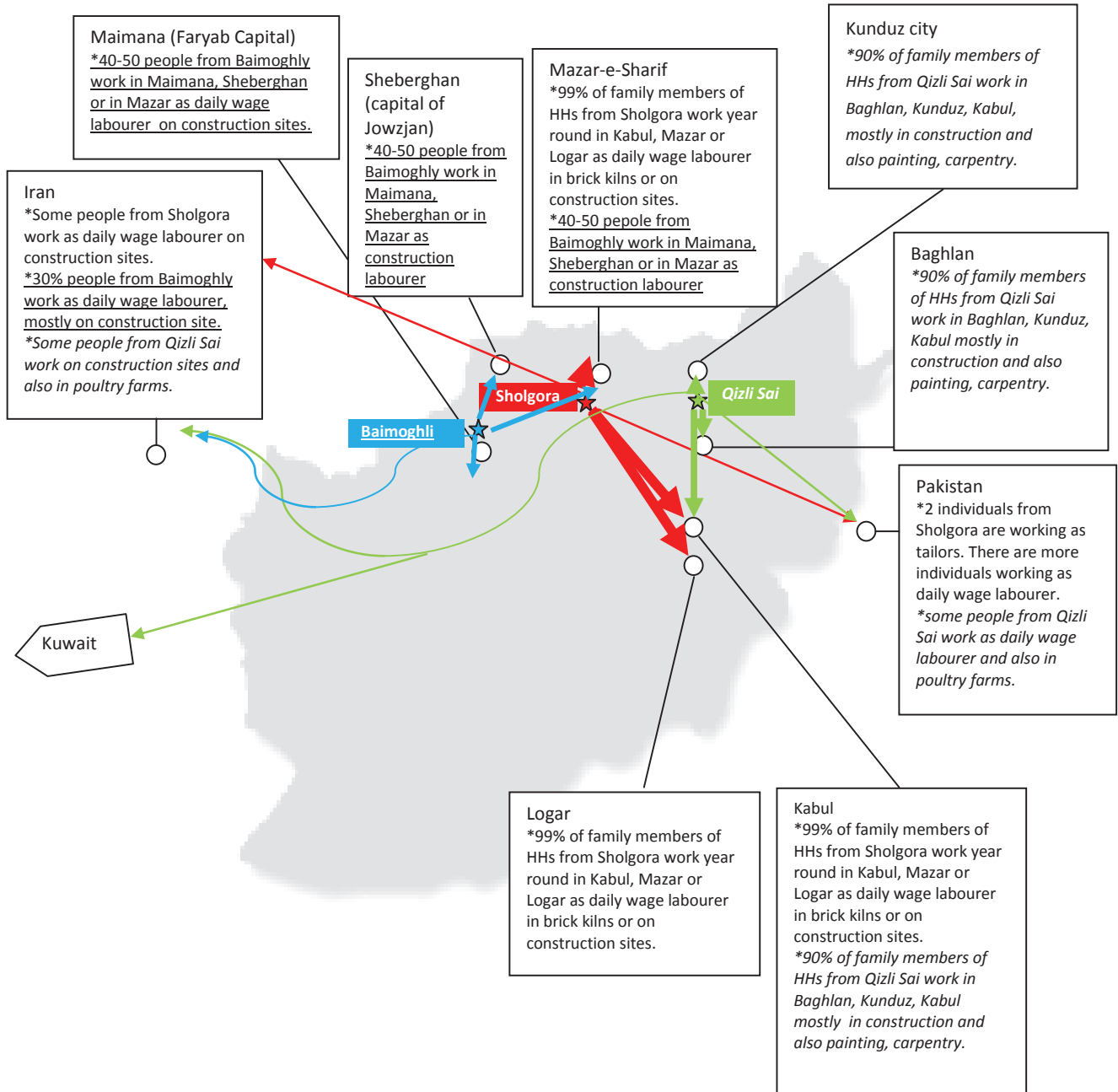
To generate cash income, the family now works as daily wage labourers earning 200 Afs per day. On average, they can work three days a week after doing agricultural work on their own land. Hence, their combined cash income from wage labour is 7,200 Afs per month. In addition to this, they collect pistachios from the mountain trees and receive around 6,000 Afs a year.

Key message: Owning agricultural land does not necessarily ensure sustained means of livelihood. The lack of irrigation facilities is still a major issue in the agriculture-based HRAs.

5.2 Labour and business mobility

The mobility mapping of labour and businesses captured the dynamics of people leaving the site to look for alternative livelihoods. Table 4.1 clearly shows that the majority of people at any site, irrespective of its typology, find their means of livelihood outside the community, mostly in urban centres or outside the country. Only a few sites such as Alice Ghan, Khanjar Khil and Kerala show a relatively smaller percentage of people going out to work as daily wage labourers. This may be attributed to their site typology - and also to the fact that people leave the site permanently. Figure 5.1 shows the labour mobility (as a sample) from the three sites in the Northern Region (NR), which clearly shows people's outward mobility tendency to major urban centres and other countries.

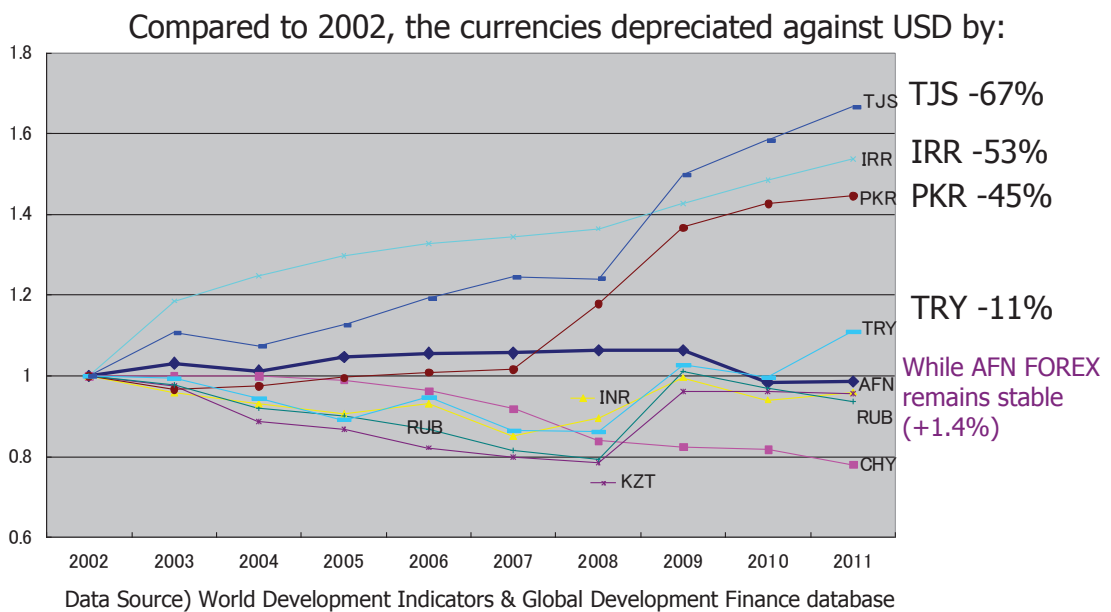
Figure 5.1 Mobility of labour and businesses from sites in the Northern Region (NR)



Most of the sites recorded mobility to Pakistan and the Islamic Republic of Iran. The location of the site is obviously a strong determinant, with people from the ER/SER sites inclined to go to Pakistan, whereas people in WR sites tend to go to the Islamic Republic of Iran. There have also been incidents of deportation, and travelling to these countries is becoming increasingly difficult. In general, the work in Pakistan is inclined to be more seasonal, whereas it is longer-term in the Islamic Republic of Iran (at least two to three years). In only a few sites do households have their family members working in Saudi Arabia, the United Arab Emirates, Kuwait, etc. However, working in the Islamic Republic of Iran and

Pakistan is becoming less attractive due to the constant devaluation of these countries' currencies. The Iranian Rial has depreciated against the US dollar by 53 per cent since 2002, and the Pakistani Rupee by 45 per cent, while the Afghani has remained almost unchanged (Figure 5.2). Nonetheless, people still have a tendency to go to these countries because of the consistency of available job, which are scarce in Afghanistan.

Figure 5.2 Historic currency exchange rates against USD including Afghanistan Afghani (shown as AFN), Iranian Rials (IRR) and Pakistani Rupees (PKR)



Most of the informal workers employed in various occupations outside the community have acquired their skills through apprenticeship or learning within the industry. People trained by development organizations without links to the market were rarely found working in the informal sector. This segment is likely to expand in the future, with more people returning from exile with new skills and experience.

Small businesses outside the community are also expanding, taking advantage of the consumption growth in the urban centres. There is an increasing amount of trade-based businesses, and entrepreneurs from the informal workers' segment are starting their own businesses - although still relatively few compared to wage labourers and agricultural workers.

As mentioned above, formal jobs outside the community are mostly confined to the Afghan Police and Army, with a few people working in government jobs and private construction companies. Barikab and Qizli Sai registered a significant number of people working outside the community with formal jobs, with

10 and 15 per cent, respectively. Khanjar Khil in Parwan is an exception in that it offers formal job opportunities to its people. Indeed, Bagram Military Base in town has absorbed a fair number of local people in low-end formal jobs - such as cleaners and guards. In general, the percentage of people in the reintegration sites who work outside the community in formal employment is low (as shown in table 4.1). These low figures may be attributed to the generally poor level of education.

5.3 Education mobility and school-to-work transition

Many of the sites have primary and secondary schools within the community or in the vicinity. The number of school going children is much higher in these sites than in those without schools in the community or nearby; and this number decreases proportionally with the distance from the school to the site. The number of girls studying at primary level is equal to or even higher than that of boys when there is a school in the community. It significantly drops at secondary and high school level. The mobility of girls outside the community for any level of education is inversely proportional to the distance of the school from the site. In a few sites, women teachers are provided by development projects to teach girls. There are a small number of students who go to nearby district-level or provincial capitals for higher study. Only a few proceed to university level. Higher studies are mostly confined to boys.

Most young people who have spent their childhood in exile have little or no education. Those who have been educated in exile and continue their studies after their return have a higher possibility of entering the high-end formal job market.

Students only seem to access formal jobs after high school. The most common trend is to join schools as a teacher, either inside or outside the community, or to join the Afghan Army or Police. Higher studies after high school usually lead to government or NGO jobs.

The mobility of high-school graduates towards the job market or higher education varies from site to site; it is also contingent upon the site's location, as revealed from interviews with the high-school Principal/s in or nearby the respective site's urban centre. Although the education mobility of each of the sites is discussed in the respective site profiles (Appendix 1), a few examples are given here-below. It is important to mention that these examples of mobility cover all the students from one particular high school, which may include students from the reintegration sites but certainly those from surrounding areas.

A higher proportion of high-school graduates pursue higher education after school in Kabul City, which is understandable as many of the students come from better-off families. The breakdown of graduates from a high school in Kabul near the Kochi Abad reintegration site is as follows:

- 70 per cent went to various universities in Kabul, Parwan, Balkh, Nangarhar and Herat, etc.
- 20 per cent entered the National Police Academy and Military Academy
- 10 per cent enrolled in teachers' training institutes and other three-year programmes under the Ministry of Education, as well as in private institutes

Whenever there is a school within the community, the tendency for girls to pursue education increases significantly. The Shashpool reintegration site in Bamyan has a high school, which is attended by students from the returnee and host communities (Topchi and Jerestoghai), as well as from other communities. The school has 1st to 12th grade education facilities for both boys and girls. According to the Principal of the school, there are around 750 students enrolled in the programme (366 boys and 384 girls). All the female students are from the returnee community and the two host communities (Topchi and Jerestoghai), but some male students come from other communities further afield. According to the local people, 32 girls and 60 boys from the returnee community are currently studying in high-school grades, and approximately 150 girls and 90 boys are studying at secondary-school level. The CDC executives added that at least two to three children from each family go to school. The Principal added that a total of 15 students (six girls and nine boys) completed 12th grade last year. Eight of them passed the entrance examination to go on to higher education (Kankor¹⁷ examination). Seven students did not take the examination or failed, of whom two are now working in road construction and the others are unemployed. According to the CDC members of the returnee community, six students (four girls and two boys) graduated from high school last year. Among these, three girls passed the entrance examination, of whom two are studying in Bamyan University in the Education and Training faculty (Taleem wa Tarbeya faculty), and one is enrolled in a teachers' training institute. The fourth girl joined the school in the community as a teacher. One of the boys started working in road construction as a daily wage labourer and another one joined the Afghan Army.

The Kahdistan reintegration site in Herat is an example of a site in which there is no school in the community. However, in the Kahdistan host community (3 km away), there are primary, secondary and high schools. There is also another high school in Karijak (6 km away). According to the local population, 120 boys and no girls from the returnee community attend those schools at different grades. Last year 10 boys from the Kahdistan site graduated from high school. Only two boys are at present studying at the Agriculture Vocational Institute in Herat City. The remaining graduates did not go on to higher studies and are waiting to find formal jobs.

In the Chilmati reintegration site in Laghman province, there is a high school in the community and two others in the vicinity. Around 800 boys and girls attend the two secondary schools in the community. Altogether around 1,800 students study in the high schools, and every year approximately 45 boys and 25 girls graduate from them. The following is a typical scenario of the directions that high-school graduates take:

- 20 per cent are admitted to universities or vocational institutes
- 6 per cent start teaching in schools
- 15 per cent join the Afghan Army or Police
- 5 per cent start own business
- 14 per cent go back to agricultural work
- 45 per cent do daily wage-based labour or informal skills-based jobs

¹⁷ This is a central-level examination administered by the Ministry of Higher Education, on the basis of which a student may be admitted to public universities or colleges for a Bachelor's degree or diploma.

It should be noted that a significant proportion of high-school graduates go on to do wage-based, agricultural or skills-based jobs, even after completing their studies.

CASE 7: Continuing with education leads to high-end formal jobs

Farhad Hussain, at present a physician in the Afghan Army, was only eight years old when he fled to Pakistan in 1986 from the Dawood Zai community of the Qarabagh district in Kabul province with his parents and siblings. During the Mujahidin war, the whole family left the village and settled in a refugee camp in Peshawar called Mesken. As he and his brother were very young, his father (actually uncle who became his stepfather after his father died in the war in 1985) started to work as a street fruit vendor with a pushcart outside the camp. He and his young brother and sister continued to go to school inside the camp. After one year, his father stopped street vending and joined a brick factory. His monthly income increased to 900 PKR per month. Farhad also joined a sugar factory as a part-time worker, while continuing his education. He started contributing 60 PKR to the family every week.

The family returned to Kabul in 1991 with the hope of finding a better situation and rented a house in Kabul City. In one year, they realized that the war was not over and went back to the same camp in Peshawar. This time, his father opened a grocery shop inside the camp and Farhad kept helping him from time to time - in addition to continuing his studies. The income from the shop was initially 2,000 to 3,000 PKR per month, but it increased to 5,000 PKR per month in a few years.

Finally, the family returned to Kabul permanently in 1996 when the Taliban came to power. They started to live in abandoned government buildings in the Chaman Babrak area in Kabul City. Farhad's father started working as a contractor in building construction, earning enough to save some money after paying for the family's needs. By 2007, he had savings of 100,000 Afs, which he spent on buying land and building a house in the Barikab site.

Farhad and his brother never stopped their education. In 2006, his younger brother graduated from the Afghan Police Academy and joined the Afghan Police in Kunar province with a starting salary of 5,000 Afs. In 2007, Farhad graduated from the Medical University of Kabul and started his one-year internship in the Kabul National Army Hospital. During the internship, he received a salary of 10,000 Afs per month. After the internship, he joined the Kandahar Army Hospital as a physician. He is still working in Kandahar and his current salary is 30,000 Afs per month. His younger brother is working in Kunar as a police officer and his current salary is 15,000 Afs per month. Their father is looking after grapevines on 1.5 *jerib* of land in the Qarabagh district. After cultivation expenses, he earns around 25,000 Afs a year.

When Farhad settled in Barikab in 2007, his two step brothers and step sister were studying at high school and at secondary-school level. Farhad got married in 2011 and spent 450,000 Afs on the wedding. He had savings of 300,000 Afs and borrowed the remaining 150,000 Afs from one of his friends, which he intends to pay back by saving. The family also renovated their house in 2010 for the sum of 300,000 Afs, and they spent 25,000 Afs for their mother's medical treatment from their own savings.

Key message: If families keep up their children's education even when they are in exile, this helps children to continue their studies after their return and consequently to obtain a formal job with a high and secured income.

5.4 Disability and vulnerability

Almost every site has a significant number of people with disabilities, either physical or mental, of which the most common cause appears to be the effects of war. Other reasons for disability are natural (from birth); road accidents; accidents working in the mountains; or attacks by animals. Only a few mentioned becoming disabled at the workplace. Given that there are scarcely any formal contract arrangements, there are no records of any employer compensation for such occupational incidents. However, a few sites mentioned that some people with disabilities receive a disability allowance from the MoLSAMD; this amounts to around 300-400 Afs per month, but only if the persons concerned are registered as having been disabled by war.¹⁸ In most cases, people with disabilities remain idle at home. In cases of partial disability, men tend to work in areas that require less physical labour such as roadside vending, shoe repairing, and managing grocery shops.

HHs can be vulnerable for various reasons. These include: a female-headed HH; the main income earner being disabled; a single income earner in a family; full dependency on subsistence farming with no other means of livelihood; drug addiction by the male head of household; and chronic illness of family member/s.

It is important that vulnerable individuals and families should have access to available social protection programmes. One such programme is the new Safety Net project run by the MoLSAMD. Its aim is to help the neediest HHs in rural Afghanistan by providing them with financial assistance to cover their large food expenditures during the winter season. This assistance takes the form of one-off cash benefits (ranging from US\$ 40 to US\$ 200 depending on the HH's size). The programme has been piloted in 240 villages in four districts of three provinces- Kabul, Badakhshan and Badghis - since 2010. The MoLSAMD is working on a three-year roll out programme to cover gradually up to 25 districts, and intends to scale-up the project at national level.

CASE 8: A vulnerable family became even more vulnerable after the death of the disabled head of the household, who was the only breadwinner

Safia, a 40-year old woman, has just lost her husband. He was the only breadwinner in the family, even though he was partially disabled as a result of being shot in the leg during the war. Before going into exile in Pakistan, they lived in the Baba Yadgar community in Mazar. At that time, Safia's husband worked in agriculture as a wage labourer, despite his disability, and somehow kept the family going. In 1998, they left the community and settled in the Mahajer Bazaar camp in Peshawar in Pakistan. They had two daughters and a son when they left Afghanistan. They sold the little amount of wheat her husband had earned through wage labour and their limited household equipment to pay for their trip to Pakistan.

When they arrived in the refugee camp in Peshawar, they were given a tent and some foodstuffs. As her husband

¹⁸ As revealed from discussions with MoLSAMD, a fully disabled person is entitled to receive 1,500 Afs per month, and a partially disabled person 750 Afs per month if he/she is registered. However, the payment is made on an annual and not a monthly basis. The authors of this report do not understand the reasons for the difference between the reported level of allowance payments and the official rates.

was partially disabled, he thought he would try and do something that required little mobility and physical labour, and so he started shoe repairing. He bought the necessary small tools with the small amount of money he had brought with him from Afghanistan to start this business within the camp and started earning 50-60 PKR every day. In this way, he earned 1,500-1,800 PKR per month.

In 2002, the camp was closed and the family was forced to return to Afghanistan. They settled in Chaman Bublik in Kabul City and started living in an abandoned government building. Safia's husband continued to work as a shoe repairer in the city. Every day, he earned 100-200 Afs and did the same job for four years. He also bought a small wooden shop for his business, which cost 4,000 Afs.

In 2007, the Afghan Government started evicting people from the abandoned buildings and the family settled in the Barikab site by purchasing a 30-sq metre plot of land with 4,500 Afs. When they settled in Barikab, Safia had four daughters and two sons, the eldest being an 18 year-old daughter.

When they arrived in the site they had only 400 Afs in hand. In order to survive, they borrowed 30,000 Afs from one of their relatives. They repaid the loan after a while by selling the goats and blankets that had been provided by UNHCR when they arrived in the site. Selling these was not enough; Safia borrowed 7,000 Afs from her brother-in-law to repay the loan.

Her husband opened his shop again in the community and started earning 30-40 Afs per day. The family's economic conditions were very poor, and they became even worse when Safia's husband died this year. By this time, her eldest daughter had married, and she now lives in Kabul City with her husband. Safia is now in a serious situation as her husband was the only breadwinner in the family; her eldest son is only 11 years old and the younger one is 4 years old. Her brother who sells fruit in Kabul City has promised to send her 2,000 Afs per month. Her son-in-law, who is also a street fruit vendor in Kabul City, has promised to help her from time to time. Currently, she is dependent on these grants from her brother and son-in-law as she does not have a gainful activity. She has already borrowed 22,000 Afs for her husband's and daughter's medical treatment. She does not know how to repay the loan and when.

Right now, Safia is concerned about something else. Her late husband could not even finish the house. It does not have a boundary wall and passerbys can see inside. Safia's daughters are young; she is worried and feeling unwell.

Key message: No safety net to support the sudden death of the sole breadwinner can put the family in a very vulnerable situation. Still, the Islamic solidarity lending system allowed this family to survive.

5.5 Business development services/training availability

Business development services (BDS) and skills training can be classified into three broad categories as follows:

- A. **Transacted services (fee-based).** These services can be bought on a "stand alone" basis, and include, for example, computer skills training packages.
- B. **Embedded services.** These services are provided as part of a transaction – such as the purchase of a tractor – when the seller passes on information on simple troubleshooting. This information is an "embedded service" as it comes with the purchase of the tractor.

C. Free or public services. These services are provided collectively and are mostly provided by the Government or development organizations. In most cases they are free.

Access to transacted or fee-based services seems to be the lowest among returnees/IDPs. In a few cases, young people buy computer skills training and English language courses in private training institutes in urban centres, with a view to sharpening their competitive edge in the formal job market.

Embedded service provisions are mostly observed when coupled with agriculture- and livestock-related inputs – with people learning how to apply fertilizers, pesticides, medicine etc. when purchasing them from the sellers. Accessibility to such services varies according to the typology of the site (the more agricultural the activities, the more input from the shops in the vicinity). As these services are provided by private-sector players (such as importers, distributors and retailers), there is a clear incentive for them to provide a high standard of information and services to their clients with a view to increasing their sales. A good number of agricultural and livestock import companies currently operate in Afghanistan. Apart from wheat seeds, all other types of seeds - including those of vegetables - are imported, mostly from China and Pakistan. In addition, all types of crop protection products (pesticides, herbicides, fungicides), fertilizers and tools/machinery for agriculture, as well as medicines and vaccines for livestock animals, are imported from different countries. The companies usually have their main offices either in Kabul, Jalalabad or Kandahar with branch offices in major urban centres. However, these companies sell their products through their own retail outlets or other retailers. In the case of veterinary products, the company employs a veterinary doctor in their branch offices to provide services to people who come to them with their livestock-related problems. Most of the companies interviewed stated that there was a positive sales growth of agricultural and veterinary products (the list of the companies is in Appendix II). One large input company of agricultural and veterinary goods, Sahrai Co. Ltd., recorded a sales growth of 30 per cent last year. The growth of the private sector in the agricultural and livestock import market is encouraging, as it provides an opportunity to work with them - with a view to promoting better agricultural and animal husbandry practices among the target people in a more sustainable manner.

Free or public services can be subdivided into two channels, a Government and a development organizations channel. All the sites visited have been assisted by a number of development organizations/projects. Direct support by different Government projects (under MAIL, MRRD, MoLSAMD, MoE, etc) was noted in some sites, but this was on a limited scale and covered various sectors such as education, health, gender and livelihood. As far as livelihood is concerned, there are many training programmes organized by different NGOs/projects catering to the people in the sites. These include such areas as tailoring, carpentry, welding, carpet weaving, embroidery and kitchen gardening for both men and women, as applicable. In almost all cases, the participants are provided with tools at the end of the session. During the training they also receive allowances. Most of the vocational training sessions provided by NGOs/projects take place at the site, with a few exceptions when men have to travel to the respective organization's training centre in the city. However, none of these training provisions are coupled with job placement/apprenticeships or any other follow-up activities. As a result, only a few of the participants find appropriate jobs on their own or start small businesses, and the majority of them go back to their previous occupations or remain idle. In addition,

the training courses are very much supply-driven, as hardly any assessments of market needs are undertaken before the courses are held. Livelihood support in terms of productive asset distribution such as livestock, poultry, machinery or equipment is also common. The NGOs/projects similarly provide supplementary support such as food, vaccines, medicines, technical specialist persons, etc. But since no efforts are being made to develop such support from the market system (integration of the private sector), the prospects for a continuation of these services beyond the project period are bleak.

Furthermore, there are many development organizations working in provincial centres with their particular areas of expertise on BDSs. Government departments also have their offices in provincial centres. As far as technical and vocational education and training (TVET) is concerned, MoE and MoLSAMD are the key ministries. The National Skills Development Programme (NSDP) is designed to train a large number of vulnerable participants (unemployed, underemployed, women, disabled) through short-term courses. It is implemented mainly through MoLSAMD. Appendix III shows the list of institutions that have conducted skills-training courses in various trades in different provinces during the past few years under the NSDP. On the other hand, MoE operates technical high schools and institutes throughout the country, offering three to five-year courses, respectively. The site profiles (Appendix I) lists these schools and institutions in the respective urban centres or nearby towns of each reintegration site.

The Afghanistan Skills Development Project (ASDP), funded by the World Bank, USAID and the Government of Norway, is currently working on developing a regulatory and quality assurance framework for TVET. One of its components is to establish the Afghan National Qualification Authority (ANQA), which will oversee the development of a qualification framework and map all technical and vocational training provided in the country. The qualification framework will be introduced on the basis of a labour market study - which has yet to be produced. When it is implemented, UNHCR may be interested in actively involving its target population working in urban centres in this qualification framework to help their upward mobility.

The Afghanistan New Market Development Project (ANMDP), funded by the World Bank, has not yet been implemented. The development objective of the project is to help in the revitalization of private sector activities in the four major urban cities of Kabul, Mazar-e-Sharif, Jalalabad and Herat through the provision of business development technical assistance to support private firms' initiatives to gain market knowledge, improve product quality and processing technologies, and to increase their presence in both domestic and export markets. As value chain-based development activities can be planned in some of the reintegration sites where private sector integration is key, collaboration with ANMDP could create synergies. The German Agency for International Cooperation (GIZ) is also working in value-chain development projects in Northern Afghanistan. Working with private-sector development projects offers a better prospect of achieving sustainability in terms of job creation than promoting supply-driven skills training, which results in little or no tangible outcome. This approach can also increase the outreach (number of beneficiaries) with an efficient use of resources, compared to traditional skills training which targets a selected number of beneficiaries with a large amount of money and resources. UNHCR may be interested in collaborating with such private-sector development projects through sharing resources and ideas to integrate their target people into the broader market system.

6. VALUE CHAIN SCOPING

A preliminary scoping of value chain opportunities concentrated on Kabul and Jalalabad as major urban centres and end markets. The number of people in the target group who would benefit from value-chain development was an important criterion in selecting potential value chains, along with other socio-economic criteria. The study found that grapes/raisins, tomatoes, onions and leeks, as well as potatoes, have potential for the target population linked to the Kabul economy. Wheat and various vegetables were short-listed for Jalalabad and the surrounding areas. The key bottlenecks to growth identified are irrigation facilities, quality inputs and their usage, post-harvest loss and storage, while opportunities lie in market access improvement and group marketing. The financing gap of farmers could be the critical last mile issue to make value chains work for them.

A rapid value chain¹⁹ scoping was conducted to explore and also supplement the livelihood assessment of the returnees/IDPs. An in-depth analysis of any particular value chain requires an understanding of the overall market, from its conception to the end - from input suppliers to the consumer – as well as of the support service markets and business environment in which the value chain actors and service providers operate. However, value chain scoping in this assessment was limited to identifying potential value chains that might potentially benefit the returnees/IDPs in some of the reintegration sites.

Selecting potential value chains presupposes paying special attention to the needs and status of the target group. Returnees and IDPs are a special segment of the overall population in terms of entitlement and access to resources, mobility, relationship and linkages with the market and market actors, etc. Taking all these factors into consideration, the following criteria were considered for selecting value chains with the most potential.

Selection criteria

1. Market demand and growth potential - demand exceeds supply, within the province, outside the province and internationally.
2. Number of target people who would potentially benefit - involvement at all levels of the value chain.
3. Potential to increase income - greater value chain efficiency can potentially increase the income of the target population.
4. Presence of lead firms, whose behaviour has a significant influence on others in the value chain.
5. Significant involvement of women in the value chain.
6. Local competitiveness (favourable price, raw materials availability, quality of product).

¹⁹ A value chain can be defined as all the firms that buy and sell from each other in order to supply a particular set of products or services to the final consumers.

Given the limited time and resources, the scoping concentrated on Kabul and Jalalabad as these are both major urban centres and end markets. When taking Kabul as the end market, the sites of the Central Region (CR) and the Central Highlands Region (CHR) sites were considered; in the case of Jalalabad, the Eastern Region (ER) sites were examined. As Kabul and Jalalabad are two major end markets, the opportunity to link with sites in other regions was also taken into account, at a secondary stage.

6.1 Kabul-based value chains

Kabul being the capital city and also the largest consumer market, a long list of potential value chains was initially identified through desk research. This list was subsequently narrowed down to a few, using the two most important criteria - the number of target population who would potentially benefit and the market demand and growth potential.

Figure 6.1 The shortlist of potential value chains in Kabul based on the two major selection criteria

Market demand and growth potential	high	-herbs -honey	-fresh and dry fruits/nuts -wheat	-Grapes/raisins -tomatoes -onions and leeks -potatoes
	medium	-dairy -wool -animal hides and leather	-poultry -fruit processing	
	Low	-pottery	-Rugs and carpets	-construction
		Low	medium	high
		Number of target population who would potentially benefit		

Both herbs and honey show a high market demand - but nobody from the target population based in the reintegration sites is involved in producing them.

The market demand for dairy, wool and animal hides and leather seems to be average, but the involvement of the target population in such value chains is comparatively low. This may be attributed to the fact that most of the returnees and IDPs currently have limited or no livestock, due to their years of exile or displacement, resulting in poor economies of scale. In addition, many of the reintegration sites also do not allow the raising of livestock because of the absence of grazing land. Families with one or two cows and a few sheep and goats are fairly common in many sites; however, grouping families together and transporting them elsewhere in order to achieve higher added value does not seem realistic and feasible in the current situation.

Pottery is confined to only a few clusters - such as in the Qarabagh district (close to the Alice Ghan and the Barikab sites in Kabul) - but was not found in any of the reintegration sites. It comes under the category of handicrafts and does not have a significant market size. Decorative items are mostly produced, and foreigners occasionally buy them.

Fresh and dried fruits and nuts have a significant market demand and growth potential. Many parts of CR (including Kabul) and CHR produce a large volume of fresh fruits, as well as dried fruits and nuts. The target population has a limited involvement in their production, although many trade them as street vendors; yet it could be significantly involved in this business, purchasing them at the peak harvesting season at low cost and selling them after they have been processed. But finance is an important issue in this context.

Wheat, being the major staple food, has a high market demand and growth potential. Those who have agricultural land grow wheat, but in most cases not on a commercial basis but for subsistence only. Again, mostly host communities with agricultural land offer opportunities for returnees and IDPs to find wage-based work.

The poultry sector is still mostly confined to backyard production, and it has not yet been commercialized. Poultry products are considered to be the food of the middle and upper classes and target mostly the urban population. Both eggs and meat are imported from Pakistan - and even from Brazil. Only a part of the target population is likely to have poultry, but mostly for their own consumption.

Fruit processing is at a nascent stage. There is a niche urban market, which opts for processed fruits - mostly juices. There are a few local juice plants, although imported juices seem to capture the major market share.

Rugs and carpets are clearly on the decline in terms of growth potential, mainly due to their poor competitiveness. People in some of the sites are still involved in making rugs and carpets, but the wage structure is either very poor or subsidized by donor support to offset the labour opportunity cost. Many people (mostly women) learned carpet-weaving when in exile, particularly in Peshawar, Pakistan, and continued for a while after their return. But due to the constant devaluation of the Pakistani rupee and

consequently the wage rate, most of them stopped. The only exception found among the 22 sites is the rug making through ARZU (see case study 9), but its outreach is small and expansion capacity limited.

CASE 9: Carpet weaving- a declining industry, occasionally upheld by development organizations

Azam fled to Pakistan from Sartala community in the Yakawlang district of Bamyan province in 1998 and reached Peshawar, Pakistan. He, along with his family, stayed in Peshawar for one year, and in 1999 he settled in a refugee camp (Parachinar camp) in the Kurram (tribal) Agency (in the Federally Administered Tribal Agencies - FATA). He was accompanied by his wife, two sons and three daughters when he left Afghanistan with a cash savings of 12,000 PKR. Upon arrival in Pakistan, the family was helped by UNCHR and the WFP.

Soon after reaching Peshawar, Azam's two sons got an apprenticeship with a carpet-weaving company, where they each earned a weekly allowance of 10 PKR. In six months' time, their salary increased to 600 PKR per month. Azam started working in the dyeing section of that company, earning 1,000 PKR per month.

When the family settled in Parachinar camp, Azam and his eldest daughter started working as carpet weavers at their home for a private company. The sons started going to school and also helped others weaving carpets at home in their free time. It took one and half months to weave a 2 x 3 sq metre carpet, and for this they received 6,000 to 7,000 PKR. Consequently, the family income rose to 4,000-4,500 PKR per month. Many other families in the camp were involved in the same work.

After returning to Afghanistan in 2003 and settling in Shashpool, Azam found carpet-weaving companies in Bamyan town and started working for them. Four members of the family became involved in this work - himself, his two sons and his eldest daughter. However, all of the children continued their education while working part-time. They received 10,000 PKR for every 2 x 3 sq. m carpet they made. In this way, the family was earning 6,000-7,000 PKR per month.

After 2007, the family left the private company to start working for ARZU, a fair trade development organization, because it offered a higher wage - and they started to receive 14,400 Afs for every 2 x 3 sq. m. carpet. Because of the declining value of the PKR, their fair wage in Afs was double their previous wage in Pakistani Rupees. The family income increased to 10,000 Afs per month. Still, when the wage rate is considered, three people (Azam does not work anymore now) work for 10 hours daily, and it takes 45 days to complete a carpet. This works out at only 11 Afs per hour per person.

Key message: The Afghan carpet industry is not competitive anymore. The poor wage rates paid by the private sector reflects this situation. Even wages paid by development organizations (which are much higher than those of the private sector, but highly subsidized) are poor compared to other alternative jobs. However, the reason that a number of people continue to do this job in some areas is that it provides work opportunities for Afghan women who do not go outside the home, and who have no other alternative means of livelihood. Furthermore, they can do this work after their household chores.

Grapes/raisins, tomatoes, onions and leeks, and potatoes, are high in market demand and growth potential; they also involve many people in different tiers of the value chain. The involvement of the

target population may be significant over the coming years - in terms of production, preserving and processing.

Construction is the sector in which most of the target population is involved, but it holds the least growth potential for the future. The growth of the industry is at a maximum, or may already be on the decline. It is likely to experience negative growth over the next few years in the context of “transition” from the NATO-led security operations to the Afghan Army and Police.

“I came to Kabul as I could not find a job in Herat city. After coming here, I went to the wholesale labour centres in the city but did not find a job. After 15 days, one of my friends informed me about daily wage opportunities in Ettefaq town. I am a mason but now work as a simple labourer. I will stay in Kabul until the winter comes, then I will go back to my village.” –Jawad, a daily wage labourer in Kabul, who came from the Shogofan site in Herat.

“Two years back I used to run four projects simultaneously with 30 workers; now I have only this project and only 15 workers are working with me now”- contractor/employer of Jawad.

As seen in figure 6.1, six value chains - namely grape/raisins, tomatoes, onion and leeks, potatoes, fresh and dry fruits and nuts and wheat – have a high potential for value chain development interventions. A ranking grid was used to score the value chains by considering all six selection criteria. Each criterion was given a weight considering its importance. The score was then multiplied to obtain the weighted score for each criterion. See table 6.1 for the outcome.

Table 6.1 Ranking grid of the value chains (scale 1 to 5; 5 being the highest)

Selection criteria	Weight	Grape/raisin	tomatoes	Onions and leeks	Potatoes	Fresh and dry fruits/nuts	Wheat
Market demand	(3x)	4 (12)	4 (12)	4 (12)	4 (12)	3 (12)	5 (15)
People to benefit	(3x)	4 (12)	3 (9)	3 (9)	3 (9)	3 (9)	3 (9)
Increase income	(2x)	3 (6)	4 (8)	4 (8)	4 (8)	3 (6)	2 (4)
Lead firms	(2x)	4 (8)	4 (8)	4 (8)	4 (8)	4 (8)	4 (8)
Competitiveness	(2x)	4 (8)	3 (6)	3 (6)	4 (8)	4 (8)	2 (4)
Women’s involvement	(1x)	4 (4)	3 (3)	4 (4)	3(3)	4 (4)	3 (3)
TOTAL		50	46	47	48	47	43

Source: Generated by the authors of this report

Consequently, grape/raisins and potatoes appear to be the two most potential value chains with a focus on Kabul.

6.2 Jalalabad-based value chains

A similar shortlist exercise was carried out after identifying an initial list of value chains by using two of the most important criteria. However, different types of vegetables have a high market demand and growth potential, and also involve a significant number of people. They are therefore grouped together in one category of “vegetables”.

Figure 6.2 The shortlist of potential value chains in Jalalabad, based on two major selection criteria

Market demand and growth potential	high	-mungbeans -textiles -fish -poultry -meat	-cotton -rice -barley -dairy	-wheat -okra -tomatoes -onions and leeks -cauliflower -cucumber veg. -green beans -radishes -turnip
	medium	-cane	-potatoes -fresh and dried fruits	
	Low			-construction
		Low	medium	high

Number of target population who would potentially benefit

Mungbeans have a high market demand, but few people in the target groups are involved in their production. Three out of four sites in Nangarhar have a high reliance on agriculture, but they are rarely engaged in producing mungbeans commercially. Those who grow them mostly use them as fodder for their livestock. There is a high demand for textiles, but the employment opportunities are limited. A number of rivers pass through Jalalabad, which provide an opportunity to catch fish, but again only very few people are involved in fishing. Poultry raising is mostly confined to backyards, and the numbers are inadequate to make this occupation viable. Although livestock are to some extent available in most of the sites in Jalalabad, they are mostly considered as savings in kind and sales only take place periodically. There is very little livestock rearing for commercial purposes.

Cane is grown in some parts of the target sites but in small quantities. The market demand is also not very high.

Cotton, rice and barley are grown to a significant extent in the region and their market demand is also high. A moderate number of farmers in the target sites are involved in producing these crops. While meat cannot be considered as a potential value chain for the target population, dairy has some potential as many people have milking cows. Since each village has a significant population (including returnee/IDPs and host communities), aggregation and transportation could potentially be viable.

Although potatoes are grown in the region, they do not have the competitive edge over CHR and CR and are hence considered as a secondary crop. The region is famous for fresh and dried fruits but the target areas have limited fruit orchards to grow fresh fruits.

As mentioned above, wheat, being the major staple food, has the highest market demand. The sites with agricultural land grow wheat in plenty, and some people also sell it on the market.

Vegetables are the major cash crops in the target area as there is a high market demand for different types of vegetables. Being close to Jalalabad city, and with good road communications to Kabul, farmers can quickly market these perishable items.

Finally, construction still employs the highest number of people but seems to be experiencing a slowdown - if not negative growth.

6.3 Value chain opportunities for reintegration sites

The value chain approach considers industry as a whole - its market actors and support service providers, as well as the overall business and policy environment. In short, this approach assesses the overall competitiveness of the industry and, on the basis of this assessment, designs facilitation activities to remove the key bottlenecks to growth in a sustainable manner. Working with small groups of people in dispersed areas is somewhat inappropriate in this context. However, there is still a limited opportunity for market linkages. A summary of the value chain assessment of grapes/raisins is discussed below. This is followed by a brief description of value chain linking opportunities with reintegration sites.

Grapes/raisins

Although grapes are grown widely throughout Afghanistan, the central provinces (Kabul, Parwan) constitute the major grape-producing area, accounting for 37 per cent of total production. According to FAOSAT 2010 data²⁰, they are the second highest produced crop (including horticulture) in Afghanistan, coming only after wheat. In terms of production, grapes account for less than 1/7th of wheat (wheat production in 2010 amounted to 4,532,000 metric tons (MT), whereas grapes amounted to only 611,320 MT); but in terms of value, they account for more than half of wheat (wheat value US\$665,682 and

²⁰ Statistics Division of the Food and Agriculture Organization of the United Nations (FAO).

grapes US\$349,441). This clearly positions grape as a high value crop in Afghanistan (figure 6.3). Figure 6.4 shows the production growth of grapes in Afghanistan during the past decade. In 2008 there was a dramatic increase in production, but this slowed down in 2010 due to the drought.

Figure 6.3 Top production in Afghanistan (source: FAOSTAT, 2010)

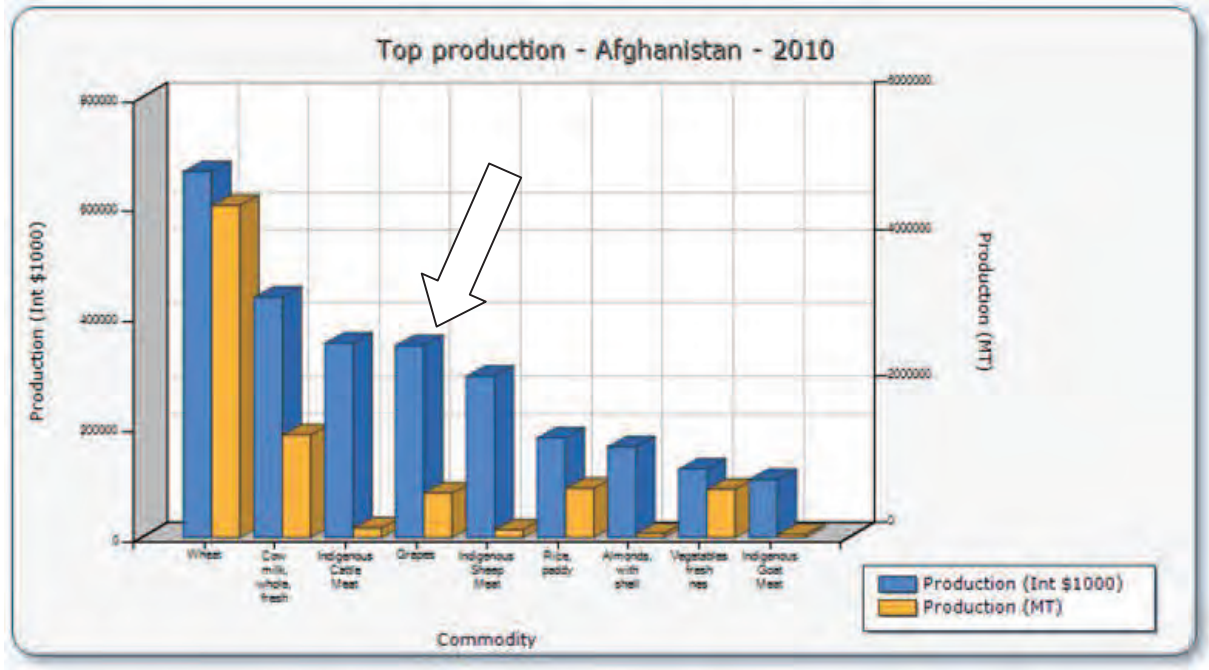
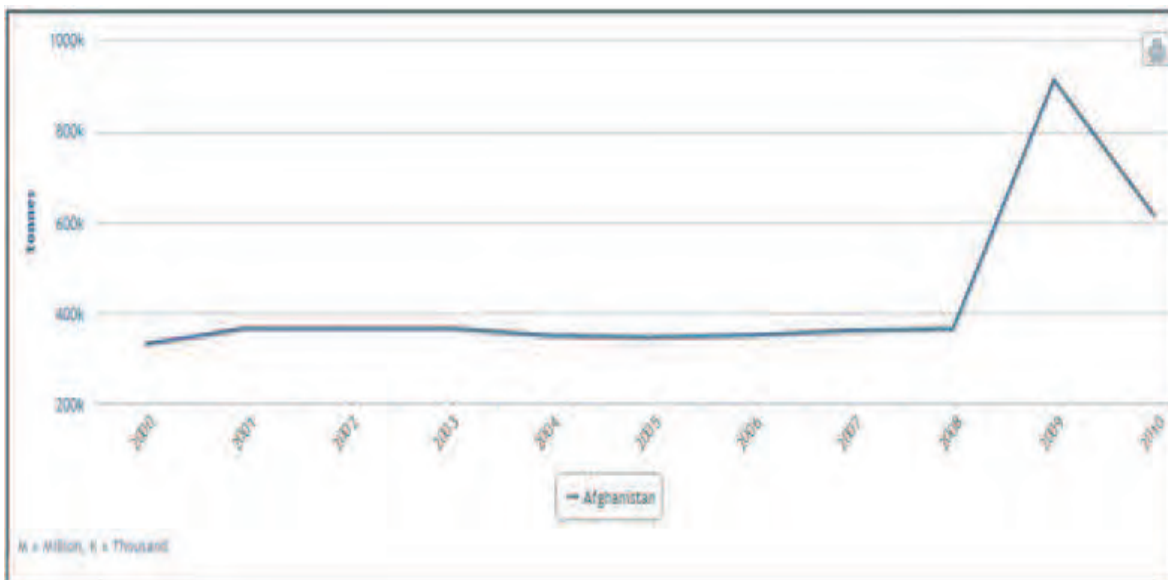


Figure 6.4 Production growth of grapes in Afghanistan (source: FAOSTAT)



Market demand and growth potential

Grapes in the form of fresh fruits and raisins are major exportable items in Afghanistan. However, a standard conversion ratio shows that 1 kg of raisins is produced from approximately 4 kg of grapes. FAOSTAT 2010 data state that Afghanistan exported 24,313 tons of grapes compared to 24,071 tons of raisins in the same year. But in terms of value, the export of raisins accounted for US\$52,527 and that of grapes for only US\$9,834. According to the United States Department of Agriculture (USDA) data, raisin exports were predicted to be three per cent higher in the 2011-12 market year than in the previous year. The Russian Federation and India remain the major export destinations for Afghan raisins, but the emergence of the European Union in 2009-10 opened up new opportunities for Afghanistan.²¹

Farm level production

One *jerib* of land can yield up to 1,000 *ser*²² of grapes worth 100,000 Afs, with a production cost of 30,000 Afs. This, of course, reflects an ideal situation when all the inputs are of good quality and in place in time. But in general, a farmer can make a net profit of 30,000-40,000 Afs from one *jerib* of grapevines. Farmers start harvesting grapes in September and continue until the end of December. They tend to sell grapes if the market price is good - otherwise they process them at home to make raisins, which they can sell year round.

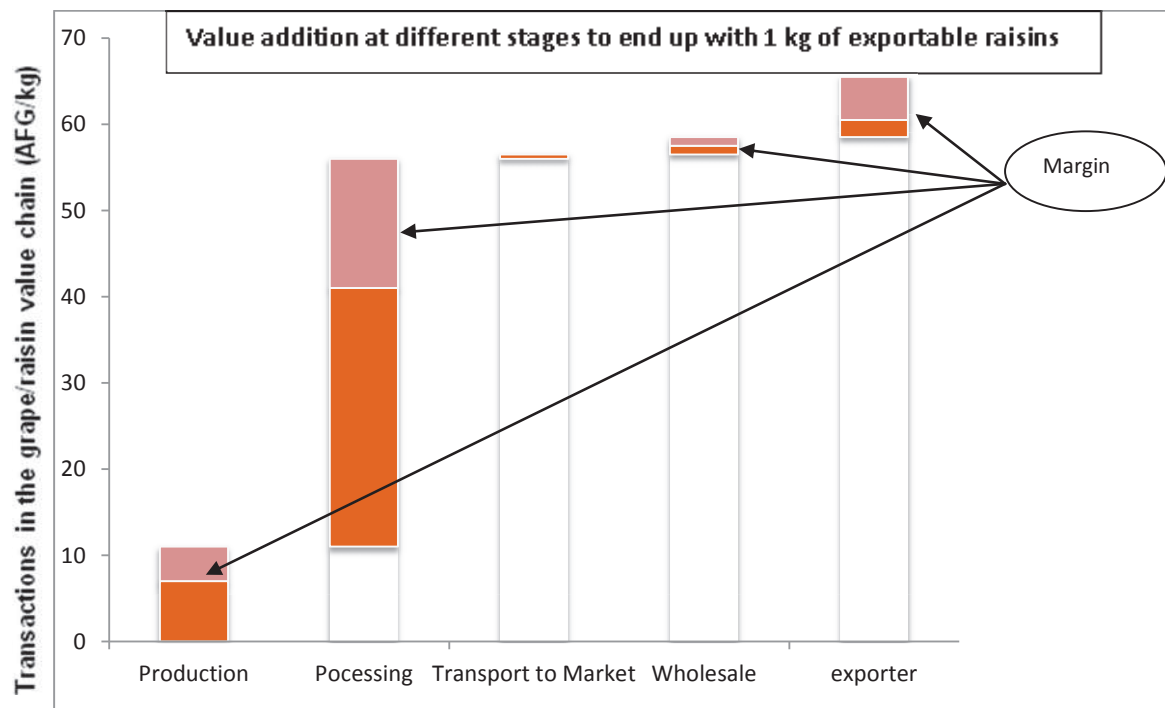
Marketing channel

There are around 1,000 traders and exporters of grapes and raisins in Kabul alone. Traders usually go to the farmers' land, employ labourers to harvest grapes and bring the produce back to the city. In the case of raisins, traders/exporters remain in contact with farmers producing raisins and buy from them periodically. Farmers also bring their raisins to the wholesale market in Kabul to sell to wholesalers, from whom exporters purchase in bulk. The typical value addition stages are shown in figure 6.5.

²¹ USDA Foreign Agricultural Service: *Global Agricultural Information Network (GAIN) Report* (2011).

²² 1 *ser* = 7 kg

Figure 6.5 Value additions at different stages to produce 1 kg of raisins from fresh grapes



Source: Generated by the authors on the basis of information collected from farmers, traders and exporters

Major constraints

The improper use and lack of adequate inputs are key constraints to a higher yield, and poor irrigation is still a major issue that stands in the way of greater productivity. Another key problem is the post-harvest loss, which is very high due to poor handling - approximately 15 per cent of total production.²³ Although transportation costs are very low, poor packaging and transportation also contribute to this loss.

Opportunities for selected reintegration sites

Only a few returnees/host communities grow grapes on a significant scale (such as Khanjar Khil in Parwan and Baimoghly in Faryab), which would benefit from being linked to export markets. Specific actions based on the outputs of the assessment, which might be undertaken by UNHCR or other agencies, could work with large traders/exporters who source grapes/raisins from these areas. Any such UNHCR-funded project could provide them with support to strengthen their sourcing of grapes/raisins by addressing post-harvest loss, improving productivity, improving processing techniques and also increasing the provision of agri-labour and processing opportunities. To impart sustainability, rather

²³ *ibid.*

than directly working with the farmers in the production clusters, the project could work with these traders/exporters to build their capacity in the above-mentioned areas. A single trader/exporter is linked with many farmers. Working with a few traders/exporters might ultimately help hundreds of farmers, which would also be an efficient means of achieving economies of scale. The land allocation sites in Kabul could be linked to nearby communities where grape production is high and involves a good number of labourers. In addition, as processing is done at household level, buying grapes in bulk during the peak harvest season at a low price could stimulate home based IGAs. However, small processing groups would have to be established to attain economies of scale. These ideas will have to be further validated at the beginning of the proposed project.

Potatoes: opportunities for selected reintegration sites

Potatoes are grown in many parts of Afghanistan, but CHR leads in terms of production. During the peak harvest season in the autumn, Afghanistan also exports potatoes to other countries, mostly Pakistan. According to FAO data, Afghanistan exported 26,070 MT of potatoes in 2010. Due to the fact that the country has limited storage facilities to preserve potatoes, it starts to import potatoes again after a few months of harvest - mostly from Pakistan. This situation clearly shows that there is an opportunity to establish storage facilities for Afghan potatoes.

Furthermore, the high price fluctuations between the peak and off-season constitute grounds for creating storage facilities. During the peak harvest in the months of October and November, the wholesale price of potatoes in the Kabul market is only 8-9 Afs per kg, whereas it goes up to 20-25 Afs in March and continues to be high until the next harvest. Besides, Afghan people have a strong preference for local potatoes and they always pay a premium price for them. In both the peak and off-season, Pakistani potatoes are sold in Afghan markets, but for at least 10 per cent less.

Finally, the potato harvest is labour-intensive and creates many labour opportunities, at least in the one to two months of the peak harvest.

Although the Shashpool returnee community in Bamyan does not have agricultural land, people work as agricultural labourers in the host communities during the potato harvest. On the other hand, Aqrabad grows potatoes on a significant scale - but Koprook only produces small quantities. Currently, there are a few cold storages in the host communities of Shashpool, but they rarely meet the population's demand, and only five per cent of the total harvest of that area can be stored. Establishing more cold storages would enable the local people to preserve more potatoes, thereby making more money by selling them in the off-season. Increased income would lead to an expansion of the potato production, resulting in more workdays for agricultural labourers.

In an ideal value-chain approach, private-sector investment would intervene to provide the necessary storage facilities to make this scenario sustainable. The project could consider investing in such infrastructure as the level of private-sector penetration is low. It could also cooperate with interested individuals on a cost-sharing basis; large potato traders in Bamyan City might be interested in this idea.

It is worth noting that storage facilities alone may not change the farmers' behaviour. Reportedly more than 2,000 reserves have been created in the province (thanks mostly to development aid), but a recent JICA study²⁴ indicates that 80 per cent of potato producers still tend to sell their produce immediately after harvest for various reasons: debt repayment, purchases for winter stock and large social expenditures, which tend to occur in the autumn. Unless the issue of the financing gap of farmers is addressed, the storage may not be fully utilized. Finally, a change in price competitiveness could undermine the overall production base of Bamyan potatoes - such as the recent shift by Pakistani traders from Bamyan to Iranian potatoes, due to the drastic drop of the Iranian currency.²⁵

Wheat: opportunities for selected reintegration sites

Wheat is the major staple in Afghanistan and every farmer grows it on either rain-fed or irrigated land, or on both. The country still needs to import wheat to meet the local demand. As a significant part of cultivable land in Afghanistan is rain-fed, wheat production varies significantly according to the level of rainfall. In Nangarhar, out of four sites, three have agricultural land that is mostly irrigated, enabling the farmers to grow wheat on a large scale without much variation - although fluctuations in water availability can sometimes affect the production. Almost all the farmers use retained seeds year after year, generally leading to a decreased yield. In the same context, marked variations in yield also explain the decreasing yield - 350 kg to 500 kg per *jerib*. Promoting improved seeds to increase the yield could increase the farmers' income. In an ideal value-chain approach, there should be partnerships with private companies to promote and demonstrate the economic benefits of better quality seeds. In addition, the FAO has been promoting high yielding seeds, into which the UNHCR-funded project could tap. There are many private agriculture input companies in Jalalabad City, and the project could enter into partnership with them to promote good quality seeds in the selected reintegration sites. Private companies could do their promotion through training and demo plots, in which the project could join on a cost-sharing basis, leading to a win-win situation for both parties.

Vegetables: opportunities for selected reintegration sites

Because of their favourable agro-climatic conditions, availability of irrigated land and good road communications, Saracha, Fatih Abad and Gardighous in Nangarhar province produce a significant amount of vegetables. They are the major cash crops in these areas, and are grown almost all the year round. Good road communications with Kabul also encourage farmers to group together, rent a truck to reduce transportation costs and go to the Kabul wholesale market.

Opportunities exist in several areas. Like any other agricultural crop, the price of any particular variety varies - it is high at the beginning, low at the middle and again high at the end of the season. The

²⁴ JICA: *Project for socio-economic activation of rural Afghanistan – Interim report* (2012, unpublished).

²⁵ Supplementary interview with JICA experts in the agriculture sector.

promotion of early and late varieties could enable farmers to reap a better profit. Working with seed companies to promote such varieties could help in this respect.

Another opportunity lies in forming joint marketing groups. Farmers already group together to some extent, but only for sharing transportation costs. Large buyers look for bulk amount, but individual sellers cannot meet their target. Hence, forming groups could create the scale to attract large buyers.

7. FINANCIAL SERVICES

Many households are indebted because of their large expenditures on weddings, house building/repairs, medical expenses, funerals and day-to-day expenses. People prefer to borrow from relatives and friends, as the loans are interest-free and have no repayment conditions, and to buy on credit. It was worrying to observe that households are indebted with multiple loans, which they constantly reshuffle, and have no repayment plan. The propensity to save varies considerably from region to region (the highest being the Eastern, South-Eastern and Southern regions), but only a limited number seem to use savings for productive investment. All these factors, combined with a lack of financial literacy, result in many households being trapped in debt. In such a context, the introduction of community banks or other interest-bearing schemes is considered very risky. On the supply side, the target population is largely outside the purview of institutional finance. The target population has a strong bias against institutional savings schemes, but only a few financial institutions offer Islamic savings products. Remittances services are available, but only a low percentage of households resort to them, despite the fact that many of their family members work in urban centres within the country or abroad.

The access of households to financial services and their financial management in day-to-day life was analysed both from the demand and the supply side.

This chapter aims to examine the main findings concerning the households' access to financial services and their own financial planning and management.

7.1 Demand side: Households' demand for financial services

As seen earlier in this report, households primarily turned to savings to finance their needs at the moment of displacement and resettlement. Borrowing money was less common and followed a fairly consistent pattern during both exile and resettlement. For the majority of the interviewees, the preferred and most frequently used sources of borrowing were relatives and/or friends who would lend the money without interest and conditionalities. The role of UNHCR²⁶ has been highlighted as important for both exile and resettlement periods, but especially for the latter.

This section analyses the way in which the returnees/IDPs use financial services once they have returned and settled in their new/old communities.

7.1.1 Financing large expenditures

The evidence gathered suggests that it is very common for HHs of returnees/IDPs to have to face large expenditures such as weddings, house building, medical costs, funerals and other unplanned expenses. In many cases, the amount spent on these expenditures can upset the balance of the household budget and hence affect its financial sustainability. The analysis shows that 77 per cent of the HHs interviewed

²⁶ This includes assistance provided by other agencies at the UNHCR-supported sites, but people tended to refer these as UNHCR assistance.

had at least one of these large expenditures, apart from regular expenses. Table 7.1 presents the key quantitative figures in this regard:

Table 7.1 Major expenditures by households interviewed

Areas of expenditure	% of HHs occurring large expenditures	Average amount in Afs	% of average annual income
Weddings	36	140,000	106
House building (including major repairs)	26	73,000	67
Medical costs	18	64,700	57
Funerals	7	47,200	72

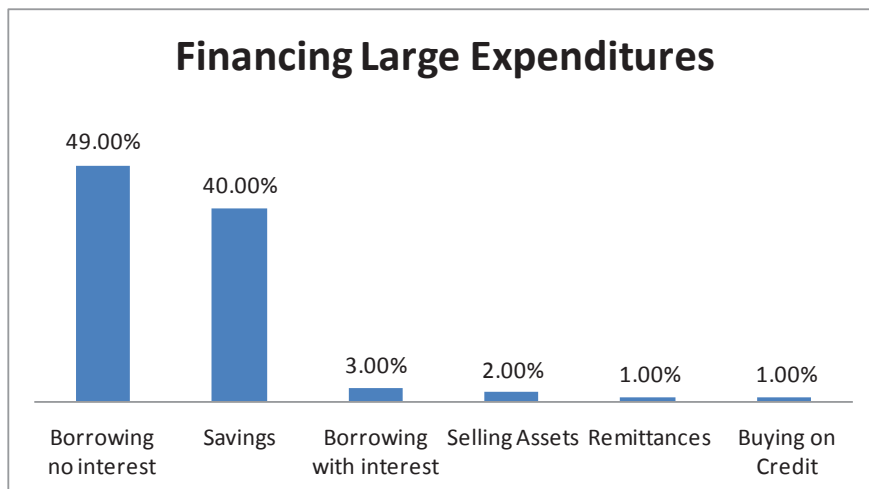
It may be seen that the amount spent on these expenditures is very high when compared with average annual income²⁷. To analyse the magnitude of the potential impact on the HHs' financial management, it is important to understand the sources of their funds (figure 7.1). The data suggest that the majority of the units (52 per cent)²⁸ borrow money for these large expenditures, while 40 per cent of the HHs finance them totally or partially by savings. Given the considerable amounts involved and the lack of capacity to generate enough savings, it is common for households to have more than one source of funding. It may be observed that one out of two HHs borrowed money with no interest to finance these expenditures, and only three per cent actually requested loans with interest. The rates of repayment are very low. Until now, only 20 per cent of the loans have been fully repaid, 23 per cent have been only partially repaid; and as many as 37 per cent have not been repaid at all.²⁹

²⁷ The estimated figures for annual income might differ somewhat from real annual income as many HHs are involved in temporary work for a number of days per month, although not on a consistent basis. This made it difficult for interviewees and researchers to estimate an accurate annual figure.

²⁸ This corresponds to 49 per cent borrowing with no interest and three per cent borrowing with interest

²⁹ The sum does not add up to 100 per cent due to some incomplete answers in the questionnaires. Around 20 per cent of the interviewees did not provide detailed information on the repayment period.

Figure 7.1 Sources of funds to finance large expenditures



The main conclusion is that there is apparently a lack of planning for these contingencies – and even if there is, many HHs either lack resources to finance them with their current income or will have to compromise their level of spending to avoid indebtedness. Loans from relatives and friends with no conditionality provide a fast and relatively secure source of funding, but there is no serious or carefully planned repayment system for these loans.

CASE 10: A funeral burden to be paid by an 11-year old son

This HH in Kochi Abad had three members: mother, father and son. Originally from Chilsutoon, they went to Peshawar (Pakistan) for 14 years (1994-2008) and stayed in a refugee camp. In 2008, they were forced by the Pakistani government to leave the country and decided to settle in Kochi Abad. They returned with some savings and also relied on the money that UNHCR gave them at the beginning (US\$100 per family member). Soon after their arrival, a second son was born. The head of the household worked as a truck driver, earning up to 8,000 Afs a month, but he was killed in an accident and his spouse started taking small orders as a tailor with some equipment the family had brought from Pakistan. She was only able to earn 1,000 Afs a month at the beginning, but this figure rose to 2,400 Afs.

Living on a very tight budget and relying considerably on the help of others to make ends meet (relatives gave her some old clothes and some food), the woman had to bear the costs of her husband's funeral – a total of 100,000 Afs. Half of these costs were financed with the family's last savings and the other half with a loan from her husband's brother. The 50,000 Afs loan has not yet been repaid. Due to her shortage of income and absolute lack of capacity to save, the new HH head says that the only way to repay the loan is to make her 11-year old son responsible for the debt. She has promised her relative that once he is able to generate income, he will repay the debt.

Key message: Borrowing with no interest from relatives is a way of compensating for a lack of income and the death of the main breadwinner. But if there is no possibility of repayment, this can lead to debts being transmitted to the next generation, which might be considered either a form of Islamic mutual help - or debt bondage.

7.1.2 Finance and everyday life

Section 3 of the HHs' questionnaire contained a comprehensive set of questions designed to capture the use of the various financial services (credit, savings, remittances, insurance) in the everyday life of the different units.

A. Borrowing and buying on credit

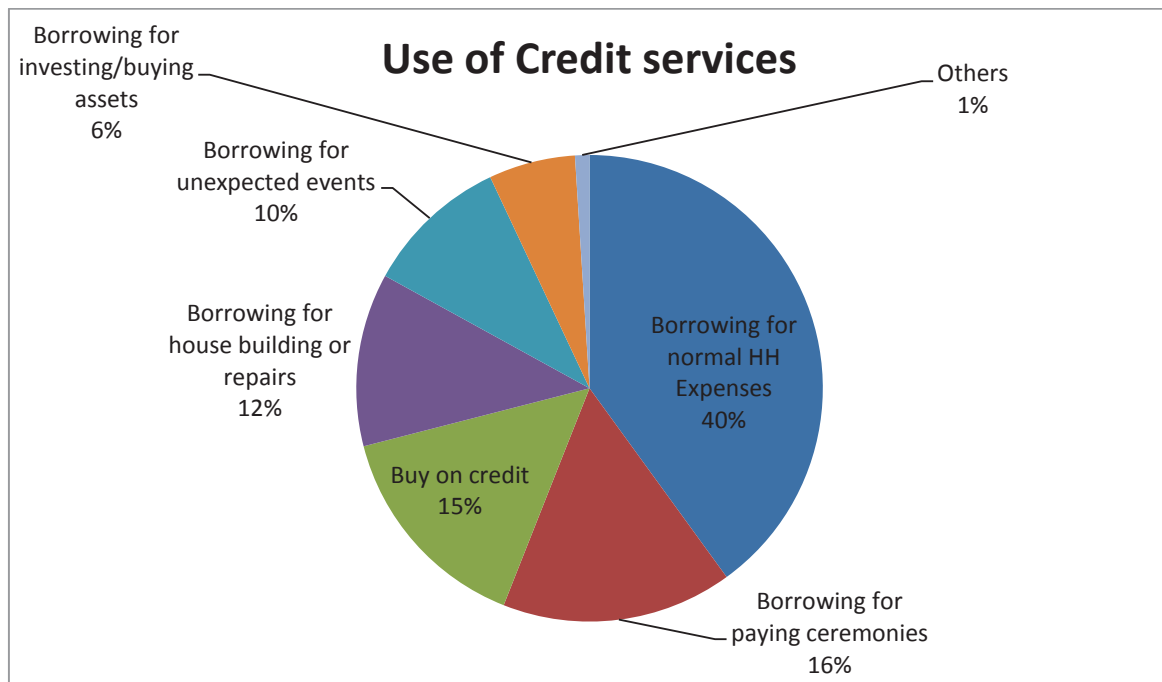
In terms of access to credit, it is possible to identify a clear preference: heavy reliance on Islamic lending mechanisms without interest³⁰ for financing expenditures when regular income is inadequate. Buying on credit was also found to be very common. A quick analysis of the main quantitative findings shows that two out of the three HHs interviewed take out loans or buy on credit on a regular basis. The main reasons for taking out these loans are shown in figure 7.2, with more than 40 per cent borrowing to finance normal house expenses; 16 per cent borrowing to finance ceremonies; 15 per cent to buy on credit³¹; and 10 per cent borrowing to finance unexpected events. The percentage of HHs borrowing money for investing/acquiring productive assets is very low - only six per cent (nine cases in the total survey). As regards the providers of these funds, the strongest preference by far is for friends (53 per cent) and family (53 per cent)³², also because there are no conditionalities and interest rates involved in the transaction. Shops are another preferred source. Very few HHs opted for formal financial services providers: one household borrowed from a bank, three from microfinance institutions (MFIs) and four from Savings and Credit Groups, accounting for less than six per cent of the total. The questionnaire tried to capture why the sources chosen were preferred over others, and some of the answers were interesting in this respect. Banks or MFIs in general were not a preferred choice because of their interest rates and the lack of trust that their business inspired in the HHs. In many cases, the interest rate issue was cited as a moral impediment on religious grounds. In those few cases in which formal providers were chosen, the reasons were the broad availability of funds and the preference to have scheduled repayments to enable better financial planning. Another factor that might explain this limited predilection for formal provision of credit through MFIs, Community Banks or NGOs, is that their conditions (collaterals or guarantees, for example) do not seem very plausible, indicating that their products might not be well targeted to returnees and IDPs. More information on this will be presented in the supply-side section of this chapter.

³⁰ Islamic lending mechanisms are based on the concept that money has no intrinsic value, and that it is only a measure of value. Since it has no value there should be no charge for its use. Islamic Finance is therefore said to be asset-based as opposed to currency-based, whereby an investment is structured on the exchange or ownership of assets, and money is simply the payment mechanism to effect the transaction. The basic framework of an Islamic Financial System is based on elements of Shariah, which governs Islamic societies. (www.ifec.org.uk)

³¹ It was difficult to establish final figures for buying on credit since it was perceived that, in many questionnaires, the answer "borrowing from relatives" did not actually involve a disbursement of money, but was a reference to buying on credit from the shop of a relative.

³² Figures add up to more than a 100 per cent due to multiple answers in most of the questionnaires.

Figure 7.2 Use of credit services



CASE 11: Is access to formal financial institutions resulting in unsustainable patterns?

This HH is a family of eight IDPs that spent some time in Bahasod, Wardak from 1998 to 1999, before finally returning to Koprook, Bamyan. Their main sources of income come from working on their own land and livestock, which is mainly managed by the female head of the HH, since the male partner is disabled as the result of an accident. The family does not have a constant and regular income - it fluctuates depending on the season and on the year. Their main source of livelihood is their own production, which they consume themselves, and occasional cash whenever they have the chance to sell cattle.

In terms of financial management, this HH has borrowed many times from relatives or friends to buy animals, and has repaid these loans once the animals have grown and they have been able to sell them. Large expenditures such as medical expenses have been paid by loans from a son-in-law - and have still not been repaid. As regards the everyday use of financial products, some interesting trends may be observed. The family mainly borrows money to purchase household goods, but also buys on credit from different shops, both within the community and at the bazaar at Band-e-Amir. One of the main providers of funds is the Community Bank, which has a low interest rate (six per cent per cycle). The HH considers the bank to be a good source of funds when its circle of friends and relatives do not have enough money, and both the head of the HH and the spouse are members of it. In addition, one of their relatives who is also a member of the bank borrows money for them. The HH intends to start paying back the loans in one month, since the repayment period has not yet started. The total outstanding amount of the HH's debt is around 30,000 Afs – accounting for about 47 per cent of its annual income. The family states that their borrowing has increased over time due to economic difficulties aggravated by droughts and their lack of capacity to save. To make matters worse, it admits its inability to keep track of its income and expenses due to a lack of

financial literacy.

The additional access to funds provided by the Community Bank has expanded the HH's possibilities of taking out loans and has resulted in its borrowing more than the limits usually set by the different shops.

Key message: Borrowing from the Community Bank for daily expenses triggers multiple borrowing and increasing debts. The financial sustainability of the HH is under siege, while at the same time this strategy allows the HH to survive.

B. The case for over-indebtedness

The questionnaire tried to capture, by various means, whether the patterns of borrowing and buying on credit could be leading the HHs into debt traps and unsustainable levels of debt. The apparent low capacity of repayment, as case 11 reflects, plays an important role in this problematic scenario.

A number of worrying issues have been noted in this respect throughout the report: the heavy reliance on credit, which, in many cases, had not been repaid at the time of the interview; the large expenditures being financed by credit without conditionalities, of which therefore a large proportion had also not been repaid; and the fact that credit from informal sources or even formal providers was being used to cover household expenses, thus adding to the stock of debt without clear repayment capacity - since this lack of income was precisely the main reason for borrowing in the first place.

A specific question in the questionnaire addressed the use of loans to repay other loans, which is considered a very bad practice. One out of four households that were borrowing stated that they had taken out second loans to repay earlier loans, a quite high figure for this practice. Delving deeper into the findings, there are some other worrying findings, which are presented in table 7.2.

Table 7.2 Over-indebtedness of HHs

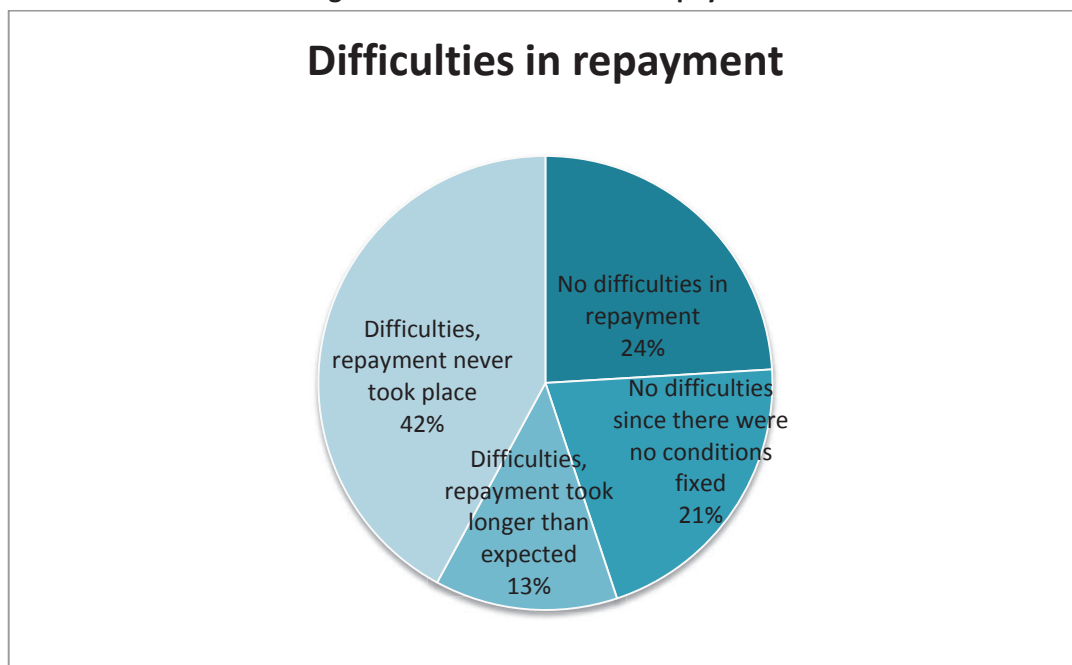
How many loans to repay?	% of target population borrowing*	Average outstanding amount in Afs	Average Income per year in Afs	Debt/Income (average %)
No outstanding loan	9	0	280,000	
Only one loan	37	44,000	140,000	31
two loans	23	78,000	115,000	68
three loans	12	94,000	106,000	89
More than three loans	19	131,000	129,000	102

*Note: percentages are estimated on the total HHs that claimed to use credit services in their daily life. Those HHs not using credit services are not taken into account in this analysis.

Table 7.2 contains very interesting findings. First of all, more than half of the HHs borrowing money have two or more loans that have not yet been repaid. Naturally, the level of debt increases along with the amount of the outstanding loans. As regards the average income of the HHs, those with no outstanding loans have definitely the highest income, which can explain their repayment capacity. The next observation is that those with a high level of debt and loans have, on average, a lower income, with the exception of those HHs that owe more than three loans. One tentative deduction is that it is the more vulnerable HHs who take out a larger amount of loans to finance their income gaps, thereby generating a problem of over-indebtedness for themselves. Finally the last column in the table confirms these findings by highlighting an increased percentage of debt over income when the number of outstanding loans increases.

In this context, households were also asked if they were finding it difficult to repay their debts (figure 7.3). This was an important question: the results summarized above represent the numerical expression of a problem identified - but this question made it possible to identify the HHs' own perception of their level of debt. The results confirm the previous quantitative analysis: 24 per cent of the HHs claimed not to have any problems with repayment. A further 21 per cent claimed not to have any problems, but this was because the loans were without any type of conditionality. This suggests that their friends and relatives were not insisting that their loans be repaid. The remaining 55 per cent openly accepted having repayment problems, with the vast majority (42 per cent) claiming that their loans had never been repaid. A final finding, adding to this complex scenario, is that 25 per cent of the HHs stated that they had increased the amount of borrowing due to economic difficulties. In many cases, this is particularly relevant for vulnerable and poor HHs.

Figure 7.3 Difficulties in loan repayment



Overall, the evidence suggests that traditional lending under the Islamic solidarity system has two effects: it provides a very important social protection role for the needy HHs, while at the same time creating over-indebtedness. The fact that this lending mechanism is interest-free and repayment is flexible prevents the HHs from falling into debt traps. They can continue to use this system until their repayment capacity improves. Given the present situation, the level of debts incurred by some HHs is unlikely to be repaid with their current level of income, especially in the case of the poorer HHs. It is important to highlight that the introduction of Community Banks or other interest-bearing credit mechanisms is considered very risky because the possibility of unsustainable patterns of borrowing with a snowball effect is very high.

CASE 12: Islamic informal financing mechanisms as a safety net

This HH of seven members lives in Shashpool, Bamyan. After they had spent three years in Pakistan, Government restrictions forced them to return to Afghanistan. The father died from heart disease soon after the family had returned and all their savings, plus borrowing, were needed to pay for his medical treatment and funeral. Because they had brought back no funds from Pakistan, they decided to give their land to relatives for their use on a temporary basis, and in exchange received some cash that was partially used for the funeral. At the beginning, four members of the household were employed in carpet-weaving, and the HH's total annual income was around 40,000 Afs. After a number of tragedies (one brother disappeared, one died in a mountain accident and a sister was diagnosed with mental problems), the family was no longer able to continue carpet-weaving. The head of the HH therefore switched to daily wage labour in the construction sector, earning an annual income of between 36,000 – 48,000 Afs. Because the family's expenditure exceeded their income, the HH struggled to afford basic items for their survival. Last year's expenditure rose to 108,300 Afs, with food being the main expense (75 per cent of total expenditure).

The interviewee was aware of this situation, and explained that borrowing was the only way to fill the gap between income and expenditure. The HH's total debt is now 54,400 Afs, which exceeds its annual income. Given that the family has no productive assets because it has temporarily given its land to relatives, it is in an extremely vulnerable situation without enough income to survive and an expanding level of debt. This lack of economic security, the amount of the outstanding loans and the impossibility of accumulating savings because of the gap between expenditure and income make the family highly dependent on Islamic informal financing mechanisms to survive. This HH does not seem to have any financial literacy - but there is no pressure from the financing mechanisms for repayment.

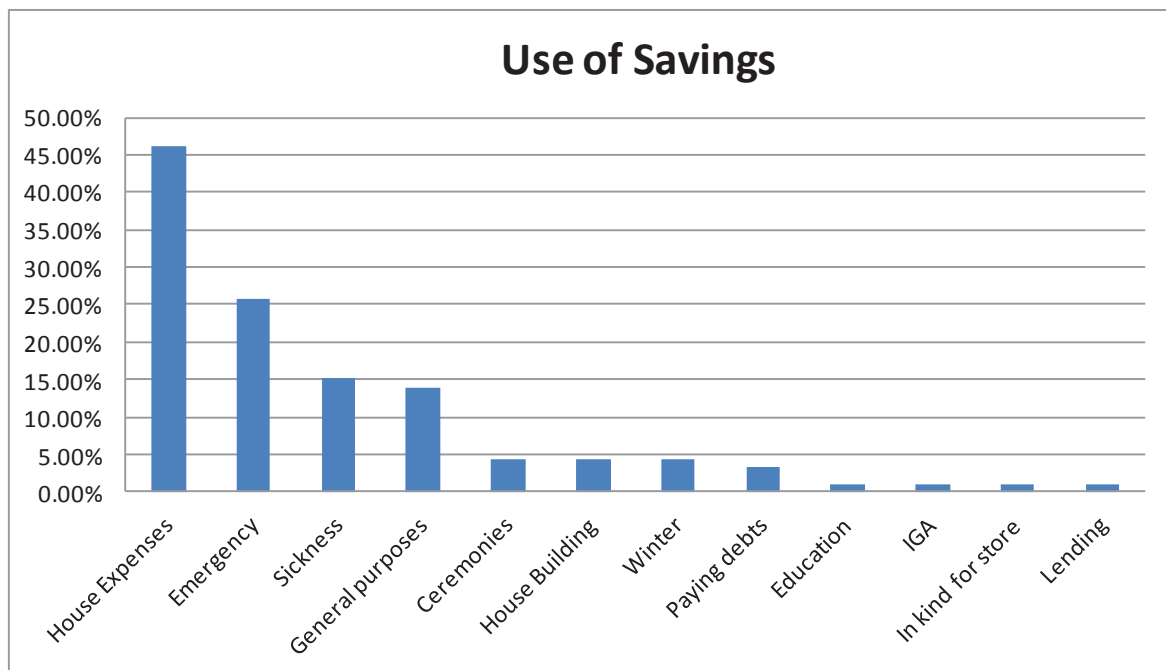
Key message: Borrowing from Islamic informal financing mechanisms acts as a safety net, which allows the family to survive; repayment is next to impossible for vulnerable families, but lenders do not mind in the Islamic context.

C. Savings

Savings constitute another dimension of the complex link between returnees/IDPs and the use of financial services.

Figures show that 40 per cent of the HHs interviewed are saving. It is worth noting that these absolute numbers vary considerably from region to region: 30 per cent in CR/CHR; 78 per cent in ER/SER/SR; nine per cent in NR; and 16 per cent in WR. The low levels of saving are not surprising in a context in which income seems, in many cases, to be insufficient to cover expenses - as highlighted throughout this report. However, the situation becomes more complex when analysing the use of savings (figure 7.4) of those HHs that are effectively setting aside some cash from their income for the future. The data suggests that 46 per cent of the HHs are saving to finance house expenses, including winter provisions; 25 per cent are saving for emergencies; and 15 per cent for sickness-related expenditures. Only three per cent claim to save to pay debts, and one per cent for supporting income-generating activities. The conclusion is straightforward: savings are not being used to support entrepreneurial activities or to take productive decisions. For many HHs with savings capacity, these resources are used in the same way as income and cannot be defined as “real savings”. As a consequence of this pattern, there is no link between savings and investment opportunities that might increase the HHs’ income-generating capacity, thereby undermining any opportunities for an increase in income in the long term. However, the fact that some HHs use savings for contingencies is worth mentioning, as this is an important practice for good financial management.

Figure 7.4 Use of savings by HHs



In the case of those HHs that currently save, there is also a strong rejection of banks or formal institutions. This may mostly be attributed to a lack of trust and the impossibility of having the money on hand when needed. The preferred option for 82 per cent of the interviewees is to keep the money at home, since it is then easier to have access to it; and they see no point in receiving a return for their savings, since interest-based schemes are forbidden by their religion. However, 17 per cent of the HHs prefer to keep their savings at the bank for two main reasons: on security grounds and to avoid the misuse of funds if the money is kept at home. There is a very low penetration of schemes like credit and savings groups or moneylenders among the interviewed households (less than two per cent), which is appropriate given the profile of the target population.

D. Remittances

Despite the high mobility across regions and other countries, the questionnaires revealed that the use of remittances was lower than expected. Less than 10 per cent of the HHs claimed to resort to this financial instrument. The figures might have been underestimated due to a fairly broad movement of money (both internal and across borders), where people carry money with them instead of using remittances services.

In the case of those using remittances, it is possible to identify three main countries from where the money comes: the Islamic Republic of Iran, Pakistan and the United Arab Emirates. There is a wide range of service providers: informal money exchangers (*Hawala*); shops in the bazaar; and the Western Union. Some of the interviewees stated clearly that friends or relatives delivered the money, and this choice might have been inadequately captured in the interview, since many of them might not have considered this as a remittance or money transfer. For those transferring money within the country, there was an interesting pattern: all three cases used formal banks – and this was linked to the fact that the family member executing the transfer had a formal job and payments were made through the banking system.

Overall, the different cases show that when remittances take place, they are of vital importance for the HHs – often being their main source of income for daily expenses. The sums of money received, especially when they come from other countries, account for a fairly significant amount in Afs.

The fact that there is a limited use of remittances service providers, despite the high ratio of HHs with family members working in remote urban centres and abroad, indicate that they are exposed to the risk of losing money.

E. Insurance

Although many HHs stated they had suffered from unexpected events (22 per cent), there was no penetration at all of insurance services among the target group. Furthermore, less than five per cent of the interviewees understood the meaning of the word “insurance”.

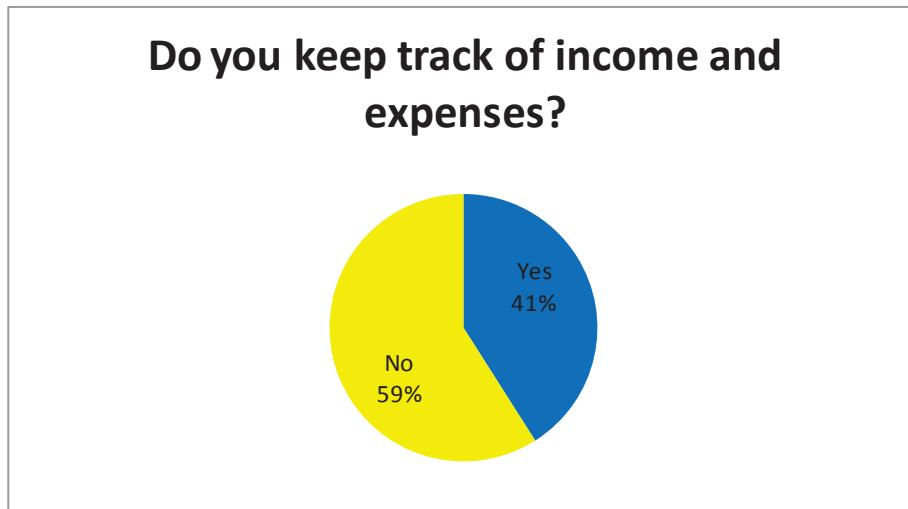
Once again, the findings revealed that in most of the cases (36 per cent), HHs handled unexpected expenditures by borrowing from relatives and friends. Only 10 per cent used savings for this purpose. The majority of the HHs said that they were unable to cover these costs. While the loss of animals was sometimes observed, there was no reference to any animal insurance.

F. Financial literacy

The last segment of the questionnaire focused on financial literacy, and the results gathered are of vital importance to understand the current situation of the returnees/IDPs.

On the whole, the levels of financial literacy are very low (figure 7.5). Only 41 per cent of the HHs are able to keep track of income and expenses. In a context where there is a high level of debt, low incomes, a lack of savings and economic uncertainty, the failure of the target population to master this basic skill is worrying. Answers to another question confirmed these findings: only 18 per cent of the HHs knew what a budget was. However, even among these cases, few of the respondents showed any real understanding when probed. This translated into a very low use of budgets for financial planning, with only six per cent of the total HHs stating that they were adhering to one.

Figure 7.5 Percentage of HHs keeping track of income and expenses



Generally speaking – and despite the fact that this is the last subject to be examined on the demand side – the lack of financial literacy is a key factor that might explain some of the complicated scenarios presented above. Without a clear understanding of ways to manage their basic income and calculate their expenses, most of the HHs are trapped in the dynamics of constant borrowing or buying on credit, without an assessment of their future prospects. Financial education schemes are necessary to escape from the identified debt-trap.

7.2 Supply side: The provision of financial services by financial services providers

7.2.1 Methodology

In order to validate the findings of the questionnaires for both HHs and IGAs, a mapping of financial services providers was carried out throughout the regions covered by the study.

In total, 39 in-depth interviews - with follow-ups for further data requests - were conducted in the main urban centres of each region with commercial banks, MFIs, NGOs, international organizations, moneylenders, and shopkeepers in the main bazaars. A detailed list of organizations interviewed in each region is contained in Appendix IV. The aim of this broad institutional approach was to capture the informal provision of financial services, on the grounds that they might a priori have a broader penetration in the target market. The findings confirmed this conjecture.

Information was gathered on organizational values, products, portfolios performance, financial performance, funding structure and social performance indicators. There was also a specific section on the link with returnees/IDPs. Only the main findings are contained in this report. Appendix V lists the main characteristics of products offered by financial institutions.

7.2.2 Main results

A. Lack of penetration in the returnee/IDP market

The results of the mapping corroborate the findings of the analysis on the demand side to a certain extent. The various institutions have a very low penetration in the returnee/IDP target group covered by this study, if any.

The questionnaire tried to capture the direct link between these different organizations and the target group. One of the main issues highlighted by the financial services providers (FSPs) interviewed was that a permanent residency permit was required to access their products. Since many of the returnees did not have one, they were not eligible to be official clients of these organizations. When enquiring about the various ways to overcome this situation, the answer was clear: the Government was the main agent that could change this situation, and the whole process of returnees' registration/reintegration should be radically improved and strengthened.

The other reasons explaining the low penetration in this market are more directly linked to the returnees' economic fragility than to legal impediments. The institutions cited the lack of basic livelihood conditions, such as a stable income that would entitle the HHs to have a regular supply of food and basic goods. They believe that this is one of the main priorities to address in order to make returnees active economic agents - and only once this matter has been tackled will it be possible to promote their financial inclusion. Governments and developmental NGOs are thus portrayed as the main players who could change this situation, especially by guaranteeing a minimum social protection

floor enabling the HHs to think more in the medium- and long-term. The other major limitation described by many organizations was the lack of returnees' specific skills or training, which left them in a very vulnerable position to be agents of their own change. It was suggested that vocational training systems, including some basic start-up business skills, might help overcome this. The suppliers also expressed concerns regarding the level of financial literacy of the returnees/IDPs.

B. Offer of financial services

In terms of access to credit, the different FSPs have a broad selection of products, ranging from very small disbursements (2,000 Afs) to very high figures (up to a million Afs). Products are being offered on both an individual and group basis and annual interest rates vary between 12 and 30 per cent. Among the key products identified in the different organizations were the following: small group loans; housing loan products; housing rural loan products; agriculture and livestock loans; personal loans; and SME loans. Since group products have lower requirements in terms of collateral, most of the (few) cases of formal institutions serving returnees/IDPs come under this category. The Aga Khan Foundation and UN-Habitat were identified in both the demand- and supply-side assessments as being among the providers disbursing small loans to returnees. From the FSPs' side, it was very difficult for them to estimate percentages of returnees in their portfolios. In the case of UN-Habitat, the Self-Help Groups (SHGs)/Community Banks decide upon the disbursements and interest rates, and loans are usually earmarked for emergency and not productive purposes. In the case of moneylenders, they also offer personal loans at higher interest rates than the institutions, but a general precondition is the existence of a well-functioning business - which is not the case for most of the returnees, with rare exceptions.

The supply side of buying on credit was explored by conducting interviews with shopkeepers in the different urban centres, including the main bazaars. Results show that selling on credit is widespread, and for the most part implies no price difference to paying in cash. One of the main issues identified in this context was that in the case of imported products, there were some methods in place to preserve the purchase value of the goods. The product's price is therefore fixed in Pakistani Rupees or US dollars most of the time - and if it bought on credit, its price is calculated in accordance with the exchange rate on the date of repayment and not the date of purchase, if there is a difference between the two. It was generally noted in the shops interviewed that there are monthly limits for purchasing on credit, and policies stating that the previous purchase has to have been fully paid before buying again on credit. A difference with credit products is that shopkeepers highlight the high presence of returnees and/or IDPs among their clientele base. This did not seem an issue of concern as long as the returnees were known and based in their community.

In the case of savings, there is a wide range of products. Among the key products identified were: savings groups; community banks offering SHGs schemes; savings deposits (returns from 2 to 10 per cent annually); fixed-term deposits; compulsory schemes for loan provisions; and membership shares³³.

³³ This product offers savers the opportunity to buy a "membership share" of the organization, and upon termination of their membership they receive a benefit added annually to their account. In the organization in

In most cases, returnees/IDPs comply with the requirements to access these products - but their presence is very limited in the portfolios of the organizations interviewed. Some of the shopkeepers interviewed also offer saving schemes. They handle a small portfolio of savers who give them their money to be used as capital for the shop, and when they ask for their money back, they receive a share of the shop's benefits. The usual agreement involves a fixed one-year term deposit. Moneylenders also attract some deposits, paying between 10 and 15 per cent of the deposited amount as interest. Only the membership shares and the savings with shopkeepers are considered "Islamic savings" due to its "profit share" concept in the place of interest rates.

Regarding remittances, as seen above in the demand-side analysis, there is quite a low demand for remittances services, given that most of the households tend to carry the money themselves or have it delivered by relatives and friends. However, many providers offer these services and returnees/IDPs are part of their target market. The informal money exchangers are the main providers used in the supply side, their advantage being their broad geographical coverage and low fees (1 per cent). The commercial banks also offer these services, charging little for transactions within Afghanistan and fixed fees of around US\$20 for worldwide transfers up to a certain limit of funds. Shops in bazaars also claimed to provide this service, but no information on their costs was collected.

The inclusion of basic financial education schemes was identified as a popular offering by the NGOs and not-for-profit organizations interviewed. Some of the providers, including the FMFB, FINCA, OXUS and Afghan Aid, are running the most comprehensive programmes on this subject as a mandatory requirement for accessing their loans.

C. Ideas for products that particularly target returnees/IDPs

Although returnees/IDPs were not the main target groups of the organizations interviewed, some of them - the Aga Khan Development Network (AKDN) and FINCA, especially - gave the impression that they had clear ideas on the way to design financial products addressing the main constraints and limitations in the lives of returnees/IDPs. The following were among the most relevant ideas:

- Loan products with an initial grace period to allow the new business some time to develop before starting repayment.
- Special loans with a reduced interest rate to lessen the business's burden at the beginning of the financial transaction. This could be compensated once the business was running appropriately.
- Special training on financial literacy and savings.

These are the views expressed by the financial institutions interviewed and not those of the authors of this report, especially given the wide availability of zero-interest loans without repayment conditions.

which this product was mapped (Islamic Investment and Financial Cooperatives - IIFC), the membership share for the past few years offered an annual return of 8 per cent.

While disagreeing with the need and benefits of loans at this stage, the authors of this report support the third point put forward by the FSPs: the initial focus should be on assisting the HHs to move from the indebtedness trap to productive investments through a broad financial education programme and savings mobilization. While financial education can trigger savings in the target HHs, supporting institutions that offer or have the potential to offer Islamic savings products might also play a very important role. This access to savings could also be combined with access to low-cost and reliable remittances services.

7.3 Conclusions

Overall, the main conclusion is that the needs of returnees and IDPs are not currently being addressed by many of the FSPs interviewed.

In terms of access to credit, the target group is far from being able, in many cases, to comply with the various requirements, such as guarantees, for accessing a loan. Furthermore, the attractiveness of borrowing money with fixed repayment schedules and interest is low for returnees, given that most of the informal loans they contract are for protective reasons and act as a safety net. In general, the provision of financial services by the organizations interviewed are much more focused on productive needs than on protection, and the target group seems unready to take this step on account of their high vulnerability.

The findings are more complex with respect to savings. The broad availability of savings products could potentially have a higher penetration among the returnees/IDPs. However, they seem to have little taste for these products, either due to their lack of savings capacity or their rejection of the concept of interest-bearing transactions. This will be further explored in the part of the report containing Conclusions and Recommendations.

As far as financial literacy is concerned, the findings of this mapping could be used in the short-term to generate a useful intervention. The mapping shows that many organizations are aware of the lack of financial literacy in the country, and this is a pressing issue for the target population covered by this report. In this regard, the capacity and infrastructure detected in the mapping could be potentially valuable for designing interventions for returnees/IDPs.

8. IGAs/SMALL BUSINESSES: A CROSS-CUTTING MEANS OF LIVELIHOOD

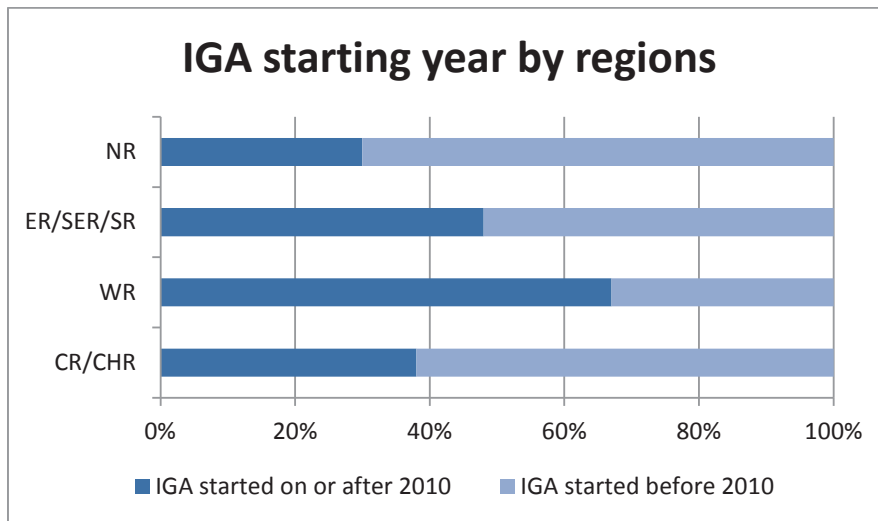
The study found that donor-supported income-generating activities (IGAs) often do not lead to jobs and that even if these activities are successfully started and sustained, they generate a low income and involve short hours of work. Those that are self-started are divided into two types: the typical ones are stagnant businesses with a low income but involve longer hours of work; and the successful ones have a much higher income and are growth-oriented. The IGAs in the Eastern, South-Eastern and Southern regions tend to have a higher growth rate and are least affected by seasonality.

The IGAs are mostly started with equity investment such as savings, borrowing or buying on credit from friends and relatives without interest, or gift from relatives - which is good news. As far as operating capital is concerned, buying on credit is common although more expensive, followed by borrowing with zero interest from friends and relatives. Selling on credit to customers is common among IGAs in the Central, Central Highlands and Northern regions, which sometimes leads to cash shortage and over-indebtedness, but is scarcely practiced in the Eastern, South-Eastern and Southern regions. Only 15 per cent of the interviewed IGAs saved for future investment.

8.1 IGA establishment and growth

Various types of IGAs/small businesses operated by returnees/IDPs and households in the host communities were observed in the HRAs, irrespective of their typology, and in urban centres. These included: grocery shops; carpet-weaving; wool spinning; carpentry; blacksmithing; masonry; electric works; medicine dispensaries, and bakeries. While some had started a business after gaining skills and market insights by working as an apprentice for a long time, others had merely accumulated capital to start a business that did not require any technical skills - and some others had started IGAs after receiving donor-driven skills training, followed by the provision of tools/production materials.

Many of the IGAs/small enterprises observed in the reintegration sites had started up very recently, during the past three years (figure 8.1). Although the establishment of an IGA or small business is closely linked to the people (consumers) in the reintegration site, it is important to consider the year it was established when analysing the growth of such enterprises. No cases of IGAs having shut down were found, and they are not considered here for the growth analysis. It is important to note that the “death rate” of new small businesses/IGAs is quite high in general.

Figure 8.1 The time when IGAs were established in different regions

Only those enterprises operating for at least last three years have been taken into consideration in the sales growth analysis. When examining these enterprises in the HRAs in all regions, the higher percentage (45 per cent) demonstrates more than 15 per cent of average annual sales growth (figure 8.2). Interestingly, when the ER/SER/SR is excluded from this aggregate level analysis, only 27 per cent of IGAs show an average annual sales growth exceeding 15 per cent (figure 8.3). This difference can be attributed to the greater tendency to save and comparatively better money management of the people living in the ER/SER/SR, as highlighted in Chapter 7.

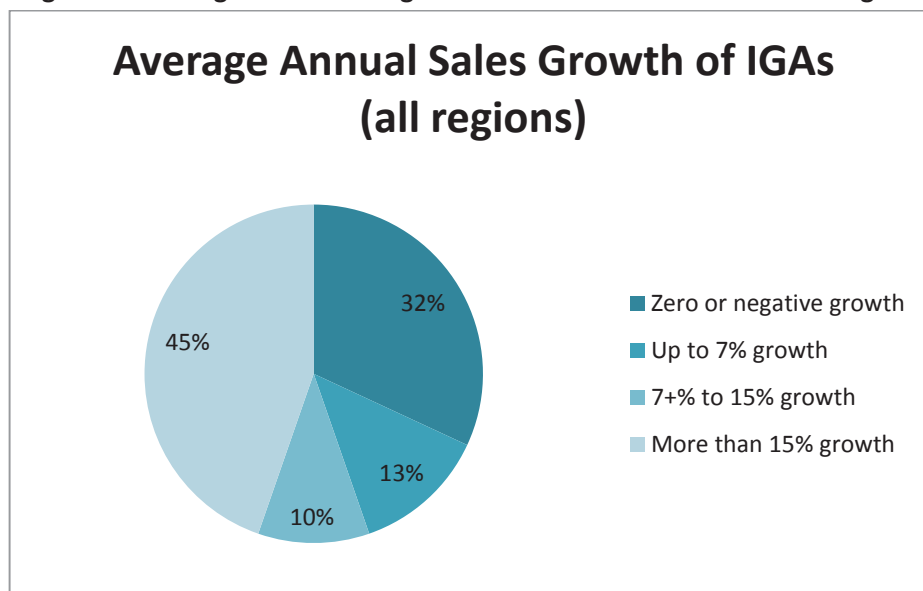
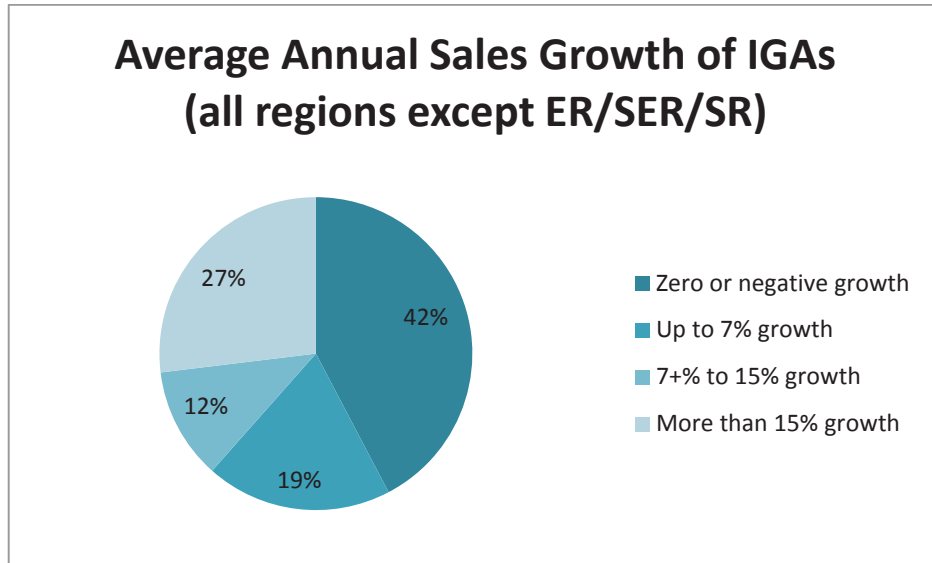
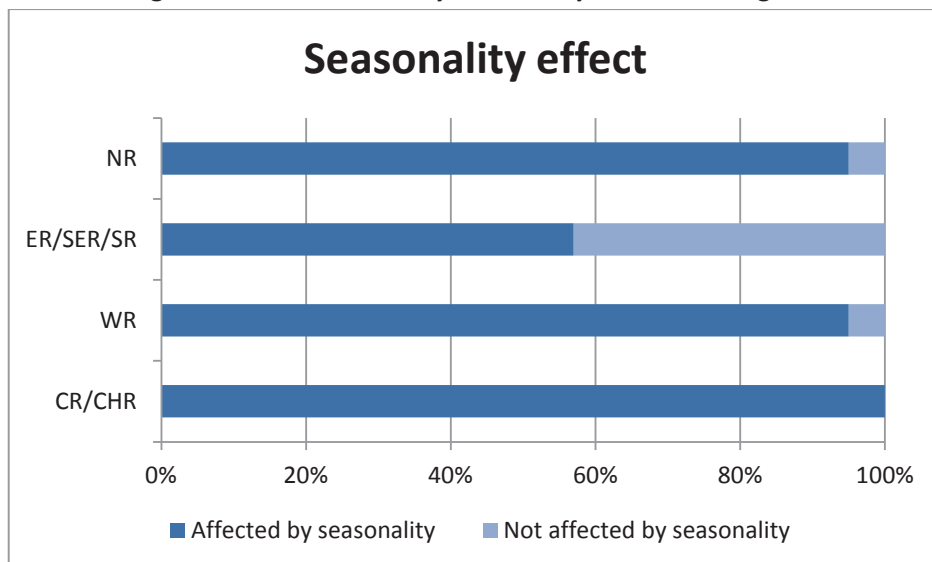
Figure 8.2 Average annual sales growth of IGAs within the sites in all regions

Figure 8.3 Average annual sales growth of IGAs within the sites in all regions except ER/SER/SR



Furthermore, the seasonality effect can also contribute to this difference in sales growth of the IGAs in different regions. Analysis at aggregate level shows that the IGAs in the ER/SER/SR are the least affected by seasonality, whereas all other regions are heavily affected (figure 8.4).

Figure 8.4 IGAs affected by seasonality in different regions



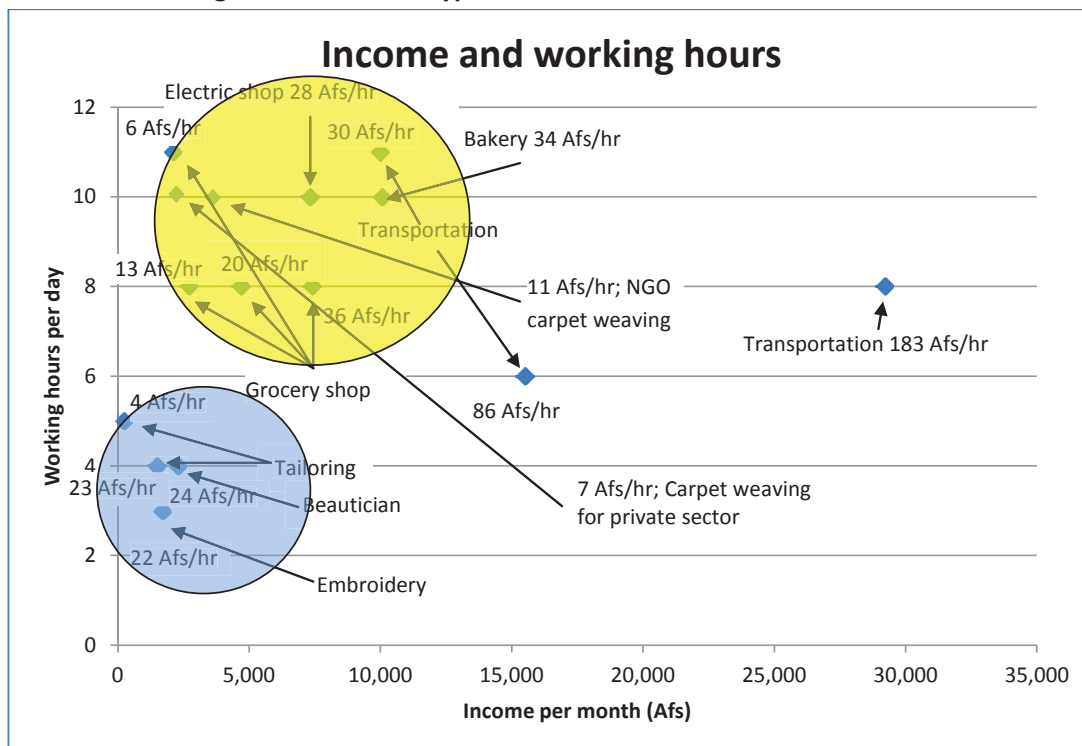
However, it is clear from figures 8.2 and 8.3 that a larger proportion of IGAs have a low average annual sales growth (not to mention the IGAs that ceased to operate because they were unviable). The Afghan inflation rate (consumer prices) in 2011 was 7.7 per cent³⁴. When this inflation rate is taken into account, the lack of/low growth of the IGAs becomes even clearer. Nonetheless, no/limited growth in sales does not necessarily mean poor performance. It is possible that businesses may have a high and growing margin. The next section reviews the level of income and length of working hours of different IGAs.

8.2 Types of IGAs/small enterprises

By observing a general pattern, IGAs or small businesses can be categorized into three groups:

- A. Donor-supported enterprises
- B. Typical self-starters with limited growth
- C. Successful entrepreneurs

Figure 8.5 Different types of IGAs/small businesses and their incomes



³⁴ Source: www.indexmundi.com

A. Donor-supported enterprises

These are IGAs/small enterprises created as the result of typical donor interventions, which provide skills training followed up by the distribution of tools. *The blue circle* (the medium-sized one) in figure 8.5 shows a few examples of donor-supported enterprises, such as tailoring and embroidery, with very low rates of pay. In most of the cases, skills training are provided without any market assessment and/or job placement. Consequently, people return to their previous occupations or remain idle. Only a few people continue to earn a little. The low number of working hours does not reflect efficiency but rather the unavailability of sufficient work or the part-time nature of women's home-based businesses. Carpet-weaving is another example of donor-supported IGAs being run in parallel to private-sector businesses. In both cases, the monthly and hourly income of the target population is very low, as may be observed in figure 8.5.

Providing skills training on such occupations, without having a proper understanding of the product and labour market, could hardly make a significant impact - either before or after repatriation. Unfortunately, many development agencies are only too willing to jump in and provide such technical skills, as they find it the easiest way to intervene. Generic skills such as language, soft skills, career and entrepreneurial skills could, on the other hand, be an asset for the target people and be adapted to any type of occupation they embrace. These skills could be taught to the target group even before repatriation.

B. Typical self-starters with limited growth

Most of the enterprises fall under this category - where the entrepreneurs accumulate capital to start their businesses. Some survive, but others give up after a while because they are unable to compete and move on to a new business. Even those who do survive experience limited growth. These enterprises are slow to respond to the changing demands of the market, and new ideas and product diversification hardly exist. *The yellow circle* (the largest one) in figure 8.5 shows this category of enterprises. They usually have long working hours (10-12 hours or even more), though monthly net income hardly exceeds 8,000 Afs. Grocery shops in the HRAs are typical examples of such enterprises.

Case 13: A grocery shop has had the same level of sales for the past five years

Hamid runs a grocery shop at the reintegration site in Kurji Township in Farah province. He started his business in 2005 with only 3,000 Afs, which he had saved by working as daily wage labourer. His shop is open from 8 am to 4 pm, six days a week. It is located next to his house and he does not therefore have to pay any rent. He does not have any paid or unpaid employees to assist him.

In his first year, his average sales were only 400 Afs per day, which increased to 800 Afs per day in two years. But for the past five years, his sales have remained the same, or even decreased to some extent. At present, he sells goods for 700 Afs per day. This amount remains stable in the summer and in spring, but drops by half in winter and the autumn. His average monthly income is thus 7,200 Afs.

Hamid buys on credit and currently owes 4,000 Afs to his supplier. His income is not always adequate to cover his family costs, and he then has to borrow money from his friends or relatives. Right now, he owes 40,000 Afs to six people.

Key message: Small businesses within the sites face constraints to growth and buy on credit from their suppliers. The income from the business alone is often not enough to cover all the family expenditures.

C. Successful entrepreneurs

These enterprises are the growth-oriented successful ones that have emerged from the first two categories. New ideas, product diversification, good management and technical skills, as well as an understanding of market insights, are the key attributes of these enterprises' success. Their monthly net income (and their income per working hour) is higher than that of the first two categories.

Case 14: An apprenticeship that resulted in the making of a successful entrepreneur

Walid has a carpentry shop in the Fatih Abad bazaar in Jalalabad, which he opened five years ago after having been apprenticed to another shop for a few years. When starting his business, he borrowed the start-up capital from his uncle - which he paid back in one year's time. When he first opened, his monthly income was 25,000 Afs, which has now increased to 45,000 Afs. He also has two apprentices in his shop - one is his own brother and the other is from his village. He pays each apprentice 1,300 Afs per month.

Walid sells on credit only to friends and relatives, but he maintains a certain ceiling and does not cross that limit at any time. He saves money in kind by buying timber during the season when it is at its cheapest. Currently, he has a timber stock worth 240,000 Afs, and he sometimes sells timber to other carpenters.

Key message: Borrowed money was repaid successfully and growth was sustained. Successful entrepreneurs are not created overnight; a short-term apprenticeship cannot result in the making of a successful entrepreneur.

8.3 Financial analysis

8.3.1 Methodology

After the researchers had selected a number of IGAs, they interviewed those involved in them about their financial access and the management of their economic units – as these are vital research components given their importance in the overall success/failure of the business.

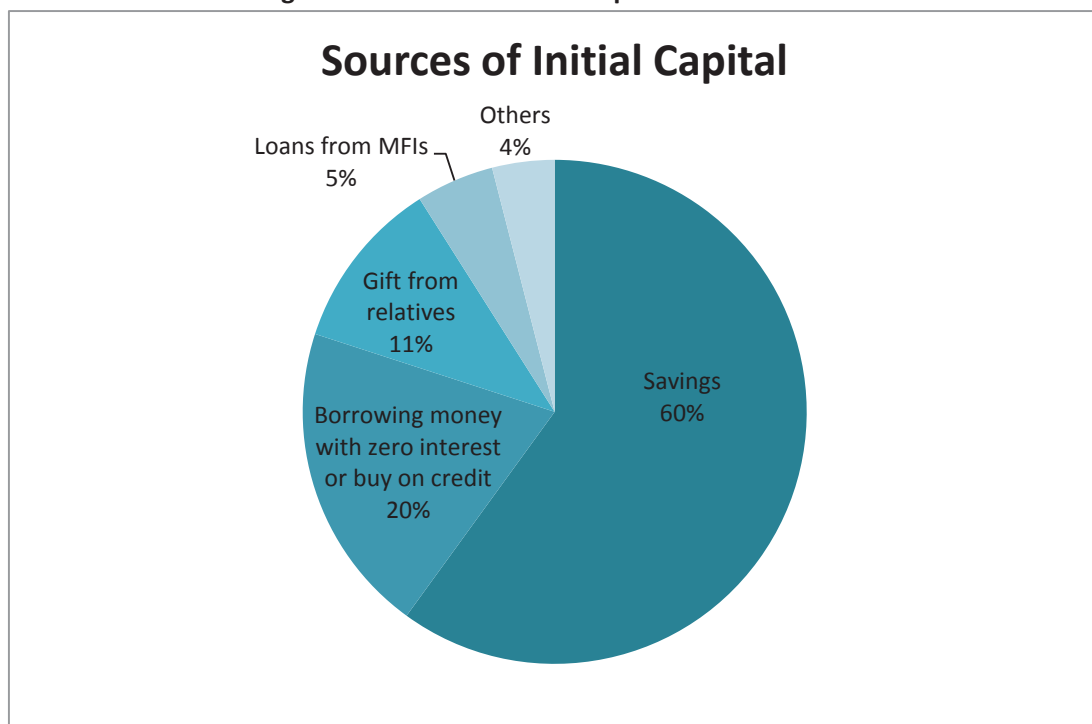
The questionnaire that was used was different from the one on households, as it had only two main focal points: to identify the source of funding that had been used to start up the entrepreneurial activity; and to enquire about the current use of financial products for the everyday activity of the business.

8.3.2 Source of initial capital

Figure 8.6 shows the sources of the initial capital to start an IGA. Approximately 60 per cent of the IGAs had been funded with the entrepreneur's savings, and this pattern was quite similar across the different

regions. The second source of funds was borrowing money without interest or buying on credit, using the network of friends and relatives (20 per cent) - which may be considered as quasi capital in the same way as subordinated loans. The third source was gifts from relatives, in cash or in-kind. This means that more than 90 per cent of the total businesses interviewed started with some form of equity investment, which is a right way to finance start-up “risk capital” of businesses, and only five per cent through borrowing from MFIs, which is riskier for both borrowers and financiers. The pattern of financial access observed in the section of this study on HHs is repeated: a heavy reliance on informal finance provision mechanisms and a very low penetration of formal mechanisms³⁵.

Figure 8.6 Sources of initial capital to start an IGA



8.3.3 Current use of financial services

One of the main subjects of research was the use of different financial products for running IGAs on a regular basis. The first interesting finding was that buying on credit was far more common than borrowing money. Approximately 46 per cent of all IGAs owners bought on credit, while only 30 per cent borrowed money. Seventeen per cent of the IGAs opted for both resources.

³⁵ It was not possible to quantify the reasons for the preferences of these different sources.

Buying and selling on credit

As mentioned above, buying on credit was a widespread practice among owners of IGAs who were attempting to balance their cash flow and have a stable financial balance sheet. In most of the cases interviewed, the owners of wholesalers' shops did not charge the same price when they sold on credit or for cash. The IGAs questionnaire confirmed these findings: the shops are not aware of being charged more for their purchases on credit. The charging of a higher price on credit varies according to the goods that are bought. It is worth noting that in two cases a higher price was detected - and the owners of the IGAs buying on credit were aware of it. In most of the cases, weekly or monthly balances have to be settled in order to continue buying on credit.

The IGAs questionnaire also enabled the researchers to analyse the process of selling on credit to the final client, and to examine to what extent this was practised among the businesses interviewed. The findings of the HHs questionnaires showed that buying on credit by customers was a very common practice. The quantitative analysis shows that 56 per cent of the total IGAs interviewed actually sell on credit; however, there are marked regional differences: 94 per cent in CR/CHR; 95 per cent in NR; 30 per cent in WR; and only 13 per cent in ER/SER/SR. Table 8.1 presents important findings in this regard.

Table 8.1: Selling on credit and average outstanding amounts

	CR/CHR	NR	WR	ER/SER/SR
Total cases selling on credit by IGAs	16	19	5	6
Outstanding amount in Afs	83,900	10,000	26,800	95,600
% of monthly sales	211	18	43	162
% of IGAs that experienced default by customers	44	68	40	100

Table 8.1 shows that outstanding amounts account for a very large percentage of monthly sales, especially in the CR/CHR region. Even more worrying is that given the high proportion of shops that have experienced default by customers in the past, the prospect for recovering those outstanding amounts does not look good. This may be attributed to two key reasons: buying on credit is a safety net for HHs (customers), rather than a planned financial decision to balance the family budget, which results in their being unable to repay their debts; and the owners of IGAs fail to assess the risks of selling on credit more than an estimated amount, and this could jeopardize their financial stability. This theme will be developed in the following section of the report.

Case 15: Is buying and selling on credit sustainable?

In Shogofan, Herat (Western Region), an IDP and a partner have set up a shop selling electronic items such as cables, wires and switches, as well as gas. The partners have a very clear division of tasks: one is in charge of the shop and the other goes to customers' houses as he is knowledgeable about electrical matters after attending a course given by UNHCR. The initial investment was 100,000 Afs, made by the first partner two years ago. Six months ago the electrician joined the shop, and made a capital contribution of 30,000 Afs.

The average sales are around 4,000 Afs a day - but the amount is half that in the winter. The average gross margin

is between 10 and 14 per cent. One of the owners confesses that he has difficulties reconciling his business and household needs. As a consequence of this and due to cash shortages, he increased his purchases on credit from different providers. Rather than failing his creditors and hence affecting his reputation, he decided to expand his providers' base. His outstanding debt recently rose to around 200,000 Afs, spread among five different companies. The price he pays because of buying on credit is the same as paying cash, but he has to be careful not to be cheated in this regard. Recently he failed for the first time to pay one of his providers, but gave advance notice and paid the following week.

On the other hand, he also sells a considerable amount on credit to his customers. At present he is owed more than 100,000 Afs by over 50 clients. Even though he puts a limit of 3,000 Afs on each sale, he spends a considerable amount of time following up those who fail to repay, because "*some people forget to pay their liabilities*". He has experienced default with people he did not know - and he has still sold on credit to the same people after they defaulted.

Key message: Buying and selling on credit is the norm but could progressively lead to a high-risk situation when the shop's economic and financial situation becomes shaky. Owners may not fully understand the risk.

Access and uses of credit

Examining more closely the profile of those who borrow money periodically to run their businesses, the most interesting finding is their overwhelming reliance on friends (56 per cent) and family (26 per cent), as opposed to the formal institutions providing credit – such as MFIs (13 per cent), community banks (eight per cent) and banks (four per cent). This may be attributed to the differences in the conditionalities and existence of interest rates. Friends and relatives do not charge interest rates and do not have fixed repayment dates - unlike the other providers that do have fixed repayment dates and charge interest (between six and 12 per cent). When asked about the reasons for these preferences, the interviewees referred to the conditionality factor. On the whole, they had a strong preference for non-interest based schemes, and they viewed the lack of fixed dates of repayment as positive for shop owners. Those who expressed their preference for formal providers gave two reasons: the larger amount of money available; and the fact that money was always available if the conditions were met.

Savings

The questionnaire also examined the issue of savings by the owners of IGAs, and the main uses to which these are put. Overall, the main finding is that few IGAs respondents actually save, accounting for only 15 per cent of the total. This may be largely attributed to the fact that even those who have an income exceeding their expenditures decide either to reinvest in their shops or use the extra money for

household expenses. As in the case of HHs, owners of IGAs might have a wrong perception of the reasons for savings,³⁶ and a lack of capacity to accumulate “real savings”.

Insurance

The interviewees stated that businesses had only encountered a very low incidence of “unlucky events”. In any case, there was no evidence of any insurance products, and, on the whole, there was no understanding of what insurance means.

8.3.4 Conclusions on the financial analysis of IGAs/small businesses

The use of financial services by HHs, described earlier in the text, seems to be mirrored at the level of the IGAs.

Generally speaking, access to financial services by IGAs is restricted to informal sources, and these services are mostly used to compensate for cash shortage and as a safety net, rather than as a means for IGAs to achieve a better economic performance in the long-term. In many cases, the interviewees stated that small IGAs constituted the main source of income of entire HHs. The financial management of the business cannot therefore be analysed separately from that of the household. When expenses are higher than income and/or when there are problems of due collection, increased borrowing by the IGAs from informal financial sources can merely reflect a cash shortage rather than a careful financial plan to expand the business. All this points to some unsustainable patterns.

As observed, buying on credit is very common and replaces the borrowing of money to some extent. But once again, there is an apparent lack of planning behind these decisions. In many cases, buying on credit compensates a negative cash flow, adding slowly to a stock of debt that is highly unlikely to be repaid through the normal operations of the IGAs. There are some cultural factors behind these decisions: an implicit obligation to buy and sell on credit seems present in most of the economic units analysed. And this “obligation” offsets whatever negative effects buying on credit might imply, assuming they are effectively assessed - and this might not be the case due to the low levels of financial literacy among the target population of this study.

The lack of access to formal institutions can also be attributed to these same reasons. There is no economic rationality in asking for a loan with interest, when the sum will be used for household expenses or to keep a shop running that is not doing well.

³⁶ The use of savings for covering normal household expenses endorses this statement.

9. CONCLUSIONS AND RECOMMENDATIONS

9.1 Conclusions

The major findings and conclusions of the study can be summarized as follows.

- *Work to live.* Jobs played a vital role in the survival strategy of the returnees/IDPs during their displacement, as well as during their period of return. The displaced families had to find quickly whatever low-end work was available when they arrived at a place of asylum and upon returning to their country, as they could not afford to remain unemployed. External livelihood assistance came at a much later stage and was usually designed without any knowledge of the existing employment, income and financial situation of the target households (HHs). Being well informed of the existing livelihood situation should be the starting point of any external assistance.
- *Financing survival.* The refugees and IDPs relied heavily on savings (including domestic animals and other movable assets) and borrowing (mostly on the basis of Islamic solidarity mechanisms), until they established a survival income portfolio at their destination of displacement – and later at the reintegration sites. Remittances from family members sometimes supplemented their low income during this period. Against all odds, nearly half of the interviewed HHs accumulated savings over the course of their displacement, which helped them considerably once they had returned. These self-help efforts could be further supported through access to secure financial services such as Islamic savings and remittances at low-cost, as well as to a minimum social protection floor.
- *Income from outside the community.* Although the households' sources of income vary across sites and HHs, much of their income is earned outside of the community, mostly through migration to urban centres in Afghanistan (including daily commuting when the sites are located nearby) and neighbouring countries. The job absorption capacity in the vicinity of the sites is highly constrained, except in the case of some selected agricultural communities. Those earning high-paid jobs are employed in the formal sector and work for the Afghan Army or Police or as teachers, followed by those engaged in selected small businesses; the middle ground is filled by agricultural and wage labourers, with substantial variations ranging from those at subsistence level to the better-off. Support should be targeted at areas with the most employment potential.
- *Assistance too limited in scope.* Contrary to the existing jobs and income portfolio, the livelihood support to date (typically skills-oriented) has exclusively focused on the reintegration communities and catered to those excluded from the labour market, such as women and youth; it has above all set out to create jobs where the job absorption capacity is low and access to the market is limited. The study found that typical livelihood programme-supported jobs were extremely badly paid and often unsustainable. Even in the case of typical small businesses set up without any external support, they tended to be stagnant, bringing in a low income and involving long hours; furthermore, they were often weak in managing sales on credit, their cash flow and debts. Community businesses in the Eastern, South-Eastern and Southern regions, however, seemed to be an exception to this rule. It is high time for the donor community, knowing the risk of demand saturation and

oversupply of labour in the same place, to get out of the box of community livelihood and work with the product and labour market.

- *Vulnerable employment status.* At present, a large proportion of the HHs' income is earned by family members working in vulnerable employment such as daily-wage labour in construction and brick making/brick kilns, agricultural wage labour, and informal work at home or in the urban informal economy. Those finding formal jobs or running agriculture on a commercial scale remain few and far between. Addressing the vulnerability of those currently engaged in an occupation should be a priority before trying to push dependent members of the HHs to work.
- *Exposure to risks in the working life of migrant workers.* Given the high dependence by most of the reintegration sites on migrant work in the major cities in Afghanistan and abroad, a major risk for the HHs is the damage to or loss of the human capital working there and their financial assets. Being mostly informal workers, they rarely have any formal contracts, protection or compensation. The lack of any occupational safety and health (OSH) measures at their workplace, coupled with the absence of compensation schemes for injuries or death at work, exacerbates the problem. There may also be other risks of no or unfairly reduced payment,³⁷ the neglect of other basic labour rights (including children's right to education),³⁸ drug abuse, and so on. The majority of migrant workers in the neighbouring countries do not have proper visas and are at the mercy of the law enforcement agencies. The fact that both domestic and international migrant workers prefer to carry cash by hand and mostly shun savings accounts and remittances services puts a significant amount of HHs' income at risk. Addressing these risks are as important as attempting to increase their income, but much easier to do.
- *Pressure on the labour market.* It is likely that the construction boom in Afghanistan is over and this, combined with the rapidly declining currencies and tightening immigration controls in the neighbouring countries, seems to be making migrant work less profitable and attractive, resulting in under-employment. Where to find alternative jobs will become a major issue in the future, particularly given that nearly half a million Afghan youth are entering employment every year and creating an enormous pressure on the labour market.
- *"Growing ocean, few good divers".* Small businesses and skills-based jobs in the urban economy have enjoyed considerable consumption-led growth during the past few years - but the returnees and IDPs have only partially succeeded in this segment. This may be attributed to their lack of entrepreneurial skills, with the possible exception of people from the Eastern, South-Eastern and Southern regions. This is an important area of economic reintegration. This study identified a long list of national and provincial initiatives in the urban centres that could be linked up to the livelihood support for the returnees and IDPs.

³⁷ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

³⁸ The ILO Declaration on Fundamental Principles and Rights at Work (1998) covers four fundamental principles and rights at work: (a) freedom of association and the effective recognition of the right to collective bargaining; (b) the elimination of all forms of forced or compulsory labour; (c) the effective abolition of child labour; and (d) the elimination of discrimination in respect of employment and occupation.

- *Varying agricultural patterns.* Dependence on agriculture as a means of livelihood varies across communities and HHs. The returnee communities built on Land Allocations Sites (LAS) do not have the space for agricultural activities and usually only have a couple of animals for domestic purposes. Agriculture is a main source of income in sites with arable land, particularly in the case of people who returned to their original communities. However, the difference in the annual income of a subsistence farmer and a small-scale shepherd, earning less than 10,000 Afs per year, compared to that of a commercial farmer deriving his returns from agriculture, livestock and/or daily wage labour, was found to be tenfold (see figure 4.3). The agricultural communities with a long winter typically combine agriculture and livestock with seasonal migration to major cities in Afghanistan and abroad, while the Eastern, South-Eastern and Southern regions enjoy three crops a year and provide agricultural work opportunities almost year round. Due to this high level of variance, the job absorption capacity of the agricultural sector vis-à-vis other types of work is highly site-specific. Given the availability of alternative jobs and the extent of support the UNHCR-led multi-agency programme could provide to enhance agriculture, it would be wise to promote commercial agricultural activities, which would provide a better income than alternative jobs, while investing in public goods such as irrigation facilities that would benefit all farmers.
- *Value chain potential?* As the current economy of Afghanistan suggests, there may not be too many promising value chains - and they are mostly agriculture-based. The assessment identified only a few sites carrying out agricultural production on a commercial scale, which have the potential to improve their competitiveness through value-chain development. A quick value chain scoping short-listed several products that might be targeted in Kabul province (grapes/raisins, potatoes and selected vegetables) and around Jalalabad (wheat and various vegetables). A further value chain assessment would be required in the event of deciding to go ahead with the value-chain development of these products. Other agro value chains might have potential, but these were questioned with respect to their relevance to particular sites - and the number of people within these sites who could benefit from the development of these value chains. The key bottlenecks to growth are irrigation, quality inputs and their usage, post-harvest loss, and storage. Opportunities would seem to lie in increased market access and group marketing. Last but not least, unless the financing gap of farmers is addressed, farmers will keep selling their non-perishable produce immediately after harvesting, regardless of its low price, in order to pay back their debts.
- *Education matters but not for everyone.* The study found that the chance of finding a formal job increased upon completion of high-school education (i.e., 12th grade). High-school graduates were employed as teachers, police and army officers. Those attending universities in major cities tended to acquire better government jobs and NGO employment, although these jobs were often project-based fixed-term contracts - and the market is apparently becoming over-saturated in this area. Although all this would seem to support the argument for investing in education, many high-school graduates end up in the same jobs as those with less education, taking on work in construction, agriculture and conventional skills-based small businesses. Many HHs still consider it a rational economic strategy to have many sons and to place them early in the labour market. Some families expect to repay their outstanding loans years later when their sons have grown-up and started

working, or their daughters have married and received a dowry. The mobility of girls is restricted both from an educational and work standpoint. They often give up their studies when schools are not in the vicinity of their community. Even when they are educated, only a few are able to find formal work available in the area, which is limited to school teaching and some NGO jobs. Although investment in basic education should be further promoted, the stark reality of the situation necessitates a pragmatic approach, such as the integration of career and entrepreneurial training, to help students move into the labour market.

- *A traditional form of social protection.* The Islamic solidarity lending system – interest-free and without set conditions for repayment (i.e., “pay me back when you can”) - functioned well as a social protection mechanism, particularly for the poor and vulnerable during their period of displacement and when they started a new life upon repatriation. Families, friends and neighbours tended to help the poor and needy first, rather than investing excess funds into productive assets. This is a demonstration of the resilience of and solidarity within the Afghan community, something of which Afghanistan should be proud.
- *Trapped in debt.* There is a concern, however, that the vast majority of the households interviewed have outstanding loans (including purchases on credit), and that a significant portion of them are caught up in a debt spiral with multiple loans, with a high debt-to-income ratio of close to 100 per cent of their annual income – and sometimes even higher. Two vital characteristics that differentiate those on the path to upward mobility from those in a poverty trap are financial literacy and the propensity to save. Addressing indebtedness among the returnees and IDPs should be the first step of livelihood support.
- *A financial mismatch.* Most of the financial products offered by the microfinance institutions (MFIs) and donor-driven community programmes do not match the target group’s current needs. The majority of the target population has a strong bias against interest-bearing savings, but few financial institutions currently offer Islamic savings products. Given the common financial practices in the reintegration sites, and in rural Afghanistan in general, micro credit interventions could, if not designed carefully, lead to further indebtedness. Remittances services exist, but migrant workers from the reintegration sites rarely use them. On the whole, the financial literacy of the target population is low, and this matter has not been addressed in the case of refugees, returnees or IDPs. Against this backdrop, aid agencies should avoid copying the typical micro credit model that has succeeded elsewhere; they should rather seek experts’ advice on ways to design sustainable financial solutions that build on the existing financial practices of the target population.

9.2 Recommendations

Guided by *table 4.1 Means of livelihood inside and outside the community*, the Recommendations are listed in the order of the number of potential beneficiaries, since some interventions can benefit many more people than others. Interventions that would benefit only a small number of the target population, whose impact would be marginal or unlikely, have been given less priority and are not listed here - e.g.,

typical community livelihood support through skills and entrepreneurial training and community banks. Instead, priority has been given to interventions that are of universal appeal and those in urban centres.

Given the existing jobs and income portfolio of the target population and future opportunities, the locus of intervention should extend to major urban centres within Afghanistan, as well as to areas of high concentration of Afghan refugees and migrant workers in the Islamic Republic of Iran and Pakistan. It should be noted that the activities in the urban centres would benefit households beyond the target population in the sites, and would be good from the perspective of the sustainable reintegration of the returnees and IDPs into the Afghan economy and society.

It is important to emphasize the need to involve highly-qualified experts in the relevant thematic areas to ensure that the intervention design is appropriate and to train project staff. Badly designed/implemented livelihood interventions could lead to counterproductive outcomes and destroy the economic base of the target HHs.

Recommendations for the reintegration sites will be discussed at the end of each site profile (Appendix I). These are the core Recommendations for livelihood support; however, combining them with other humanitarian and social support measures in the same areas of intervention, particularly in the urban centres, would make the most sense. The UNHCR and other partner agencies may want to explore such supplementary measures to make the socio-economic reintegration of the returnees and IDPs truly holistic and effective in practical terms.

1. Assist HHs in moving from indebtedness to productive investments through financial education and savings mobilization [applies to all HHs in the target sites in Afghanistan, as well as those assisted in Pakistan and the Islamic Republic of Iran].
2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education [applies to all school-age children in the target sites in Afghanistan, as well as those assisted in Pakistan and the Islamic Republic of Iran].
3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services [applies to all the workers in urban centres in Afghanistan who come from the target sites].
4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility through awareness raising and social dialogue [applies to construction workers from the target sites working in urban centres, as well as those under the community infrastructure projects].
5. Assist urban informal workers in finding opportunities for upward mobility through linkages to market-oriented TVET programmes and the introduction of informal apprenticeships [applies to the urban informal workers from the target sites].
6. Assist urban micro- and small enterprises (MSEs) in growing through the Start and Improve Your Business (SIYB) programme – with emphasis on informed business idea selection, financial education and guidance on available financial services, as well as savings mobilization prior to start-up and

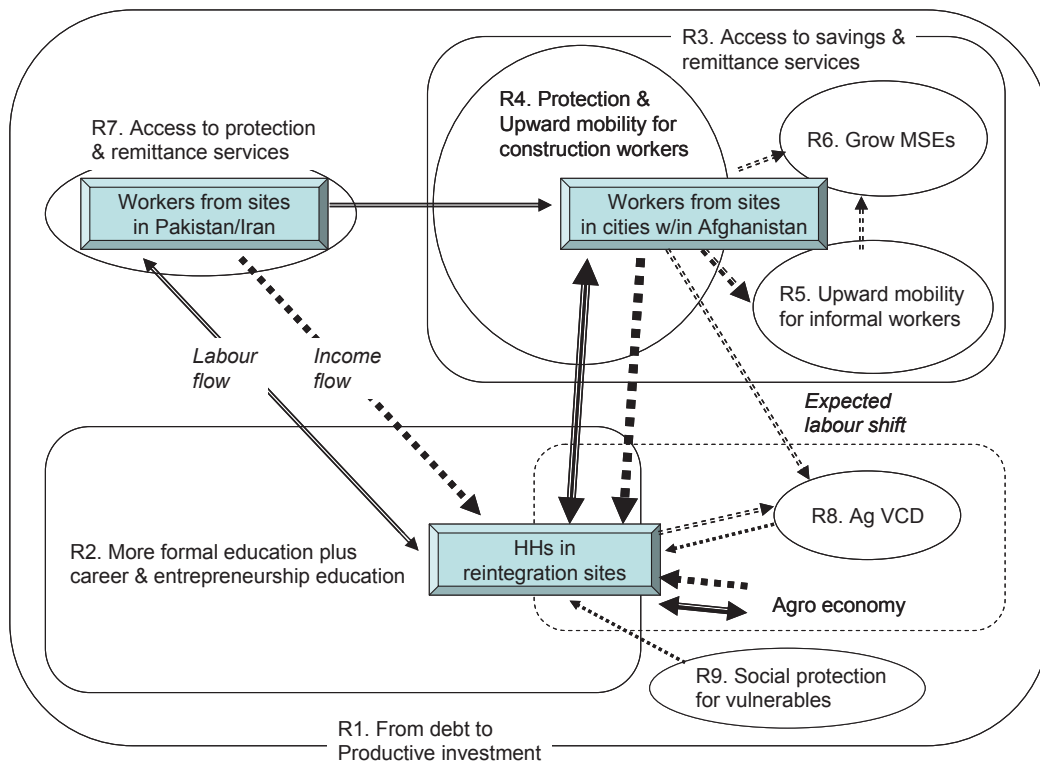
expansion [applies to the urban-based MSEs run by the entrepreneurs from the target sites, as well as to those employing workers from the target sites].

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected through dialogue with host governments, and in benefiting from low-cost and reliable remittances services [applies to the migrant workers from the target sites working in Pakistan and the Islamic Republic of Iran].

8. Assist in the value-chain development (VCD) of selected agricultural subsectors by addressing constraints related to infrastructure, inputs supply, post-harvest treatment, marketing and the farmers’ financial gap [applies to farmers with their own land, farmers with leased land, sharecroppers and agricultural labourers in the target communities].

9. Assist vulnerable HHs and individuals in being linked to the social protection programmes of the Government and donors, and to more decent work opportunities [applies to the vulnerable HHs and Extremely Vulnerable Individuals (EVIs) at the target sites].

The suggested intervention mix could be visualized as follows.



Each of the Recommendations is discussed in greater detail here-below.

1. Assist HHs in moving from indebtedness to productive investments through financial education and savings mobilization [applies to all HHs in the target sites in Afghanistan as well as those assisted in Pakistan and the Islamic Republic of Iran]

In a situation in which the majority of the target population is indebted, major efforts must be made to help them change the behaviour that keeps them in the poverty trap into one that facilitates their upward mobility. Financial literacy and access to savings could play a vital role in this respect. This would also be a quick win solution, compared to increasing income - which is more difficult and takes time.

The prevalence of lax financial practices among the target population indicates there is ample space to improve the financial management of target households. **A broad financial education programme**, intended to instil the culture of planning, debt management, thrift and investment, could put the debt-trapped HHs onto the path of upward mobility. What is recommended here goes much further than the very basic financial literacy widely taught by MFIs and NGOs in conjunction with their loan programmes. It would eventually enable the target population to choose the appropriate financial products for the right purposes. The ILO's international curriculum could be adapted to the Afghan/Iranian/Pakistani context and implemented through the training of trainers - in partnership with those who are currently running the basic financial literacy programmes in these countries.

While financial education can trigger savings among the target HHs, it may be worth considering **offering savings products through institutional mechanisms** as a supplementary measure to further instil the savings culture. Options may include partnering with organizations offering Islamic savings products; support for the adoption and development of Islamic savings products by the organizations with outreach to communities similar to the reintegration sites; and zero-interest community based-schemes, etc. Given the limited information collected during this assessment and the stage of development of the microfinance community in Afghanistan, it is critical to design such interventions with the advice of experts who observe international good practices and incorporate country-specific elements. Due to the reasons discussed earlier in the text, it is considered that promoting typical credit and savings groups such as community banks could do more harm than good at this stage.

Remittances services and social protection programmes also contribute towards improving the livelihood of households, but they are related to specific subgroups of the target population. They will thus be discussed separately below.

2. Assist children in obtaining better access to formal education combined with career and entrepreneurial education [applies to all the school-age children in the target sites in Afghanistan as well as those assisted in Pakistan and the Islamic Republic of Iran]

Given that graduating from high school is critical to bringing about a better education-to-work transition, efforts must be made to ensure that more children go to high school. Establishing schools in communities where none exist at present will encourage families to send their children to study, particularly girls. The MoRR and UNHCR can work with the MoE to foster this process.

Considering that the majority of the children do not graduate from high school and will end up in low-end work in the labour market or become self-employed, the youth need to be better prepared for their

future livelihood. This would necessarily involve teaching them how people can move upward from low-end jobs (career education for the bottom of the pyramid), how to communicate at work and in business (soft skills training), and how to prepare, start and grow their own businesses (entrepreneurial education). The ILO has a widely appreciated entrepreneurial curriculum for middle schools and vocational schools, and a wealth of experience in guidance on the career and soft skills required for typical jobs for the poor.

These types of training and financial education might be more relevant for those refugees remaining in Pakistan and the Islamic Republic of Iran as a preparation for pre-repatriation; targeted skills training will not work in Afghanistan unless the country is equipped with an accurate and timely labour market information system. Adult refugees would also benefit from career, communications and entrepreneurial education.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services [applies to all the workers in the urban centres in Afghanistan coming from the target sites]

Since work in the urban centres constitutes the largest sources of income for many of the sites, improving their financial management is the fastest way to improve their livelihood and that of their families. After financial education (Recommendation 1 above), savings and remittances are the two areas in which specific improvements could be made.

Since migrant workers keep accumulating cash until they return to the sites from time to time, having a secure place to deposit their earnings would protect them from the risk of loss and theft. Access to interest-bearing savings accounts or accounts of Islamic savings (involving profit share rather than interest) would help them keep up with the rate of inflation³⁹. The use of low-cost and reliable remittances services available in Afghanistan would also protect them from losing their accumulated cash while travelling home. Awareness on the available savings and remittances services could be raised through tailored financial education or through financial institutions providing such services.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility through awareness raising and social dialogue [applies to the construction workers from the target sites working in the urban centres]

It is important to protect workers from the risks to which they are exposed at construction sites and in brick making/brick kilns, since these forms of work constitute the main source of income for many HHs in the reintegration sites. Even in the absence of proper legal provisions (e.g., no compensation

³⁹ According to the Asian Development Bank's *Development Outlook 2013*. Afghanistan's inflation rate fluctuated considerably from 26.8 per cent in 2008 to – (minus) 12.2 per cent in 2009, then remained in the range of 6 to 12 per cent thereafter.

schemes for occupational injury or death) and given the informal nature of the work, some of these issues could be addressed through awareness raising and social dialogue between workers and employers. The ILO could mobilize its tripartite constituents (in particular employers' and workers' organizations handling labour issues) in the construction sector to support these activities, with special focus on workers from the reintegration sites. These efforts could be linked to ongoing ILO activities on labour law awareness raising and the upcoming support to eliminate child and bonded labour in brick making/brick kilns in Afghanistan. Selected OSH demonstrations could also be considered for the large employers of wage labour from the sites.

Upward mobility within the construction sector would not be easy in the case of daily wage labourers and would require systematic efforts. Options could include: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme – NSDP – including the ILO's enhancement support) to help them acquire specific skills linked to higher pay (e.g., crane operation); the promotion of role models of on-the-job skills upgrading; and informal apprenticeship/coaching through master craftspersons in the construction and allied sectors.

The problematic issue of the declining demand for construction labour is addressed in Recommendations 5 and 6 below.

5. Assist urban informal workers in finding opportunities for upward mobility through linkages to market-oriented TVET programmes and the introduction of informal apprenticeships [applies to the urban informal workers from the target sites]

Although currently much smaller than the wage labour segment, the urban-based informal sector is the prime candidate for absorbing extra labour from the construction sector, which appears to have peaked, as well as those underemployed in the agricultural sector. This Recommendation therefore covers both the entry to urban informal work from other sectors (e.g., construction) and upgrading within the same trade.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban micro- and small enterprises (MSEs) in growing through the Start and Improve Your Business (SIYB) programme – with emphasis on informed business idea selection, financial education

and guidance on available financial services, as well as savings mobilization prior to start-up and expansion [applies to the urban based MSEs run by the entrepreneurs from the target sites, as well as those employing workers from the target sites]

The growth of the urban informal economy should focus on the expansion of micro- and small enterprises (MSEs). People from the sites may own some MSEs, while others are employed by MSEs that do not belong to the direct target population. Some may be sole proprietors, working as self-employed street vendors. Either way, the growth of urban MSEs could contribute to the improved livelihood of the target population and also absorb excess labour from the construction and agriculture sectors.

The ILO's Improve Your Business (IYB) programme is the proven entrepreneurial training package for existing micro-enterprises. Together with the Generate Your Business Idea (GYB) and Start Your Business (SYB) programmes, it constitutes the highly appreciated entrepreneurial training package globally known as Start and Improve Your Business (SIYB). It would work best when combined with the assessment of existing MSEs to inform business idea selection; financial education and information backed by the mapping of financial services; and savings mobilization prior to start-up and expansion. This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT), under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

It should be noted that SIYB is not a panacea and cannot overcome either the limited/saturated market at the community level or the low margin of the typical community livelihood businesses. The generic promotion of community-based businesses at most of the sites is not therefore recommended - unless there are specific value-chain opportunities or other commercial opportunities due to the proximity to the market. What is more, marginalized populations such as people with disability and female-headed households are resorting to community livelihood options despite the low level of income generated. The targeted intervention for those without other means of livelihood is discussed under Recommendation 9.

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected through dialogue with host governments and in benefiting from low-cost and reliable remittances services [applies to the migrant workers from the target sites working in Pakistan and the Islamic Republic of Iran]

The ILO Migrant Workers (Supplementary Provisions) Convention, 1975 (No. 143) protects all migrant workers, including illegal migrants. In line with the support of the ILO and the UNHCR in Pakistan to address the decent work deficits of Afghan refugees/migrant workers in that country, the Government of Pakistan is reportedly considering granting work permits to a large number of workers for legal work in Pakistan and ratifying Convention No. 143 to help better manage the situation of Afghan migrant workers. This effort could further be bolstered through awareness-raising campaign and

implementation support in Pakistan. Similar efforts could be explored in the Islamic Republic of Iran, where Convention No. 143 has not been ratified and the protection of illegal migrant Afghan workers remains an issue.

The migrant workers from the sites working in Pakistan and the Islamic Republic of Iran face the same risk of losing their accumulated income, or having it stolen or confiscated, before being able to bring it back home. The benefit of promoting low-cost and reliable remittances services is even greater for these migrant workers than those within Afghanistan, due to the fact that they return less frequently to their communities. A quick mapping of remittance services and an information campaign could address the issue in Pakistan and the Islamic Republic of Iran, with a view to setting this process in motion. Legal issues could be further analysed and discussed with the concerned authorities at a later stage.

8. Assist in the value-chain development (VCD) of selected agriculture subsectors [applies to farmers with their own land, farmers with leased land, sharecroppers and agricultural labourers in the target communities]

The value chain scoping exercise conducted under this study put forward preliminary observations of prioritized value chains. Any serious VCD intervention should be preceded by an intensive value chain analysis, which could take two to three months with the participation of a broad range of stakeholders. “Quality of work” is often a missing element in the mainstream value chain approach. The ILO has published a number of guides that address elements of decent work in enhancing value chain competitiveness⁴⁰ and provide regular and tailor-made VCD training for policymakers and practitioners.⁴¹ These could be tapped for the UNHCR-led project.

As mentioned in the text, only a few sites have the potential for value-chain development initiatives. Given the prevalence of archaic economic planning thinking in the donor- and government-supported programmes, it is imperative to work within a market-oriented framework to adopt a value chain approach. Government and donors should be careful not to invest in private goods, which should be the role and expertise of the regulated financial institutions. Taking this into account, VCD should take the form of light touch facilitation and focus on selected pressure points that could have a significant impact across the given value chain in terms of productivity and employment. In particular, projects and/or implementing organizations should refrain from playing the role of value chain actors (who actively take part in the production, buying, selling or provision of support services). Sustainable solutions are those that are built into business transactions in the market.

⁴⁰ ILO: *Value chain development for decent work: a guide for development practitioners, government and private sector initiatives* (Geneva, 2009); *An operational guide to local value chain development* (Geneva, 2007); and *Making the strongest links: a practical guide to mainstreaming gender analysis in value chain development* (Geneva, 2007).

⁴¹ The International Training Centre in Turin provides training and related services that develop human resources and institutional capabilities in order to contribute to achieving the ILO's goal of decent work for women and men.

Nonetheless, public investment can and does have an important role in VCD. There is a dire need for infrastructure or public/quasi-public goods such as irrigation canals and storage facilities. Major irrigation rehabilitation programmes are being carried out under the Ministry of Water and Energy and the MAIL with donor funding. The UNHCR-led project could begin with the rehabilitation plan of major canals under these programmes, and supplement it through cash for work/food for work schemes. Be that as it may, an investment addressing only the technical aspects of these programmes could easily end up having no impact at all if the human factor is overlooked. In the case of irrigation, water management must be an integral part of any intervention - given that there is never enough water for everyone in many of the watersheds in Afghanistan.

In the case of other inputs, such as seeds, pesticides and fertilizers, the project could work with large companies that have a presence in the target areas to promote good quality inputs (including high-yielding seeds, early and late variety seeds) in the selected sites by means of demonstration plots and retailers' training (for instance Jalalabad to cover three sites, namely Saracha, Fatih Abad and Gardighous, for wheat and vegetables value chain). The project could partially bear the costs of such activities to encourage the companies to carry them out themselves in the long term. At one end of the value chain, the intervention would benefit the target population because they would learn about better inputs and how to use them, thereby increasing productivity (project's interest), and at the other end, the private companies would see their sales increase (companies' interest), resulting in a win-win situation. This intervention would not only help farmers for the selected value chains but also for the other crops they grow, as the inputs apply to all crops.

The post-harvest loss in grapes/raisins could be addressed by working directly with large traders/exporters as they directly source from farmers. Working with a number of large traders/exporters, who could help the farmers by providing information on better post-harvest handling practices, could reduce the loss. This intervention would be particularly applicable for grapes-growing sites such as Khanjar Khil in Parwan, and Baimoghly in Faryab.

The lack of storage facilities is a constraint for the potato value chain, including the Bamyan sites, despite some progress made with donor support. Once again, this is an infrastructure-based intervention and the project could invest in establishing a number of potato storage facilities. Nonetheless, the opportunity to partner with large private-sector traders in establishing these facilities should be seriously explored. A potato storage facility apparently presents a clear business case, as off-season prices are very tempting for large traders who can then stock products during the harvest season. However, farmer-trader joint stocking could be promoted so that both parties might profit during the off-season, with the trader providing storage facilities and the farmers providing raw materials.

Group marketing is designed to facilitate access to large buyers and to cut transaction costs. When small-scale farmers have a limited production they cannot access large buyers. In addition, their transaction costs are increased when they market a small amount of produce. Collective marketing can address this problem. The project could help form such groups and link them with urban-based large buyers.

A common challenge to many of the above strategies is the financing gap of farmers. Value-chain development will not bring any benefits to the farmers if they have to sell their non-perishable produce immediately after the harvest in order to repay their loans. It is recommended that the UNHCR-led project review financing patterns (e.g., pre-financing by buyers or suppliers' credit) within the promising agriculture value chain and, if deemed necessary, negotiate with major lenders or alternative financiers for more flexible repayment terms and a higher number of financing options for the target population. To mitigate the volatility of the harvest and prices due to weather, it would also be helpful to discuss with insurance providers, and provide technical assistance if necessary, for reasonable agricultural insurance products such as weather-index based insurance.

9. Assist vulnerable HHs and individuals in being linked to Government and donors' social protection programmes and more decent work opportunities [applies to the vulnerable HHs and EVIs at the target sites]

Facilitating the access of vulnerable HHs and individuals to social protection is vital, in order to reduce their heavy reliance on Islamic borrowing. This would have side benefits, allowing the providers of interest-free loans to invest the amount of money involved for productive purposes instead of giving loans; this might improve the family's income as well as generate extra jobs.

As referred to earlier in the text, Afghanistan does have a number of social protection schemes up and running. The MoLSAMD provides a public cash transfer programme of benefits for families of Martyr and Disabled. The Ministry also runs a Safety Net programme intended to smooth seasonal food consumption variations of the neediest households in rural Afghanistan, and it also provides a disability allowance. A number of other ministries also operate programmes with implications for social protection, and various donor-driven safety-net programmes transfer resources to needy households. Given the weak coordination among these programmes, sharing information and supporting documentation to ensure that HHs have access to them could be an important element of livelihood support for the reintegration sites.

In addition to facilitating access to social protection, the ILO would be pleased to discuss other measures to promote work opportunities for people with disabilities. As discussed above, some vulnerable individuals are forced to take extremely low-income jobs in and around their communities (e.g., home-based weaving, small shops, agricultural labour in peak seasons). Some of the above-mentioned Recommendations, such as those pertaining to financial management education and SIYB, could also help vulnerable HHs better manage their available resources and improve their income - but care must be taken not to expose those already vulnerable to excessive risks, e.g., borrowing to start a business. Last but not least, it is vital to raise awareness of the type of work that people with disabilities can undertake with dignity.

APPENDICES

Appendix I: Profiles of 22 reintegration sites

Appendix II: List of BDS providers visited

Appendix III: List of institutions providing skills training in various trades in different provinces in the past few years under NSDP

Appendix IV: List of institutions interviewed for mapping of financial services providers (FSP) in urban centres

Appendix V: Products offered by financial institutions

[All these appendices are provided on separate documents]



AQRABAD, BAMYAN

Employment patterns

Returnee/IDP community¹

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
95%	70%	0%	5%	<1%	2%	100%	10%	<1%	2%

Base: 359 HHs (110 returnees and 249 returned IDPs)

INTRODUCTION

Aqrabad village is located approximately 25 km north-west of Bamyan city, bordering Saighan district. There is no public transportation system from the village to the city. There are only two or three private minivans (accommodating eight to ten persons) owned by the people in Aqrabad, which take passengers to Bamyan city. The ride costs 100 Afs per person each way, and takes about 30 minutes to reach the city. People mostly travel to Bamyan on foot, by donkey or by motorcycle.



¹ Information based on interviews with Community Development Council (CDC) executives at the inception meeting and also on further follow-up site visits. As many households have multiple incomes – and there are often several income earners in one family – the total does not come to 100 per cent.



Figure 1: Satellite image of Aqrabad

The village was in the war zone from June 1998 until May 1999. The entire population of Aqrabad, around 250 families, fled in 1999 when the village was attacked and burned down by the Taliban, who took over Bamyan. The population fled to the Behsud I and II districts of Maidan Wardak, as well as to the Panjab and Yakawlang districts of Bamyan province, and from there a large number of families went to the Islamic Republic of Iran and Pakistan. After the defeat of the Taliban in 2001, the UNHCR voluntary repatriation operation in Afghanistan helped the refugees and IDPs from Aqrabad to return home.

The current population of Aqrabad is 390 families. Around 46 families have returned since 2006 (with an average of about 10 families per year), while 30 families are still living in exile - mainly in Isfahan in the Islamic Republic of Iran. The village is one of the most rural areas in Bamyan district and has no local bazaar. It is entirely populated by Hazaras. The Bamyan-Saighan main road, which passes through Aqrabad, is gravelled. There is one secondary school, one health clinic, two grocery shops and two mosques in the village.



Figure 2: Physical layout of Aqrabad

Disability

According to the CDC executives and local people, there are around 50 people with disabilities resulting mostly from the war, as well as three people who are mentally disabled due to war and disease. All of them are unemployed and receive a monthly stipend of 300 Afs from MoLSAMD.

LOCAL LABOUR MAPPING

Agriculture

Agriculture is the major means of livelihood for all the households in the community. Because of the harsh winter, there is only one crop cycle in Bamyan. Figure 3 shows the major crops and corresponding agricultural cycles in Yakawlang district, which is representative of Bamyan province as a whole.

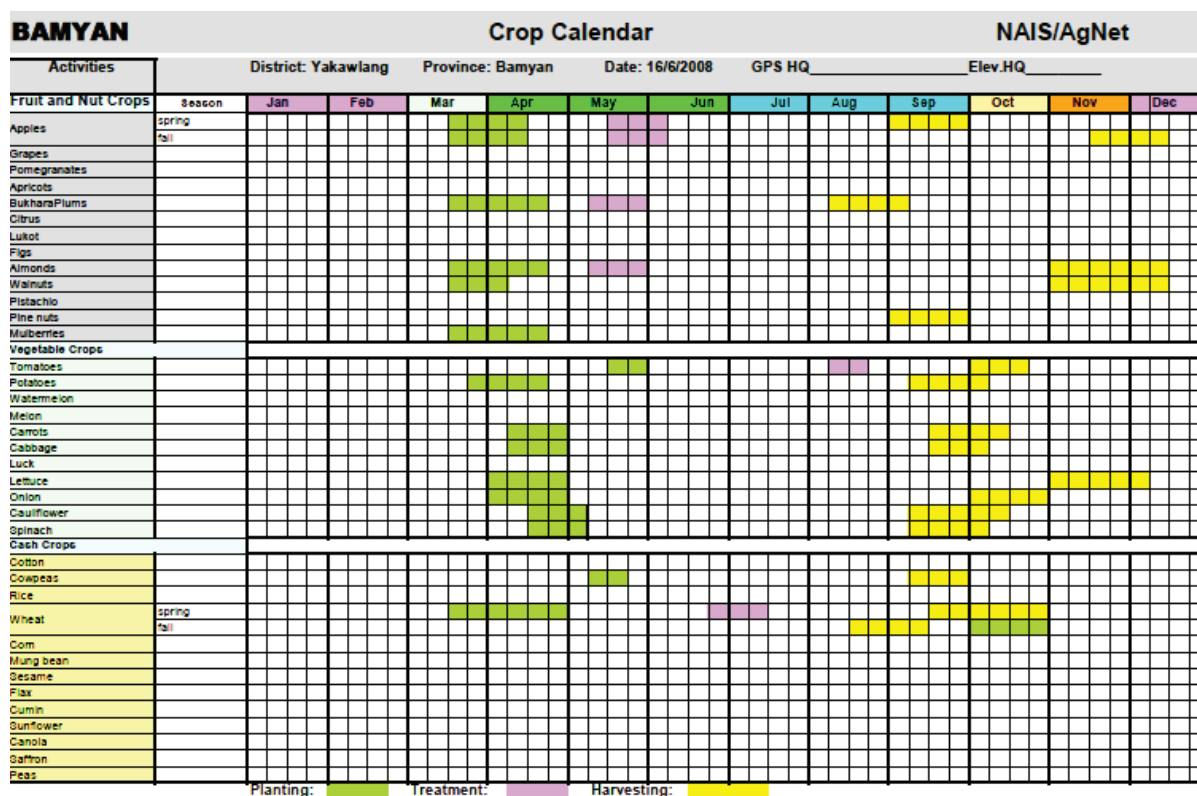


Figure 3: Crop calendar of Yakawlang district in Bamyan province (source: USDA, 2008)

According to CDC executives and the local people, 20 per cent of the agricultural land is rain-fed and 80 per cent irrigated, but due to chronic drought the rain-fed lands mostly remain uncultivated. The major crop in the irrigated lands is wheat, accounting for 60 per cent of total cultivation. Other products include potato, barley, mung beans and reshqa. Both mung beans and reshqa are used as fodder. The households consume all their agricultural crops. The average size of a plot of land is only 1 *jerib*, and the average amount of wheat and barley harvested are 350-400kg and 300-350kg per *jerib*, respectively. The harvested amount only covers 60 per cent of a household's need and people are forced to buy from outside the community. The average potato yield is 500-600kg per *jerib*. Potatoes are mostly grown for home consumption. Farmers cultivate wheat and barley in April, which are harvested in August. Potatoes are planted in May and harvested in September.

However, not all the people in the community own land. About 180 families do not have any agricultural land, but they work as farmers by leasing land or sharecropping.

Livestock

Seventy per cent of the people of Aqrabad raise cows, sheep, goats and poultry. According to the CDC executives and local people, each family owns two to three cows, seven to nine sheep and one to two goats. The people use the products of their livestock for their own consumption. Annually each family sells four or five sheep, and maybe one or two goats. The average selling price of lamb and sheep are 3,000 and 4,500 Afs, respectively. Poultry are reared entirely for family consumption.

Wage labour

Apart from agriculture, there is no daily wage-based labour work in the community.

Informal workers

There are 20 carpet weavers in Aqrabad but none of them are currently working in this occupation because there are no buyers – and also on account of the poor wage structure. A few people collect bush from the mountains and sell it in Bamyán city. The community has 20 masons, one carpenter, six metalwork craftsmen, 15 drivers and three electrical mechanics. These people live in the community but there are very few opportunities for work in their specific areas and they only get periodic work. They mostly work in Bamyán city.

Small businesses

There are only three small grocery shops in Aqrabad.

Formal jobs

Six teachers from the Aqrabad community (four men and two women) teach at the community school. Each receives a monthly salary of 6,000 Afs.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Wage labour

According to CDC executives and the local people, most of the men (almost 100 per cent) work as wage labourers – in addition to their agricultural activities - outside the community, in places such as Bamyán city or the Saighan district. They are employed in various occupations, including house and road construction. Their average wage is 300 Afs per day, and they work for 15 to 16 days per month. They usually work for two to three months outside the community from March to November, and then come back and work on their own land – before leaving again to work elsewhere.

In the case of longer-term migration, approximately 50 to 60 people are working as wage labourers in the Islamic Republic of Iran. Another 40 to 45 people are employed in other cities throughout Afghanistan - such as Kabul, Mazar-e-Sharif, Herat, and Ghazni - as daily wage labourers in house building, road construction, etc. They usually earn 300-400 Afs per day but do not have a regular job.

Informal workers

Twenty masons, one carpenter, six metalwork craftsmen, 15 drivers and three electrical mechanics from the community work in Bamyan city on a contractual basis. Jobs are irregular and they only get work from time to time.

Small businesses

Only one household currently living in the community runs a grocery shop in Bamyan city.

However, 15 families live permanently in Bamyan city and run their small shops, mostly selling grocery items, and eight families live in Mazar-e-Sharif.

Formal jobs

Six people from the community are employed by the Afghan Army in various provinces in Afghanistan, and one person works as a traffic policeman in Bamyan city.

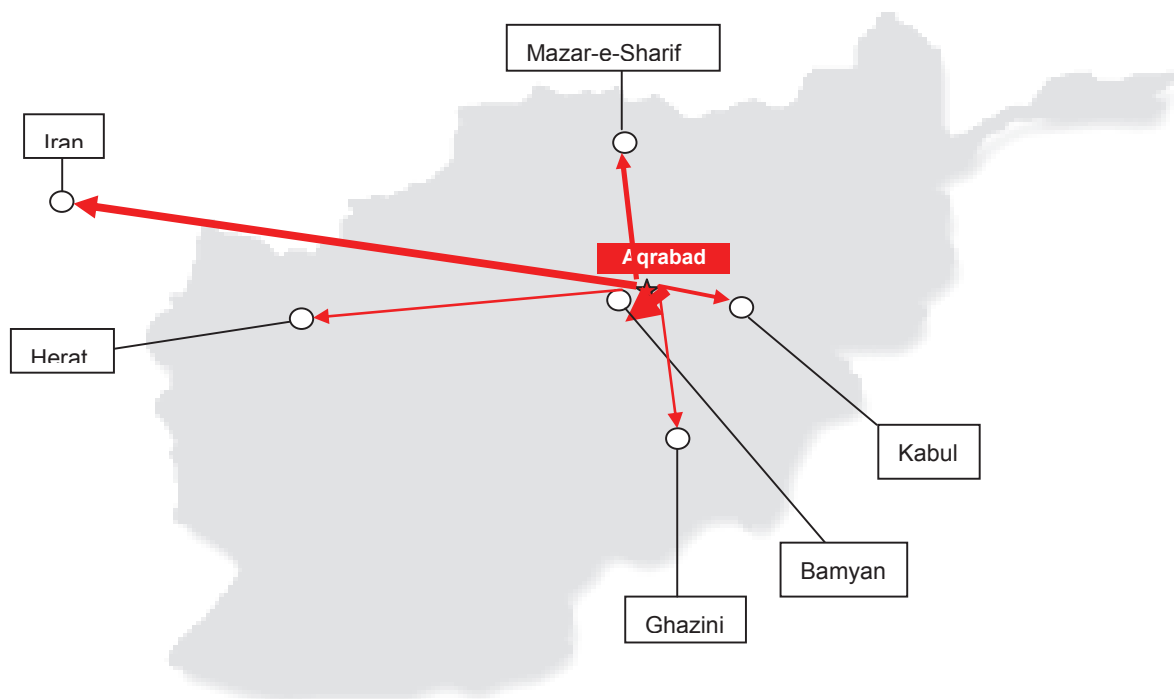


Figure 4: Labour and business mobility of the people from the Aqrabad site

MOBILITY MAPPING OF EDUCATION/TRAINING

There is a secondary school in the Aqrabad community. Pupils can study up to 9th grade in this school and then go on to high schools in Bamyan city.

According to a teacher at the school, there are about 330 students – of which 287 students are from Aqrabad and the others are from neighbouring communities. He stated that approximately 30 per cent of the students are girls and 70 per cent are boys.

Last year 21 students (13 boys and eight girls) graduated from 9th grade. None of the girls continued their studies, but some of the boys are studying in high schools in Bamyan city. Others could not pursue their studies because of their poor financial situation.²

According to the local people, there is only one person (male) in Bamyan University, who is studying in the Agriculture Department; about thirty boys are attending high schools in Bamyan city.

MAPPING OF AVAILABLE TRAINING AND BDS

Training/livelihood supports provided in the community

In 2009, UN-Habitat conducted a six-month vocational training course for 87 people from the community - 50 men and 37 women on animal husbandry and tailoring, respectively. In 2010, Solidarity Afghanistan Belgium (SAB) conducted 6-9 month training courses on milk and wool processing with funding from the International Organization of Migration (IOM). Women were trained in groups and were provided with tools/equipments worth 7,500 Afs. SAB also conducted a six-month residential vocational training courses for men in Bamyan city, and at the end of the course participants were provided with tools/equipment worth 7,500 Afs. Some of the participants have small shops in Saighan district or Bamyan city. In 2008, "Shuhada" distributed 100 sheep to 100 poor families. In 2009, KOWK distributed three bags of fertilizer (150 kg) and four bags of wheat (200kg) to 150 families. And in 2012, Action Aid distributed one sheep to eight families.

Training/BDS provided by organizations based in Bamyan city

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few Departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
Aga Khan Development	The AKDN is a group of development agencies with mandates that include the

² Information based on interviews with the teacher of Aqrabad secondary school.

Name of the organization/project	Provision of services
Network (AKDN)	environment, health, education, architecture, culture, microfinance, rural development, disaster reduction, promotion of private-sector enterprise and the revitalization of historic cities. Among the agencies, the Aga Khan Fund for Economic Development (AKFED) and the Aga Khan Foundation (AKF), which address rural development, are the two major agencies dealing with training/BDS/livelihood supports. The Afghan Government's National Solidarity Programme (NSP) is central to the AKF's rural development activities.
Cooperation Centre for Afghanistan (CCA)	Along with its other activities, CCA works in vocational training and the creation of BDS provisions. It does not have any vocational training projects in Bamyan currently, but has one conducted in Daikundi, when it provided training on office skills, dairy and wool processing, carpet weaving, masonry and agriculture. Its skills training curriculum is accepted and used by MoLSAMD partners including the CCA. In Bamyan, it helped establish private-sector owned and operated potato cold stores.
Department of Agriculture, Irrigation and Livestock (DAIL)	<p>The DAIL has a few ongoing projects:</p> <ul style="list-style-type: none"> • On-Farm Water Management (OFWM) funded by the World Bank • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Horticulture Cooperatives Development Project (HCDP) funded by the Agence Française de Développement (AFD) • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Animal Husbandry Development Project (AHDP) funded by AFD • Beekeeping Development Project (BDP) funded by AFD • Perennial Horticulture Development Project (PHDP) funded by the EC • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by the EU • Variety and Seed Industry Development Project funded by the EC • Promoting Integrated Pest Management in Afghanistan funded by the Norwegian Government • Agriculture Development Fund (ADF) - Agriculture Credit Enhancement Programme funded by USAID
The National Solidarity Programme (NSP)	The National Solidarity Programme (NSP) was created in 2003 by the MRRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.
UN-Habitat	UN-HABITAT provides skills building training and promotes community savings

Many people have livestock in the village and they go to Bamyan city to buy medicines and vaccines for their animals. However, the animal mortality is still high - 20-30 per cent.

DEMAND AND SUPPLY OF FINANCIAL SERVICES

It was found that poor financial literacy among households is prevalent in all sites - and Aqrabad is no exception. The HHs' financial management is very poor, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

The MRRD and UN-Habitat helped create a savings group in the community. UN-Habitat provided a matching grant of 590,000 Afs to the group's savings of 60,000 Afs. Currently, 60 families are part of these savings group. Every member has to save 40 Afs each month. Members can take a loan of up to 5,000 Afs for emergency purposes or to buy equipment for their business. There is a small interest for this loan - and the loan, plus interest, has to be paid back within six months to a year in three installments.

Details of financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The site falls under the category of "agriculture-based and far from an urban centre"³³. Being an agriculture-based local economy, the site provides some niche opportunities to increase production and productivity and thereby improve the population's real income. Furthermore, livestock accounts for a significant share of the income of the majority of households.

As most of the men in Aqrabad find their periodic means of livelihood (alongside agriculture and livestock) in Bamyan city and Saighan district, Recommendations 2, 4, 5 and 6 from the main report are very important for this site. Other important Recommendations specific to this site are related to agriculture and livestock, from which 95 per cent and 70 per cent of HHs, respectively, earn some income. The list of service provider organizations identified should serve as a basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
√	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as well as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

³³ The site typology is discussed in the main report

√	5. Assist urban informal workers in finding opportunities for upward mobility Help urban informal workers find opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services
	8. Assist the value-chain development (VCD) of selected agricultural subsectors
√	9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors
√	Other: A. Improve irrigation facilities and help farmers' productive investment through enhanced HH financial management to promote the growth of agriculture B. Improve access to veterinary services to reduce high mortality of livestock and also to promote better animal husbandry practices

1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the CHR's poor financial management, lack of savings culture and prevalence of over-indebtedness (which was also noted in this particular site). The ILO's financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: There is a secondary school in the community but no high schools. It was noted that a fair number of students drop out (particularly girls) after completing their secondary level education. The feasibility of establishing a high school in the community/vicinity could be assessed to promote education further. Furthermore, career and entrepreneurial education could be introduced at secondary-school level, as this would have tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances

APPLICABLE: As daily commuting to Bamyan city and Saighan district is costly, people tend to migrate periodically to these areas for two to three months for daily wage-based work, without this hampering their own agricultural activities. Access to savings accounts and low-cost and reliable remittances

services could help the migrants better manage their savings and ensure that their money is transferred risk-free to their families. Although Recommendation 1 could effectively help develop the savings culture, a system providing access to savings accounts and low-cost and reliable remittances services should be in place in both the respective urban centre and at the site.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers' and workers' organizations, including the Afghan Builders' Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the poor working conditions in general; no or unfairly reduced payment;⁴ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: A significant portion of the community HHs rely on urban informal jobs and this should be encouraged further. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: Although only a few people from Aqrabad own small businesses in Bamyan city or other urban centres at the moment (those living permanently outside the community are not considered),

⁴ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

urban markets provide ample opportunities to start and improve MSEs. This does not apply to the community, where there is limited opportunity for growth.

The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: While the target HHs have many family members working in Pakistan and the Islamic Republic of Iran, this goes beyond this site-specific Recommendation.

8. Assist the value-chain development (VCD) of selected agricultural subsectors

NOT APPLICABLE: Although the economy is agriculture-based and most of the families are dependent on agriculture, subsistence level farming has limited opportunities for a VCD programme. Furthermore, erratic irrigation facilities are often a problem. Any attempts to ensure that agriculture in the site is carried out on a sustainable basis and is commercially viable must start with the introduction of irrigation facilities (See Recommendation A under "Other" below).

9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

APPLICABLE: The site has a significant number of people with disabilities - but it is unique in that all of them are registered with MoLSAMD and receive grants. However, in order to ensure that livelihood development is inclusive and fair, those suffering from disability should be provided with further information on the eligibility and document requirements of various existing social protection programmes - particularly when they have no jobs. When combined with Recommendation 1, this would reduce their vulnerability.

OTHER:

A. Improve irrigation facilities and help farmers' productive investment through enhanced HH financial management to promote agricultural growth

At present, the agriculture in the village is at subsistence level. Production volumes are inadequate to generate a marketable surplus. The lack of any proper and constant irrigation facilities prevents the farmers from engaging in any commercial agricultural production. The village depends on a small stream

for irrigation, which sometimes dries up. In order to introduce commercial agriculture, there must be a conducive environment for this development – and this necessarily implies having irrigation facilities in place. Improved household financial management would also enable the farmers to invest in required inputs such as fertilizers to increase productivity. At the moment, they use little or no fertilizers because of a lack of funds, and this results in a low yield. Efforts could be made to improve the irrigation facilities as a first step towards promoting commercial agriculture, either in the form of cash and food for work schemes under the UNHCR-led project, and/or coordinated interventions through other programmes and initiatives on irrigation. Experts could be involved to ensure that access to water is secured from a technological standpoint - and within the socio-political context - and that there are maintenance mechanisms for the irrigation facilities in the community, which ensure that they are sustainable.

B. Improve access to veterinary services to reduce the high mortality of livestock and also to promote better animal husbandry practices

Although livestock are a very important source of income in the site (75 per cent have some income from livestock), they have a high mortality rate. This may be attributed mainly to the people's inadequate knowledge of ways to treat animals and to the distance from Bamyan city (where veterinary services are available). While tapping DAIL relevant projects might address this problem, it may not be sustainable - given DAIL's heavy reliance on project funds to mobilize their extension network beyond urban centres. A more sustainable approach would be to work with private veterinary service providers in Bamyan city, and let DAIL and other projects continue providing their services as a supplementary measure. Carrying a diseased animal to the city is troublesome and also expensive. However, for a veterinary service provider, visiting a distant place for only one or a few animals is not feasible. A periodic visit to the village by private company representatives dealing with livestock medicines/vaccines could be an option. The project could negotiate with private companies to extend their services to the villages. As many other reintegration sites have a significant number of livestock, a large private company with a good coverage could also benefit by tapping this market - leading to a win-win situation for both the companies and the project. Nonetheless, it is important to involve the expert of the BDS market development approach in negotiations with the private sector, in order to strengthen the provisions of the veterinary service in a commercially sustainable manner, while avoiding exploitative or inequitable situations. Should the distance from the city prevent the private vet service from being provided to the community, ideas such as training para-vets in the community could also be pursued.



ALICE GHAN, KABUL

Employment patterns

Table 1: Returnee/IDP community¹

Inside the community					Outside the community				
Livestock	Wage labour	Informal workers	Small business	Formal jobs	Agriculture	Wage labour	Informal workers	Small business	Formal jobs
0%	20%	30% ²	7%	5%	10%	20%	5%	4%	3%

Base: 230 HHs

INTRODUCTION

Alice Ghan is a newly established site under the Land Allocation Scheme (LAS). It is located approximately 37 km north-east of Kabul city, alongside the new road to Bagram, the capital of Parwan province. Another LAS, Barikab, is situated only around 2 km south of Alice Ghan. The site starts at the main road and extends back towards the mountains.

People travel to Kabul and to the other nearby city (Bagram in Parwan) and its suburbs by taxi, minivan, or motorcycle. Despite the site's proximity to Kabul, the high cost of commuting has made it an inconvenient place for people to live and go to the city to look for work, most of which is in the form of daily wage labour. It costs 80-100 Afs to commute to Kabul, and the trip takes 40-50 min by taxi or minivan. A daily wage labourer earns an average 300 Afs a day, which means that more than half his wage is spent on commuting. More importantly, finding a job is also uncertain. Realizing this situation, UNDP donated a minibus to the site, which has cut the transportation cost by half – but this is still high for poor people.

Furthermore, a lack of basic services such as drinking water has worsened the situation, and people have started to move out of Alice Ghan. Although 1,025 families have received land, only 225 families are now living at the site and there are many empty houses. In the early days of the site, when there was plenty of daily wage-based labour on account of the construction activities, many households settled in the community. But after a while the construction work slowed down and there was less and less work. As a result, people left the site and many families settled in Kabul city. The current number of

¹ Information based on interviews with the Community Development Council (CDC) executives at the inception meeting, and also on further follow-up site visits. Given that HHs sometimes have multiple incomes – as there are often several income earners in one family – the total does not come to 100 per cent.

² These informal workers obtained their skills from development organizations and are working with them. This is not therefore a commercial activity as such.

households is closely related to the work opportunities available in the community. However, most of these work opportunities are not market-driven but externally assisted by development organizations in the field of construction, subsidized skills-based works, etc. If this type of assistance is cut, the population in the site is likely to decline even more, unless people can find sustainable jobs inside or outside this community and they are provided with some basic services. In the case of some other LAS, the young people leave to find work in the urban centres and the remaining family members live in the community. This site is somewhat different because of its lack of basic services and work opportunities (both in and around the site) because it is so isolated. Whole families therefore find it more convenient to settle in some other urban centre where multiple income earners can work and stay together to reduce total family expenditure. Even in 2010, there were 400 families living at the site. In 2012, there were only 225. The drinking water provision project currently under way might slow down the permanent migration flow of people from the site.

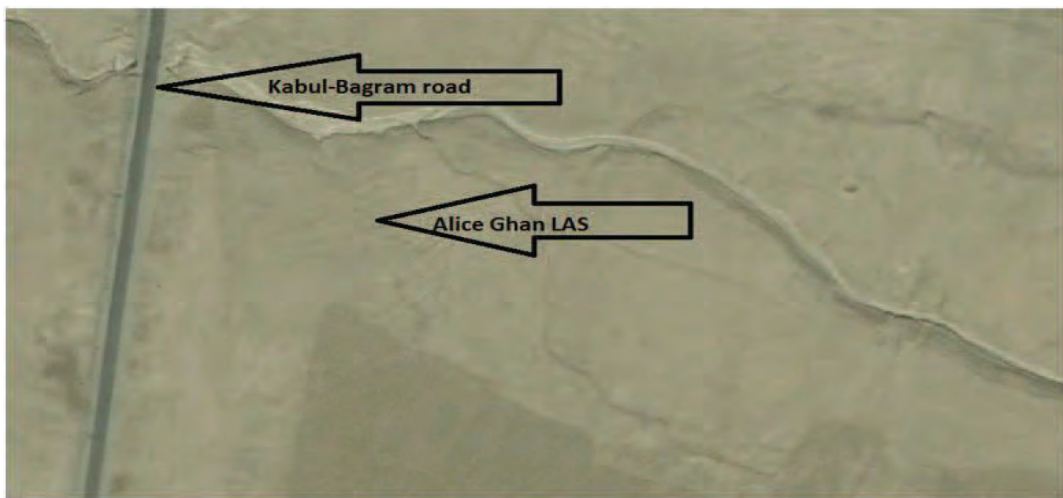


Figure 1: Satellite image of Alice Ghan LAS

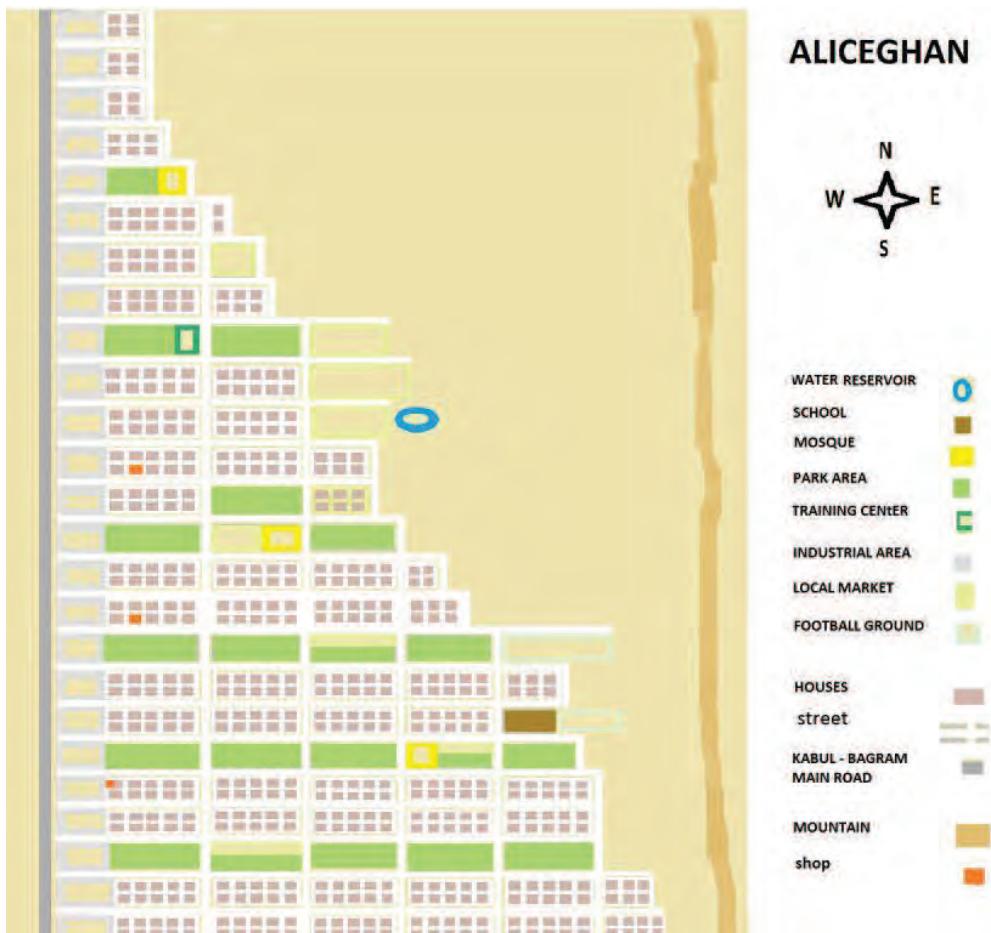


Figure 2: Physical layout of Alice Ghan site (proposed)

Alice Ghan has a mixed population of Pashtuns (including Kochi), Tajiks (the majority), Pashee and Hazara families, who returned to Afghanistan after the collapse of the Taliban regime and settled here in 2008. The community has an ongoing dispute with the host community (Qalayee Shae, which is about 8 km away) over drinking water. The host community has agricultural land and fruit orchards, and is engaged in animal husbandry. All these factors could provide job opportunities for the returnees, but the water dispute makes this impossible.

Disability

Four to five families have family members with disabilities in the LAS. Some of them are registered with MoLSAMD and receive a monthly benefit of 400 Afs.

LOCAL LABOUR MAPPING

Agriculture

There is no agricultural activity at the site.

Livestock

No livestock was observed at the site.

Wage labour

Daily wage labour is the main source of income for people in Alice Ghan. As Kabul city is about 40 km from the site, it is not cost-effective for the residents to pay the transport to Kabul – especially when there is no guarantee of finding a job there. People tend to remain in the community for whatever construction work is under way, for which they might get a daily wage. At present, 40 families are employed in the water provision project at the site. On average, each labourer earns 300 Afs per day for a six-day working week.

Informal workers

A fair number of people in the community have been trained in different skills by various development organizations - but no one is now applying these skills commercially. At present, 45 women are working with a development organization called Roznee Noor in tailoring, carpet weaving and hand stitching. These women work in the organization as trainees and receive 1,000 Afs per month as a stipend. Similarly, trainees in other skills development projects are also receiving a stipend, but this cannot be considered a sustainable income in the long-term. Twenty-five families have carpet-weaving frames, but they stopped working in 2009 due to their poor wages – they received 1,200 PKR per square metre.

Small businesses

IGAs/ small enterprises within the community have either shut down or are encountering growth constraints. Around 15 families currently have various types of small businesses in and around the site, such as grocery shops, vulcanizing, or selling oil or petrol at the roadside.

Formal jobs

There is a school in the community serving 1st to 9th grade. There are also a number of development projects/organizations operating at the site. The school and the organizations employ around ten people from the community.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Agriculture

Fifteen families have agricultural land in Qarabagh district. Another 15 people work as agriculture wage labourers in neighbouring villages and in Qarabagh, where there is usually one crop a year. Wheat and grapes are the most common crops. Wheat is cultivated in October-November and harvested the following year in June, while the grape harvest starts in August and continues until November.

Wage labour

Because of the distance and transportation costs involved, not many people commute between the site and Kabul city. Only around 30-40 families have household members who work in Kabul city and in the nearby Qarabagh district.

Informal workers

It was noted that ten people from the site work in informal skills-based sectors outside the community.

Small businesses

The members of around eight to nine families run different small businesses in Kabul, such as shops, and selling gas, fruits and vegetables.

Formal jobs

Around six families have household members who work in various Government ministries, such as the MRRD, the Ministry of Women's Affairs, the Ministry of Defense, etc.

MOBILITY MAPPING OF EDUCATION/TRAINING

There is a school at the site named the Alice Ghan High School, which has not yet started teaching 10th to 12th grade. At present, 360 pupils are studying at the school in different grades; there are around 130 girls - and the remaining pupils are boys. Two hundred pupils are studying at primary level, and another 160 at secondary level. Eight boys from the site are now attending the Abdul Wakil Shahid High school in Qarabagh district, 10 km away from the site.

MAPPING OF AVAILABLE TRAINING AND BDS

Training provided in the community

In 2009, CARE conducted a six-month training course on various skills. Fifty men were trained in masonry, and a further 15 men in carpentry; 25 women were trained in poultry rearing, and a further 25 in bag making. CARE did not provide any tools and equipment at the end of the training period – and, according to Shura, the qualified trainees could not use their skills because they did not have any tools. They also had no access to raw materials. For example, anyone making bags needs to source leather. These people were not in an economic position to search for and buy raw materials – with the result that none of the trained people are using their skills at present. CARE has apparently applied for further funding and follow-up activities might then start.

UNDP, through CARE, trained 25 families in carpet-weaving and distributed carpet frames, but all of the trainees stopped working because of the low wages they received for their work. Some of the families involved in this project left the community and went to Kabul. In 2009, a welfare foundation named Roznee Noor was established. This foundation has a training centre in the community with the required machinery and tools, and it is currently training 15 students in tailoring, 15 students in carpet-weaving and 15 students in hand stitching. There are five master trainers who dispense the training. Each student receives 1,000 Afs as a stipend. The centre has trained 300 people since its establishment. The training centre intends selling the products made by the students but is still struggling to find a market.

Another skills development project started very recently, which is providing training to 91 women in tailoring, poultry rearing, literacy and embroidery. The trainees are paid a monthly stipend of 3,000 Afs. The project is being funded by UNDP and implemented by MRRD.



Figure 3: Women weaving carpets in a donor-supported organization

Training/BDS provided by organizations based in Kabul

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few Departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
Afghanistan Development Association (ADA)	Agriculture and Livestock - Agriculture and forestry

Name of the organization/project	Provision of services
	<ul style="list-style-type: none"> - Livestock and poultry - Small irrigation <p>Economic Recovery and Capacity Building</p> <ul style="list-style-type: none"> - Knowledge and skills - Civic education - Access and market - Institutional development <p>Cross-Cutting Activities (gender, environment, good governance and advocacy, peace building, conflict resolution, human rights, disaster management, humanitarian assistance and emergency activities)</p>
Aga Khan Development Network (AKDN)	The Aga Khan Development Network (AKDN) is a group of development agencies with mandates that include the environment, health, education, architecture, culture, microfinance, rural development, disaster reduction, the promotion of private-sector enterprise and the revitalization of historic cities.
Afghanistan's Children A new Approach (ASCHIANA)	<p>ASCHIANA has been providing services and support to street children and their families for close to ten years.</p> <p>In order to provide a sustainable livelihood for youth, ASCHIANA provides vocational training opportunities in the areas of tailoring, bicycle repairs, hairdressing and beauty therapy, carpentry, electrical repairs, masonry, welding, information technology, cooking, traditional instrument making and plumbing.</p>
Agency for Technical Cooperation and Development (ACTED)	ACTED's programme has six objectives: human, social, natural, financial, political and physical capital development. Its focus is on human capital development. It helps increase employment; improve resource management; increase yields and incomes; reduce the incidence of disease; and increase literacy. It provides vocational training in 25 trades, as well as in literacy; hygiene; governance; natural resources and physical infrastructure management; agriculture and livestock; small business development; and computer skills training.
Agency for Assistance and development of Afghanistan (AADA)	AADA implements community development and health projects in several provinces of Afghanistan.
Afghans 4 Tomorrow (A4T)	A4T has activities in agriculture and livestock development.
Afghanistan Women Council (AWC)	The AWC provides skills building training in carpet weaving, sweater knitting, and leather purse/handbag making, farming, poultry raising, dairy production, and sewing.
BRAC	BRAC has farm building and agricultural projects.
CARE	CARE helps most vulnerable people adapt to the effects of a changing climate with a number of programmes that include sustainable farming, income diversification and resilience building. CARE helps women and families improve their household income through increased access to financial and non-financial services, participation in village savings and loan associations, market linkages and diversified livelihoods.
Cooperation Centre for Afghanistan (CCA)	The CCA provides training and assistance for unemployed/underemployed youths to make a sustainable living. They offer locally marketable skills training in masonry, office skills, motorcycle/bicycle repairing, agriculture training and dairy and wool processing, and carpet weaving.

Name of the organization/project	Provision of services
Coordination of Humanitarian Assistance (CHA)	The CHA provides emergency aid for war victims in the field, to assist with their rehabilitation into rural and urban life.
Catholic Organization for Relief and Development Aid (CORDAID)	CORDAID works to make agricultural production more sustainable, and to increase the income and improve the situation of small producers in the context of agricultural change.
Danish Committee for Aid to Afghan Refugee (DACAAR)	DACAAR works in rural areas and aims at improving rural livelihoods through sustainable activities that engage Afghan communities to be agents of their own development process.
Dutch Committee for Afghanistan (DCA)	DCA-VET works to improve the health and productivity of Afghan livestock. DCA-VET owns three veterinary training and support centres in: Kabul – Charikar; Herat; and Mazar-e-Sharif. In these training centres, DCA-VET offers an array of veterinary training courses for its own VFU staff as well as for the VFU staff of other NGOs, government veterinarians and students of agricultural schools.
CFA (Children Fund Afghanistan)	The CFA is involved in agricultural, environmental (flood and avalanche protection) and drinking water projects.
Coordination of Afghan Relief (CoAR)	CoAR provides services in agriculture/irrigation, food security, animal husbandry, health, women’s and child support, education, rural engineering/support, emergency relief, disaster risk reduction management and income generation.
Education and Training Centre for Poor Women and Girls of Afghanistan/(ECW)	<p>The vocational training conducted by the ECW consist of the following components:</p> <ul style="list-style-type: none"> • Carpentry • Carpet-weaving • Shawl-weaving • Crotchet-weaving • Food-processing • Tailoring • Embroidery • Computer training
Food and Agriculture Organization of the United Nations (FAO)	<p>FAO projects in agriculture include:</p> <ul style="list-style-type: none"> - Variety and Seed Industry Development Project - Development of Integrated Dairy Schemes (IDS) in Afghanistan - Emergency Certified Wheat Seed and Fertilizer Distribution Programme - Support to Household, Food Security, Nutrition and Livelihoods in Afghanistan
Ghazni Rural Support Programme (GRSP)	GRSP works in the following areas: Agriculture / Animal Husbandry • Irrigation • Income Generation • Emergency Relief • Education/ Training/ Community Development • National Solidarity Programme (NSP)
Global Partnership For Afghanistan (GPFA)	Global Partnership for Afghanistan (GPFA) works with rural Afghans to create farm businesses.
Global Point Afghanistan (GPA)	GPA works for Afghan Internally Displaced Persons (IDPs), providing literacy classes, vocational training, health awareness, computer programmes, etc.
GIZ	GIZ is involved in infrastructural projects (city and highway roads), capacity

Name of the organization/project	Provision of services
	building, commerce and industry, educational projects (building primary and high-school facilities), teachers' training, community development and drinking water projects.
Humanitarian Assistance for Women and Children of Afghanistan (HAWCA)	HAWA conducts tailoring courses in Kabul and Peshawar
International foundation of hope (IFHope)	IFHope works with local leadership to develop agriculture- related projects that meet the needs of the community to become self-sustaining.
International Maize and Wheat Improvement Centre (CIMMYT)	CIMMYT works to increase the productivity of maize and wheat systems on a sustainable basis
Japan International Cooperation Agency (JICA)	<p>JICA supports projects for, inter alia:</p> <ul style="list-style-type: none"> • Reintegration and Community Development • Inter-Communal Rural Development • National Agricultural Experiment Stations Rehabilitation • Improvement of Rice-based Agriculture
Korea International Cooperation Agency (KOICA)	KOICA supports the construction of schools, hospitals, vocational training centres, and other indispensable facilities.
Mennonites Economic Development Associates (MEDA)	<p>MEDA works in the following strategic areas:</p> <ul style="list-style-type: none"> • Agriculture • Rural financial services • Investment in small- and medium-sized (SME) enterprises • Business of health • Youth and financial services • Deposit mobilization • Women's economic development • Engaged and growing association
National Solidarity Programme (Provincial Management Unit) (NSP/PMU)	The NSP was created in 2003 by the MRRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.
Norwegian Refugee Council (NRC)	The NRC has activities in emergency food security and distribution, information, counselling and legal assistance, camp management, education and building of homes and schools
Relief International (RI)	RI provides vocational training, offers microfinance opportunities and develops promising value chains.
Sanayee Development Organization (SDO)	The SDO works in various fields such as: peace building, education, community health, community development, and capacity building.
Partners in Revitalization and Building (PRB)	<p>PRB has been involved in the following disciplines: Agriculture and crop husbandry, horticulture, animal health & livestock production, rural engineering income generation, microfinance and women development activity.</p> <p>PRB agriculture activities include the rehabilitation of agriculture and its products in Afghanistan. The trial and distribution of improved wheat, maize, rice and vegetable seeds are the first priority of its agricultural activity.</p> <p>PRB contribute towards the rehabilitation and production of livestock and animal husbandry in Afghanistan. The programme consists of two sections:</p>

Name of the organization/project	Provision of services
	veterinary and livestock production.
Solidarity for Afghan Families (SAF)	SAF is involved in issues of health, education, agriculture and social development.
Swedish Committee for Afghanistan (SCA)	SCA works in the areas of education, health, support for people with disabilities and rural development.
SOZO International	SOZO supports work and training programmes that enable people to support themselves. It also supports small business start-ups that create economic activity in communities.
Swedish International Development Cooperation Agency (SIDA)	SIDA works to strengthen the private sector alongside its other agenda. SIDA promotes an environment that encourages micro-entrepreneurs and small businesses.
Swiss Agency for Development and Cooperation (SDC)	SDC has activities in the following areas: improvement of income opportunities through landscape diversification, higher crop yields and efficient cattle farming; promotion of small and medium-sized enterprises; raising awareness and prevention in the field of health; elementary schooling and the general quality of education; provision of water supplies and sanitation.
Professional Construction Machinery Fixation School in Kabul (State-owned TVET school, under ASDP)	Formal T-VET education, 107 male students enrolled in 2010-11 academic year.
Professional Commerce High School of Kabul (State-owned TVET school, under ASDP)	Formal T-VET education, 140 students enrolled in 2010-11 academic year.
Jamhoriyat High School of Economics and Administration of Kabul (State-owned TVET school, under ASDP)	Formal T-VET education, 91 students enrolled in 2010-11 academic year.
Kishm Agriculture High School of Kabul (State-owned TVET school, under ASDP)	Formal T-VET education, 29 students enrolled in 2009-10 academic year.
Kabul Agriculture and Veterinary Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 472 male students enrolled in 2011-12 academic year.
Kabul Auto Mechanic School (State-owned TVET school, under ASDP)	Formal T-VET education, 906 students enrolled in 2011-12 academic year.
Kabul Accounting and Management Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 1359 students enrolled in 2011-12 academic year, and an additional 941 students in the night shift.
Females Accounting and Management Institute of Kabul (State-owned TVET school,	Formal T-VET education, 476 female students enrolled in 2011-12 academic year.

Name of the organization/project	Provision of services
under ASDP)	
Kabul ICT institute (State-owned TVET school, under ASDP)	Formal T-VET education, 644 students enrolled in 2011-12 academic year, and an additional 390 students in the night shift
Kabul Civil Aviation Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 134 students enrolled in 2011-12 academic year.
Kabul Water and Energy Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 493 students enrolled in 201-12 academic year, and an additional 144 students in the night shift
Kabul Afghan IT institute (State-owned TVET school, under ASDP)	Formal T-VET education, 208 students enrolled in 2011-12 academic year.
Kabul Technical Teacher Training Academy (State-owned TVET school, under ASDP)	Formal T-VET education, 194 students enrolled in 2011-12 academic year.
Kabul National Institute of Management and Administration (State-owned TVET school, under ASDP)	Formal T-VET education, 2126 students enrolled in 2011-12 academic year.
Kabul Construction and Engineering Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 689 students enrolled in 2011-12 academic year.
Department of Agriculture, Irrigation and Livestock (DAIL)	<p>DAIL has the following ongoing projects:</p> <ul style="list-style-type: none"> • On-Farm Water Management (OFWM) funded by the World Bank • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Horticulture Cooperatives Development Project (HCDDP) funded by AFD • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Animal Husbandry Development Project (AHDP) funded by AFD • Beekeeping Development Project (BDP) funded by AFD • Perennial Horticulture Development Project PHDP) funded by the EC • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Commercial Horticulture and Agriculture Marketing Programme (CHAMP) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by the EU • Variety and Seed Industry Development Project funded by the EC • Promoting Integrated Pest Management in Afghanistan funded by the Norwegian Government • Agriculture Development Fund (ADF) - Agriculture Credit Enhancement

Name of the organization/project	Provision of services
	Programme funded by USAID.

DEMAND AND SUPPLY OF FINANCIAL SERVICES

It was found that poor financial literacy among households is prevalent in all sites - and Alice Ghan is no exception. The HHs' financial management is very deficient, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

In 2009, UNDP (through CARE) planned to allocate US\$60,000 to help promote small enterprises in the community. The fund was supposed to remain with the CDC as a revolving fund. The distribution started with four new enterprises, and each was given US\$1,000 as start-up capital. After three months, each enterprise was supposed to give that money back to the CDC, but with no interest. Three bakeries and one shopkeeper received the initial funding, but none of them was able to pay back the money. Ultimately, the funding project stopped.

At present, there do not appear to be any financial service providers as such in the community. People take loans from each other, and buying on credit from shops is commonplace. Details of financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The site falls under the category of "limited agriculture and far from an urban centre"³³. As many men commute to Kabul city and the nearby Qarabagh district daily, Recommendations 2, 4, 5 and 6 from the main report are very important for this site. The long list of service provider organizations identified should serve as a basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well

³³ The site typology is discussed in the main report.

	as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services
√	8. Assist the value-chain development (VCD) of selected agricultural subsectors
√	9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the site’s poor financial management, lack of savings culture and prevalence of over-indebtedness. The ILO’s financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: While access to formal education is relatively easy because there is a school in the community and others in the vicinity, career and entrepreneurial education could be introduced at secondary-school level. This would have a tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as well as to low-cost and reliable remittances services

NOT APPLICABLE: Given that many men commute to Kabul city and nearby Qarabagh and Bagram districts daily, Recommendation 1 could cover the savings element of this Recommendation, while the remittances component is not relevant. Serving the needs of migrant workers in other urban centres goes beyond this site-specific Recommendation.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers' and workers' organizations, including the Afghan Builders' Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the poor working conditions in general; no or unfairly reduced payment;⁴ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: Given that five per cent of households in the community rely on urban informal jobs, this type of employment should be further encouraged. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: Although only a few people from the community own small businesses in Kabul, the vibrant Kabul market provides ample opportunities to start and improve MSEs. This does not apply to the community itself, where there is limited opportunity for growth.

The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan

⁴ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: While the target HHs have many family members working in Pakistan and the Islamic Republic of Iran, this goes beyond this site specific Recommendation.

8. Assist the value-chain development (VCD) of selected agricultural subsectors

APPLICABLE: Both the host community and the nearby district, Qarabagh, are engaged in significant agricultural activities. Grapes, as a selected value chain, provide agri-labour opportunities for people in the surrounding areas. Some families from the returnee community are currently growing grapes on their land in Qarabagh. A value chain approach could be applied by linking the community with the Kabul-based large traders/exporters who source grapes/raisins from this area. The project could focus on supporting selected large traders/exporters in strengthening their sourcing of grapes/raisins by addressing post-harvest loss; finding ways to improve productivity; identifying methods to improve processing techniques; and thus increasing the provision of agri-labour and processing opportunities. A first step could be to establish linkages between the urban-based exporters/traders and the people in the returnee community. The project could then facilitate training on grape processing, which would be provided by the exporters/traders. To make the sourcing more attractive for the exporters/traders, the project could help form groups of growers to generate a large volume of produce, thus reducing transaction costs. However, concerned experts should guide the value chain development and private sector integration.

9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

APPLICABLE: Although there are only a few people with a disability in the community and some of them are currently registered with MoLSAMD and receive cash benefits, supporting those with physical or mental disabilities who are excluded from this coverage is important to ensure that livelihood development is inclusive and fair, particularly when they have no job and external support. A first consideration would be to link them to MoLSAMD's public cash transfer programme of benefits for the Families of Martyrs & Disabled. To enhance this support, they should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.

BABA WALI, KANDAHAR



Employment patterns

Returnee/IDP community¹

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
40%	30%	10%	<1%	1%	<1%	60%	2%	5%	1%

Base: 1,200 HHs

INTRODUCTION

The Baba Wali site is located in the Arghandab district of Kandahar province. Around 1,200 families currently live at this site; the majority of the inhabitants are Pashtuns, and more than ten tribes live there and in surrounding villages. During the war, most of the people left the community and went to safer places, mostly to Quetta (province of Baluchistan) in Pakistan, which has a long border with Kandahar province. After the collapse of Taliban government in 2001, people started coming back to their homeland. The people in the village use the paved road which connects Arghandab district to Kandahar city. However, the streets inside the site are not in a very good condition.

¹ Information based on interviews with the Community Development Council (CDC) executives at the inception meeting, and on further follow-up site visits. Given that HHs sometimes have multiple sources of income – as there are often several income earners in one family – the total does not come to 100 per cent.

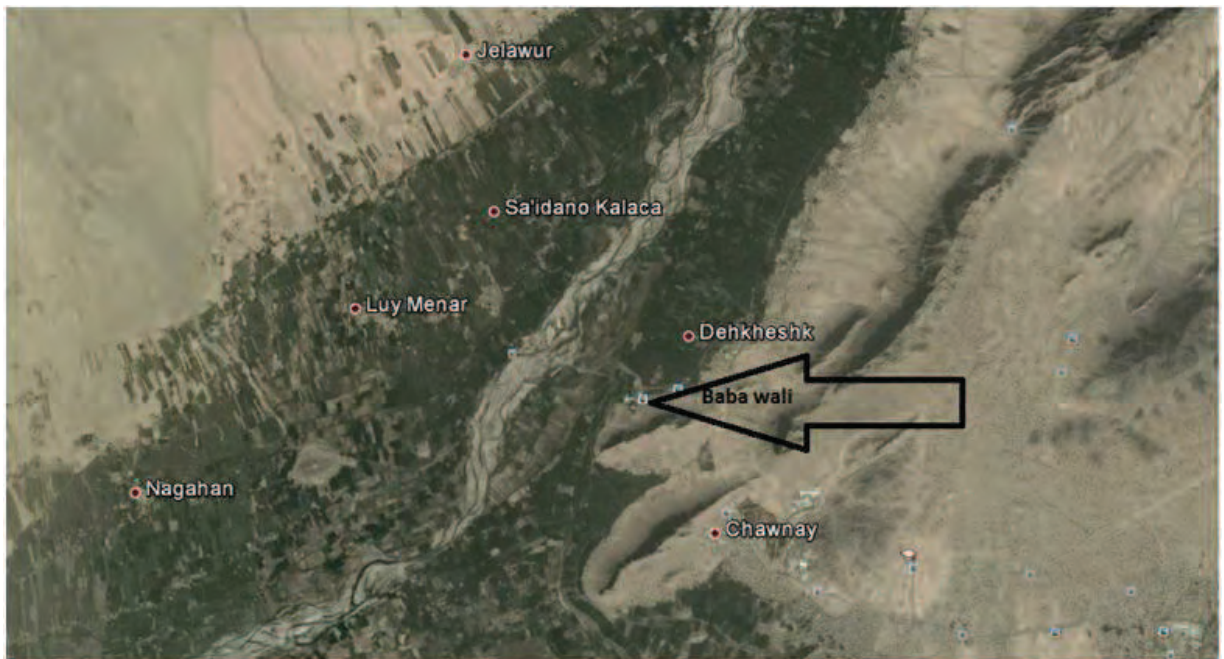


Figure 1: Satellite image of Baba Wali site



Figure 2: Physical layout of Baba Wali site

Disability

According to the records, around 15 people in the community have disabilities – mostly as a result of war or illness. Two or three people are disabled on account of an occupational accident.

LOCAL LABOUR MAPPING

Agriculture

The region is suitable for agriculture because of its favourable agro-climatic conditions. Generally speaking, there are three cropping seasons a year. Figure 3 shows the crop calendar in the region.

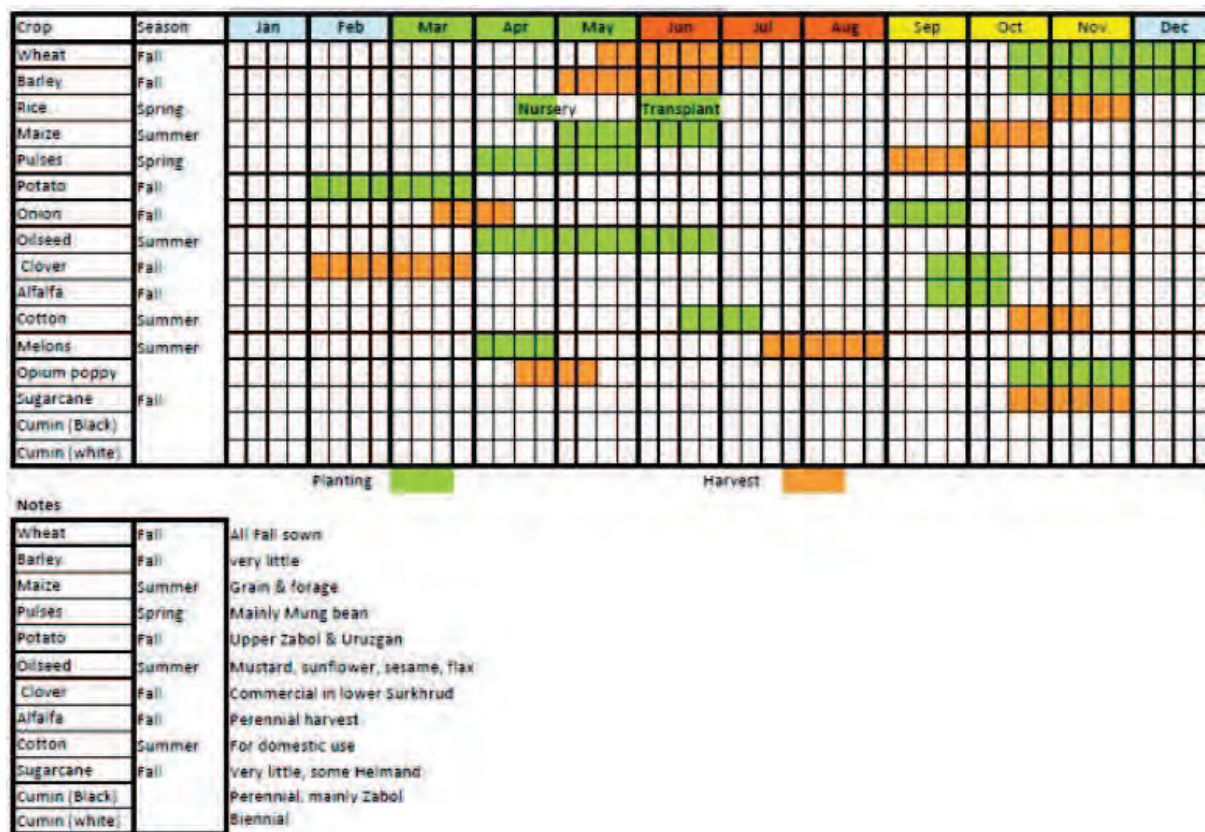


Figure 3: Crop calendar in Kandahar (source: USDA, 2008)

Approximately 40 per cent of the people in the community are involved in agriculture. There are around 1,000 *jeribs* of cultivable land in the village. The agricultural land can be classified into two major categories: field crops and fruit orchards. The major share of the land is used for fruit orchards - mostly for growing pomegranates. The rest is used for growing wheat, corn and various vegetables such as aubergines and okra, many of which are grown for commercial purposes. The pomegranates grown in Arghandab are very famous and exported to other countries, especially Pakistan. However, the rain-fed land in the village is mainly used for growing melons and watermelons.

Livestock

In the past, Kandahar was famous for its livestock. Although many people lost their animals during the war (and also as a result of the chronic drought), around 30 per cent of the families still own a few livestock - mostly cows (two to five), sheep and goats.

Wage labour

Because of the ongoing infrastructural development in the community, around 10 per cent of households are employed in daily wage-based labour.

Informal workers

There are a few tailors and carpet weavers in the community.

Small businesses

A number of people have grocery shops in the village, and several others operate a transport business between the village and Kandahar city.

Formal jobs

There was no record of anyone having a formal job in the village.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Wage labour

Around 60 per cent of the villagers go outside the community to work as daily wage labourers. They go to Kandahar city, Kabul and Quetta (Pakistan).

Informal workers

Around 20 people work outside the community as skilled workers in the field of carpentry, masonry, etc.

Small businesses

About five per cent of the population run various small businesses outside the community. In Kandahar a number of people sell fresh and dried fruits, as well as vegetables. A few people do cross-border trade with Pakistan. These traders import or export clothes and/or dried fruits to and from Pakistan, and are based in Kandahar and Kabul. A few people based in Kabul also import second-hand cars and sell them in the local market.

Formal jobs

A few people work in the Afghan Army and Police.

MOBILITY MAPPING OF EDUCATION/TRAINING

There is only one school in the vicinity, which is far away from the site, and most people do not send their children to this school. Only a few better-off families (around five to ten per cent) send their children to study in the provincial capital.

Around six students are studying in various universities throughout the country. In addition, three to five students are attending university in India.

MAPPING OF AVAILABLE TRAINING AND BDS

Training/livelihood supports provided in the community

In 2010, International Relief and Development (IRD) conducted a fruit tree gardening training course for 600 people, providing an allowance of 300 Afs per day to each participant. It also distributed seeds to trainees who had more than three *jerib* of land. In 2011, The Central Asia Development Group (CADG) built 2,200 m retaining walls, which created 600 working days. It also trained 90 people in different skills such as jam making, soap making and tailoring. In 2012, Humanity Action for the People of Afghanistan (HAPA) trained five men and five women in animal husbandry. It also distributed 50 cows among the community people. HAPA has formed a committee to carry out group marketing – and the project has engaged a veterinary doctor to provide services to the population.

The Human Dignity Society (HDS) is currently training 320 women in poultry rearing. Throughout the six-month training course, each participant will receive 150 Afs per day as an allowance. At the end, each participant will receive a small poultry shed (worth 10,000 Afs) to rear chicks.

Training/BDS provided by organizations based in Kandahar city

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few Departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
Afghanistan Development Association (ADA)	Agriculture and Livestock <ul style="list-style-type: none">- Agriculture and forestry- Livestock and poultry- Small irrigation Economic Recovery and Capacity Building <ul style="list-style-type: none">- Knowledge and skills

	<ul style="list-style-type: none"> - Civic education - Access and market - Institutional development <p>Cross-Cutting Activities (gender, environment, good governance and advocacy, peace building, conflict resolution, human rights, disaster management, humanitarian assistance and emergency activities)</p>
Department of Agriculture, Irrigation & Livestock (DAIL)	<p>DAIL has the following ongoing projects:</p> <ul style="list-style-type: none"> • On-Farm Water Management (OFWM) funded by the World Bank • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Agriculture Support for Peace and Reintegration Programme (ASPRP) • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Animal Husbandry Development Project (AHDP) funded by AFD • Beekeeping Development Project (BDP) funded by AFD • Perennial Horticulture Development Project PHDP) funded by the EC • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Commercial Horticulture and Agriculture Marketing Programme (CHAMP) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by the EU • Variety and Seed Industry Development Project funded by the EC • Seed and fertilizers and Metallic Silo Distribution funded by JICA • Agriculture Development Fund (ADF) - Agriculture Credit
Food and Agriculture Organization of the United Nations (FAO)	<p>The FAO has a few projects</p> <ul style="list-style-type: none"> - Variety and Seed Industry Development Project - Development of Integrated Dairy Schemes (IDS) in Afghanistan - Emergency Certified Wheat Seed and Fertilizer Distribution Programme - Support to Household, Food Security, Nutrition and Livelihoods in Afghanistan
Mercy Corps (MC)	<p>The MC sets out to increase agricultural production through farmer training and the provision of essential inputs; improve agriculture-related infrastructure such as irrigation channels and feeder roads; provide value chain inputs and create links to markets for agricultural products; and give support to nonfarm rural enterprises. To create the circumstances in which local livelihoods thrive, MC helps women start small businesses using skills such as weaving, carpentry and tailoring, and teaches farmers to grow and sell fair-trade fruits, nuts and vegetables.</p>
National Solidarity Programme (Provincial Management Unit) (NSP/PMU)	<p>The NSP was created in 2003 by the MRRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.</p>
BRAC	<p>BRAC runs farm building and agricultural projects.</p>
Sanayee Development	<p>SDO works in various fields such as: peace building, education, community</p>

Organization (SDO)	health, community development, and capacity building.
Coordination of Humanitarian Assistance (CHA)	CHA provides emergency aid for war victims to assist with the rehabilitation of rural and urban life.
Kandahar Management and Accounting Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 300 students enrolled in 2011-12 academic year.
Kandahar Mechanical School (State-owned TVET school, under ASDP)	Formal T-VET education, 288 students enrolled in 2011-12 academic year.
Dand Technical School of Kandahar (State-owned TVET school, under ASDP)	Formal T-VET education, 11 students enrolled in 2011-12 academic year.
Arghandab Agriculture School of Kandahar (State-owned TVET school, under ASDP)	Formal T-VET education, 120 students enrolled in 2011-12 academic year.

MAPPING OF AVAILABLE FINANCIAL SERVICES

It was found that poor financial literacy among households is prevalent in all sites - and Baba Wali is no exception. The HHs' financial management is very poor, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

No financial services providers were identified in the community as such. People contract loans from each other. Buying on credit from the community shops and at the nearby bazaar is commonplace. Details of financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The site falls under the category of "agriculture-based and near an urban centre"²². As most of the men find their means of livelihood in Kandahar city and also in other major urban centres, Recommendations 2, 3, 4, 5 and 6 from the main report are very important for this site. The list of service provider organizations identified should serve as a basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining access to formal education combined with career and entrepreneurial education
√	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well

²² The site typology is discussed in the main report

	as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services
	8. Assist the value-chain development (VCD) of selected agriculture subsectors
√	9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors
√	Other: A. Assist in improving irrigation facilities to foster agricultural growth B. Facilitate market linkages with pomegranate buyers C. Assist in improving access to veterinary services

1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the site's poor financial management, lack of savings culture and prevalence of over-indebtedness. The ILO's financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining access to formal education combined with career and entrepreneurial education

APPLICABLE: At present the community does not have a school - and the nearest one is far away. As a result, there is a very low number of school going children. Efforts should first be made to set up schools at the primary- and secondary-level. Subsequently, there would be a need to examine the viability of establishing higher-level schools. Furthermore, career and entrepreneurial education could be introduced at the existing secondary schools nearby, which are attended by some pupils from the community. This would have a tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services

APPLICABLE: As 60 per cent of the men from the site work as daily wage-based labourers in Kandahar city, Kabul and outside the country, access to savings accounts and low-cost and reliable remittances services could help the migrants better manage their savings and ensure that their money is transferred risk-free to their families. Although Recommendation 1 could effectively help develop the savings culture, a system providing access to savings accounts and low-cost and reliable remittances services would have to be in place in both the respective urban centre and at the site.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers' and workers' organizations, including the Afghan Builders Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the poor working conditions in general; no or unfairly reduced payment;³ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: Although only a small percentage of the villagers depend on urban informal jobs, this type of employment should be further encouraged. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

³ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

APPLICABLE: Although only a few people from the community own small businesses in Kandahar and Kabul, urban markets provide ample opportunities to start and improve MSEs. This does not apply to the community itself, where there is limited opportunity for growth.

The ILO's Start and Improve Your Business Programme (SIYB) could assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: While the target HHs have many family members working in Pakistan and the Islamic Republic of Iran, this goes beyond this site-specific Recommendation.

8. Assist the value-chain development (VCD) of selected agriculture subsectors

NOT APPLICABLE: The value chain scoping was limited to the Kabul and Jalalabad regions, and Baba Wali fell outside the scope of the assessment.

9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

APPLICABLE: Supporting people with physical or mental disabilities in the community – although their number is small - is important to ensure that livelihood development is inclusive and fair, particularly when they have no jobs and external support. A first consideration would be to link them to MoLSAMD's public cash transfer programme of benefits for the Families of Martyrs & Disabled. To enhance this support, they should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.

OTHER

A. Assist in improving irrigation facilities to foster agricultural growth

The Arghandab river flows near the village and could possibly be harnessed to improve the village's irrigation facilities. Given that the site is agriculture-based, improved irrigation could stimulate growth in the sector.

B. Facilitate market linkages with pomegranate buyers

As the village grows many pomegranates, forming groups and promoting group marketing could help farmers access large buyers, reduce transaction costs - and thereby increase income.

C. Assist in improving access to veterinary services

As a significant number of households raise livestock, reducing the mortality of their animals and consequently improving productivity could increase their income. While tapping relevant DAIL projects might address this problem, a more sustainable approach would be to work with private veterinary service providers in Kandahar city. Carrying a diseased animal to the city is troublesome and also expensive. However, for a veterinary service provider, visiting a distant place for only one or a few animals is not feasible. A periodic visit to the village by private company representatives dealing with livestock medicines/vaccines could be an option. The project could negotiate with private companies to extend their services to the villages. As many other reintegration sites have a significant number of livestock, a large private company with a good coverage could also benefit by tapping this market - leading to a win-win situation.



BAIMOGHLY, FARYAB

Employment patterns

Returnee/IDP community:¹

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
99%	30%	5%	2%	1%	<1%	50%	6%	2%	4%

Base: 1,325 HHs

INTRODUCTION

The village is located 1 km away from the main ring road and 7 km away from the Khawaja Sabz Posh district centre. It is 32 km from the city of Maimana (the capital of Faryab province). Taxis (sedans that can take 4-5 people) are the only means of transport between the village and the capital, and the one-way trip costs 100 Afs. However, people also travel on motorcycles, three-wheelers (zarang) and on their own donkeys. There are two weekly market days in the Khawaja Sabz Posh district (Monday and Wednesday), when people usually commute from the village to the bazaar. It costs 15 to 20 Afs to go to the bazaar by three-wheeler or motorcycle – a trip of 15 to 30 minutes. Both the district bazaar and Juma bazaar are famous for trading in grapes, as many farmers bring their produce to the markets.

¹Information based on interviews with the Community Development Council (CDC) executives at the inception meeting, and also on further follow-up site visits. Given that HHs sometimes have multiple incomes – as there are often several income earners in one family - the total does not come to 100 per cent.



Figure 1: Satellite image of Baimoghly village

The village has four CDCs of different ethnic groups. Around 1,325 families currently live in the village, of whom the majority are Uzbek - followed by Pashtuns, Turkmen and then Arabs. The population of the village is growing, with an increase in the number of refugee families returning. The community is a mixture of returnees and host people – meaning that all the CDCs have both returnees and host families. The Head of the cluster is from the Uzbek CDC; he is also commander of the village and responsible for the security of the Baimoghly residents. He admits to having 25 soldiers under his command. Although he cooperates with the Government, he is independent and does not receive any salary. In the past, the community was able to save people from the Talibans, and the last Governor gave him the privilege of being able to act independently.

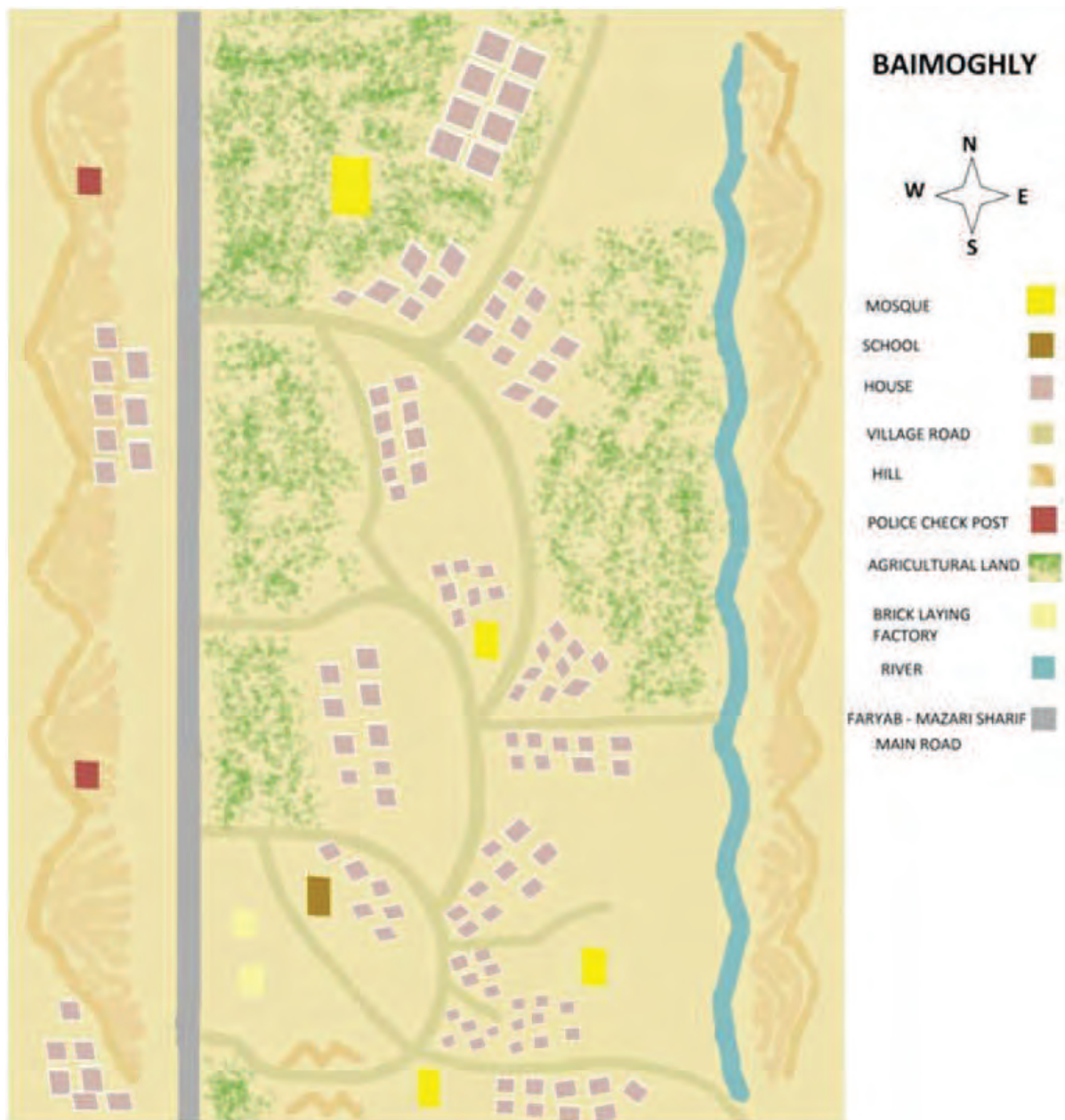


Figure 2: Physical layout of Baimoghly village

One of the major problems in the village is that at least 50 houses and 3,000 plots of agricultural land are flooded every year. The local population claims that the only way to solve the problem would be to build a small protection wall.

Disability

According to the local people, around 200 people in the village have a disability. Only 12 of them are registered with the MoLSAMD, and they receive 5,000 Afs per year. Most of them have disabilities resulting from the war or road accidents, or have been disabled since birth. Around 25 of them are able to work, but others are not.

LOCAL LABOUR MAPPING

Agriculture

Baimoghly has the same crop calendar as Faryab province, which has two agricultural seasons: spring and summer. Figure 3 shows the crop calendar in Faryab province.

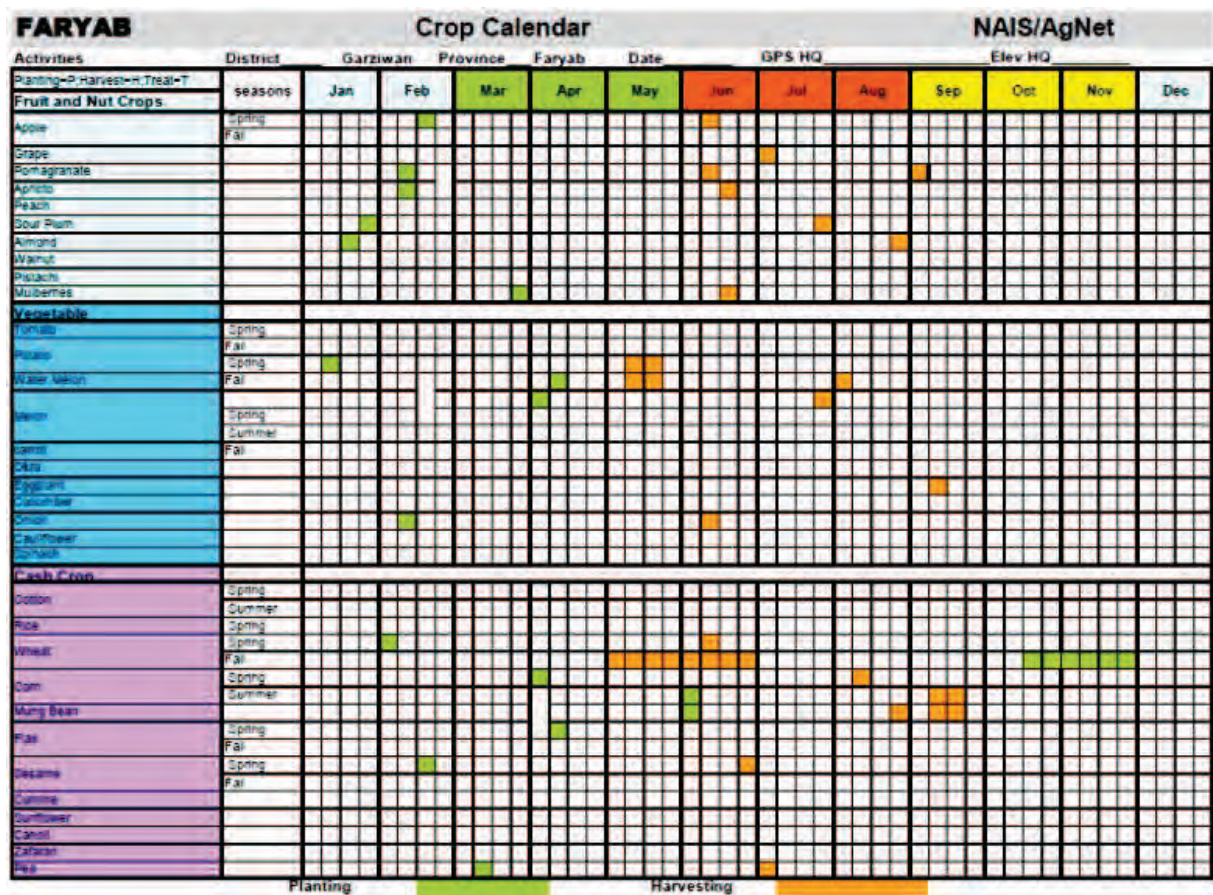


Figure 3: Crop calendar in Faryab province (source: USDA, 2008)

Almost all the households in the village are involved in agriculture. According to the CDC heads, 60 per cent of the people own their own land. It was observed, however, that more than 80 per cent of the people are landowners, but they were not willing to disclose this fact. Those without agricultural land are either sharecroppers or work as agricultural wage labourers. The agricultural land is both irrigated and rain-fed. The average plot of land is small – one to two *jerib* in the case of irrigated land, but much larger in the case of rain-fed land.

The major crops for rain-fed land are wheat, barley, zighir (local oil plants), melons and watermelons. Only one crop a year is grown on rain-fed land. As regards irrigated land, wheat, barley, corn, sesame, vegetables and grapes are the major agricultural products. Wheat is mostly produced for household consumption, but some families with a larger plot of land sell the surplus at the nearby bazaar. Vegetables and fruits are grown on a commercial basis.

People are involved for around eight months a year in agricultural activities. They do not have any work in the community for the rest of the year, especially in the winter.

Livestock

Around 400 families in the village have livestock, which include sheep, goats, cows, horses and poultry. The average herd of sheep consists of five to seven animals. The villagers rear livestock for their products, such as milk, yogurt, butter, wool, hides and leather - some of which are sold in the nearby market. They also sell live animals to consumers, butcher shops in the market or traders, when they are in a crisis and need money.

Wage labour

Only around 60 people work in the village as daily wage labourers in the limited construction works. They find themselves without a job again in the winter.²

Informal workers

Thirty people in the community are involved in different skills-based jobs such as tailoring, masonry, carpentry, blacksmithing, painting, bicycle and motorcycle repairs, etc.

Small businesses

Only about 12 people run small businesses in the community such as grocery shops, butcher shops, livestock trading, bicycle and motorcycle shops, etc.

² There is a brick kiln just next to the village. According to the CDC heads, 10 per cent of the people from the village work in the brickfield and receive 550 Afs per day, except for three to four months in the winter. But some people from the village stated that no one from the community was employed there because other people from Jalalabad were working there and they did not allow anyone else to join them. UNHCR also seconded the fact that no one from Baimoghli worked in the brickfield.

Formal jobs

A few people are working as teachers at the community school.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Wage labour

About 600 people are working outside the community in Maimana city, Kandahar, Nangarhar, Kabul, Mazar-e-Sharif, Sheberghan, and in other countries including the Islamic Republic of Iran and Pakistan. They usually work in these places on a long-term basis – from six months to a number of years, where they are mostly employed on construction sites and in brick kilns.

Informal workers

Members of approximately 70 families are working in the cities and countries referred to in the previous paragraph. They are involved in carpet weaving, plumbing, electrical works, motor repairs, etc.

Small businesses

Some 25 families run their small businesses in the Juma bazaar, about 5 km away from the site.

Formal jobs

Around 50 people work in formal jobs outside the community. The approximate breakdown of such jobs is as follows: 18 teachers; 20 persons in the Afghan Army; and 12 in the Afghan Police.

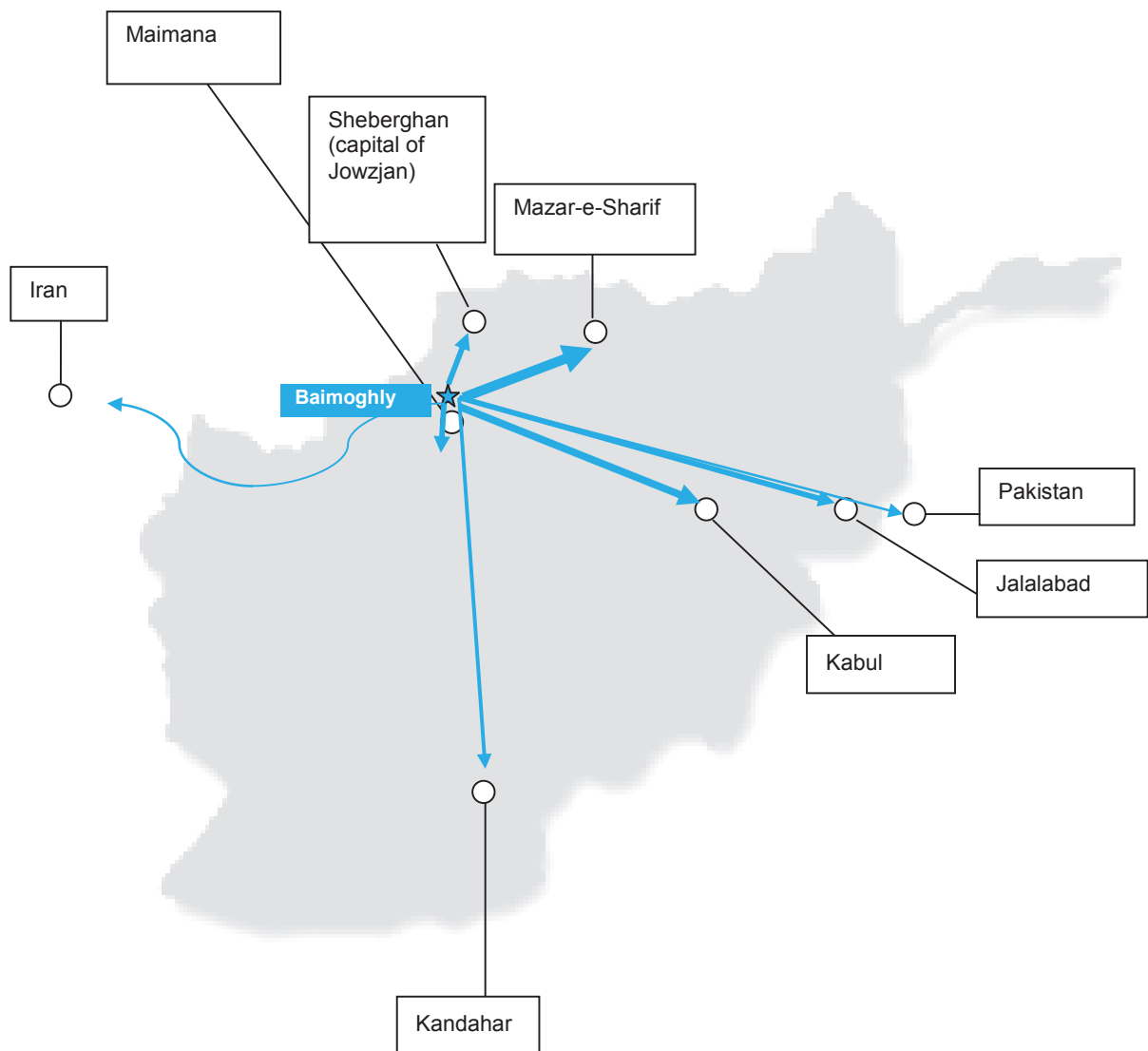


Figure 4: Labour and business mobility of the people from Baimoghly site

MOBILITY MAPPING OF EDUCATION/TRAINING

Around 470 students - 320 girls and 250 boys - are studying from 1st to 8th grade in the village, as the local schools provide education up to that level. There is no permanent school and the pupils study in two houses, for which the Department of Education pays the rent.

Sixty pupils (40 boys and 20 girls) from the village are studying in nearby high schools - one is called the Khawaja Sabz Posh High School, and the other is in Sarai Qala, about 5 km from the village.

Sixty-one students graduated from the Khawaja Sabz Posh High School last year - 34 boys and 27 girls. Twenty-seven of them passed the entrance examination to universities and the two-year courses offered by public institutes, and are currently studying in Jowzan, Faryab city, Mazar-e-Sharif and Kabul. Two graduates joined the same school as teachers, and two others are working in some private organizations.

MAPPING OF AVAILABLE TRAINING AND BDS

Training provided in the community

A few other organizations helped the community before the UNHCR started its operations. In addition to its infrastructural development work, EnterSOS conducted a training course on masonry for 30 people when it was active in the village (from 2002 to 2006).

Three years ago, the Danish Committee for Aid to Afghan Refugees (DACCAR) dug some wells and distributed saffron seeds. It also trained three people how to plant saffron, and they started working on saffron cultivation. However, only one of these three people was successful. DACCAR still comes to the village every year to promote the growing of saffron, but only the one farmer continues to do so. The villagers are not eager to plant saffron because its price has decreased.

Training/BDS provided by organizations based in Faryab

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few Departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
Afghanistan Development Association (ADA)	<p>Agriculture and Livestock</p> <ul style="list-style-type: none"> - Agriculture and forestry - Livestock and poultry - Small irrigation <p>Economic Recovery and Capacity Building</p> <ul style="list-style-type: none"> - Knowledge and skills - Civic education - Access and market - Institutional development <p>Cross-Cutting Activities (gender, environment, good governance and advocacy, peace building, conflict resolution, human rights, disaster management, humanitarian assistance and emergency activities)</p>
Agency for Technical Cooperation and Development (ACTED)	ACTED's programmes have six objectives: human, social, natural, financial, political and physical capital development. Its focus is on human capital development. It helps to increase employment; improve resource management; increase yields and incomes; reduce the incidence of disease; and increase

Name of the organization/project	Provision of services
	literacy. It provides vocational training in 25 trades and on literacy; hygiene; governance; natural resources and physical infrastructure management; agriculture and livestock; small business development; and computer skills training.
Department of Agriculture, Irrigation & Livestock (DAIL)	<p>DAIL has the following ongoing projects:</p> <ul style="list-style-type: none"> • North and North-East Agriculture Development Support Project (NEADSP) funded by AFD • Improving Agricultural Inputs Delivery System Project (IAIDS) funded by the World Bank • Agriculture Support for Peace and Re-integration Programme (ASPRP) • Animal Husbandry Development Project (AHDP) funded by AFD • Beekeeping Development Project (BDP) funded by AFD • Afghanistan Vouchers for Increased Production in Agriculture (AVIVA Plus) funded by USAID • Variety and Seed Development Project (FAO) funded by the EC • Promoting Integrated Pest Management in Afghanistan funded by the Norwegian Government • Agriculture Development Fund (ADF) - Agriculture Credit Enhancement Programme funded by USAID
BRAC	BRAC has farm building and agricultural projects
Coordination of Afghan Relief (CoAR)	CoAR provides services in agriculture/irrigation, food security, animal husbandry, health, women and child support, education, rural engineering/support, emergency relief, disaster risk reduction management, and income generation.
Coordination of Humanitarian Assistance (CHA)	CHA provides emergency aid for war victims to assist with the rehabilitation of rural and urban life, and to work with communities for sustainable development in Afghanistan
Danish Committee for Aid to Afghan Refugee (DACAAR)	DACAAR works in rural areas and aims at improving rural livelihoods through sustainable activities that engage Afghan communities to be agents of their own development process.
Norwegian Refugee Council (NRC)	The NRC has activities in the areas of emergency food security and distribution, information, counselling and legal assistance, camp management, education and building of homes and schools
Partners in Revitalization and Building (PRB)	<p>PRB has been involved in the following disciplines: agriculture and crop husbandry; horticulture; animal health and livestock production; rural engineering income generation; microfinance; and women's development activities.</p> <p>PRB agricultural activities include the rehabilitation of agriculture and its products in Afghanistan. The trial and distribution of improved wheat, maize, rice and vegetable seeds are its first priority.</p> <p>PRB contributes to the rehabilitation and production of livestock and animal husbandry in Afghanistan. The programme consists of two sections: veterinary and livestock production.</p>
Sanayee Development	The SDO works in various fields such as: peace building, education, community health, community development, and capacity building.

Name of the organization/project	Provision of services
Organization (SDO)	
Solidarity for Afghan Families (SAF)	SAF works on health, education, agriculture and social development.

DEMAND AND SUPPLY OF FINANCIAL SERVICES

It was found that poor financial literacy among households is prevalent in all sites - and Baimoghly is no exception. The HHS' financial management is very poor, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

People get loans from relatives and friends - and some of them from shops. According to the villagers, BRAC came to the Juma bazaar and offered people loans, but nobody took one. Details of financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The site falls under the category of "agriculture-based and far from an urban centre"³³. As the site has a significant volume of commercial agricultural production and 50 per cent of the households have family members who work outside the community on a long-term basis, Recommendations 2, 3, 4, 5, 6 and 8 from the main report are very relevant for this site. The list of service provider organizations identified should serve as a basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
√	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better

³³ The site typology is discussed in the main report

	protected and in benefiting from low-cost and reliable remittances services
√	8. Assist the value-chain development (VCD) of selected agricultural subsectors
√	9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the NR’s poor financial management, lack of savings culture and prevalence of over-indebtedness (which were all observed among the population of the site as well). The ILO’s financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: There is no permanent school building in the community, although the MoE is providing 1st to 8th grade formal education in two houses it has rented. Efforts should be made to build a permanent structure. An assessment could also be made of the viability of having a high school in the community or nearby areas, with a view to further promoting education. However, access to career and entrepreneurial education could be introduced at secondary-school level. This would have a tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services

APPLICABLE: As 50 per cent of the men from the site migrate on a long-term basis and work in major urban centres in Afghanistan as daily wage-based labourers, access to savings accounts and low-cost and reliable remittances services could help the migrants better manage their savings and ensure that their money is transferred risk-free to their families. Although Recommendation 1 could effectively help develop the savings culture, a system providing access to savings accounts and low-cost and reliable remittances services would need to be in place in both the respective urban centre and at the site.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers’ and workers’ organizations, including the Afghan Builders’ Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the

poor working conditions in general; no or unfairly reduced payment;⁴ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: Although the current number of urban informal workers from the site is low, this type of employment should be further encouraged. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: Although only a few small business owners from the community run their businesses in the nearby Juma bazaar, and there are no businesses in any other major urban centre, urban markets provide ample opportunities to start and improve MSEs. This does not apply to the community itself as there is limited opportunity for growth.

The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

⁴ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: While the target HHs have many family members working in Pakistan and the Islamic Republic of Iran, this goes beyond this site-specific Recommendation.

8. Assist the value-chain development (VCD) of selected agricultural subsectors

APPLICABLE: The village grows grapes as a commercial agricultural product. Furthermore, nearby markets attract many traders who procure grapes in bulk. This provides an opportunity for value chain linkage and upgrading. A value-chain development approach could be applied by linking the village with the urban-based large traders/exporters who source grapes/raisins from this area. The assistance could focus on supporting selected large traders/exporters in strengthening their sourcing of grapes/raisins by addressing post-harvest loss; finding ways to improve productivity; identifying methods to improve processing techniques; and increasing the provision of agri-labor and processing opportunities. Efforts should also be made to strengthen support services such as transportation and packaging. To impart sustainability, rather than directly working with the farmers in the production clusters, activities should be undertaken to work with these traders/exporters in helping them build their capacity in the above-mentioned areas. A single trader/exporter is linked to a large number of farmers; working with a few traders/exporters could, therefore, ultimately help hundreds of farmers, while also constituting an efficient means of achieving scale. It is important to involve experts of value chain development in negotiations with the private sector to ensure a win-win approach for long-term sustainability.

9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

APPLICABLE: Supporting people with physical or mental disabilities in both the returnee/IDPs and host communities – although their number is small - is important to ensure that livelihood development is inclusive and fair, particularly when they have no job and no external support. A first consideration would be to link them to MoLSAMD's public cash transfer programme of benefits for the Families of Martyrs & Disabled. To enhance this support, they should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.



BARIKAB, KABUL

Employment patterns

Returnee/IDP community:¹

Inside the community						Outside the community				
Agriculture	Livestock	Wage labour	Informal workers	Small businesses	Formal jobs	Agriculture	Wage labour	Informal workers	Small businesses	Formal jobs
0%	0%	30%	<1%	3%	10%	1%	33%	5%	4%	10%

Base: 300 HHs (200 returnees and 100 IDPs)

INTRODUCTION

Barikab is a Land Allocation Site (LAS), located approximately 35 km north-east of Kabul city. The site is situated alongside the Kabul-Bagram road and extends back towards the mountains. It is around 2 km north from another returnee/IDP reintegration site, Alice Ghan, and the two sites share similarities in terms of livelihood options. Most of the inhabitants started settling in Barikab in 2007.

The site is disadvantaged by its location as the nearest market place is about 15 km away, in Qarabagh district; and there are no means of public transport between the site and the market place. A one-way taxi trip costs 300 Afs. However, there is some form of public transport from the site to Kabul city in the form of a minibus, donated by UNHCR. It costs 80 Afs to commute to Kabul city with the minibus, but the fare is double that if people take a minivan or taxi. The isolated nature of the site and its lack of basic services have driven many families away.²

At present, around 300 families are living in the community.³ Many people have already left for Kabul permanently, and the number of families at the site is constantly on the decline. A lack of basic services, such as drinking water, has also contributed to the constant migration from the site.

¹ Information based on interviews with the Community Development Council (CDC) executives at the inception meeting, and also on further follow-up site visits. Given that HHs sometimes have multiple incomes – as there are often several income earners in one family – the total does not come to 100 per cent.

² According to UNHCR records, as of June 2011, with over 5,000 plots allocated (out a total 7,745), only some 350 families were living at the site, among which 80 families had returned from the Islamic Republic of Iran and Pakistan in 2007. The low occupancy rate may be attributed to the selection of people for the site, who had not been in urgent need of land/shelter at the time. These families took the land for future investment and continued to live elsewhere. The low occupancy may also be attributed by the lack of basic services at the site.

³ According to UNHCR, 350 families.



Figure 1: Satellite image of Barikab LAS



Figure 2: Physical layout of Barikab LAS (proposed)



Figure 3: Landscape of Barikab LAS

Disability

There is an association of people with disabilities in the community. According to the head of this association, there are around 65 disabled people at the site, five of whom are women and three are children. Most of them became disabled during the war, by stepping on land mines, etc. Only two of them are working at present - they run grocery shops in the community. The others do not have any work. About 30 of these people with disabilities are registered with the MoLSAMD and are paid an annual allowance of 13,000 Afs.

LOCAL LABOUR MAPPING

Agriculture

There is no agricultural activity at the site.

Livestock

No livestock was observed at the site.

Wage labour

Around 100 families work in the community as daily wage labourers, mostly building houses, internal roads, culverts, etc. Almost all of these projects are donor-supported.

Informal workers

Two families work as tailors, and another as motor mechanics.

Small businesses

Eight to ten households run small businesses such as a grocery shop, restaurant, bakery, etc.

Formal jobs

Thirty families from the community have formal jobs. They work in schools, clinic or NGOs as teachers, nurses, guards, community officers, etc.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Agriculture

Only a few people have agricultural land in the Qarabagh district, where they grow grapes.

Wage labour

Around 100 families have household members who go outside the community to work as daily wage labourers on construction sites or in brick kilns in Bagram, the Qarabagh district and Kabul city

Informal workers

Around ten to 15 people from the site work outside the community as skilled workers.

Small businesses

Members of ten households run small businesses in Kabul city, such as grocery shops - or they work as fruit and vegetable street vendors.

Formal jobs

Members of approximately 30 families have formal jobs outside the community. Most of them work in the Afghan Army or Police. A few work in various ministries in Kabul and in NGOs.

MOBILITY MAPPING OF EDUCATION/TRAINING

There is a secondary-level school at the site, which is attended by around 240 pupils. According to the head of the school, ten boys graduated last year, and four of them were then admitted to the Mir Alam High School in Qarabagh, approximately 5 km from the site. The others are currently working as daily wage labourers. The Mir Alam High School had its first 12th grade students this year, with 18 boys and no girls. Almost 100 students are studying from 10th to 12th grade at the high school.

Last year, six girls graduated from 9th grade at the site school. Only two of them are continuing to study at the girls' high school in Qarabagh, 17 km away from the site. The others have given up their studies.

MAPPING OF AVAILABLE TRAINING AND BDS

Training provided in the community

In 2009, CARE conducted a six-month training course on various skills. Fifty women were trained in tailoring, 22 in bag making and 35 in poultry rearing; 45 men were taught driving skills and a further 22 were trained in plumbing. CARE did not provide any tools and equipment at the end of the training period – and, according to Shura, the qualified trainees could not use their skills because they did not have any tools. They also had no access to raw materials. For example, anyone making bags needs to source leather. These people were not in an economic position to search for and buy raw materials – with the result that none of the trained people are using their skills at present. CARE has apparently applied for further funding and follow-up activities might then start.

At an earlier date, some 500 men and women attended a four-month vocational training course in various fields conducted by the NGO GRM. At the end of the course, people were provided with tools and equipment. According to the head of the CDC, some of these trainees have left the site and nobody knows what has happened to them. The remaining trainees are not working with the skills they acquired, as they have no knowledge of the market and no money to buy raw materials.

CARE also conducted a six-month carpet weaving for women and distributed carpet-weaving frames. The women have now ceased this occupation because the wages became very low after 2009 – 1,200 PKR per square metre.

In 2010, UMCOR carried out a six-month animal husbandry training course for 60 people and distributed 300 goats to the participants. However, the local people sold many of these goats because of the lack of pasture areas and suitable fodder. Some of the goats also died, as there were no veterinary services in the vicinity.

Training/BDS provided by organizations based in Kabul

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few Departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
Afghanistan Development Association (ADA)	<p>Agriculture and Livestock</p> <ul style="list-style-type: none"> - Agriculture and forestry - Livestock and poultry - Small irrigation <p>Economic Recovery and Capacity Building</p> <ul style="list-style-type: none"> - Knowledge and skills - Civic education - Access and market - Institutional development <p>Cross-Cutting Activities (gender, environment, good governance and advocacy, peace building, conflict resolution, human rights, disaster management, humanitarian assistance and emergency activities)</p>
Aga Khan Development Network (AKDN)	The AKDN is a group of development agencies with mandates that include the environment, health, education, architecture, culture, microfinance, rural development, disaster reduction, the promotion of private-sector enterprise and the revitalization of historic cities.
Afghanistan's Children A new Approach (ASCHIANA)	<p>ASCHIANA has been providing services and support to street children and their families for close to ten years.</p> <p>In order to provide a sustainable livelihood for youth, ASCHIANA provides vocational training opportunities in the areas of tailoring, bicycle repairs, hairdressing and beauty therapy, carpentry, electrical repairs, masonry, welding,</p>

Name of the organization/project	Provision of services
	information technology, cooking, traditional instrument making and plumbing.
Agency for Technical Cooperation and Development (ACTED)	ACTED's programme has six objectives: human, social, natural, financial, political and physical capital development. Its focus is on human capital development. It helps increase employment; improve resource management; increase yields and incomes; reduce the incidence of disease; and increase literacy. It provides vocational training in 25 trades, as well as in literacy; hygiene; governance; natural resources and physical infrastructure management; agriculture and livestock; small business development; and computer skills training.
Agency for Assistance and development of Afghanistan (AADA)	AADA implements community development and health projects in several provinces of Afghanistan.
Afghans 4 Tomorrow (A4T)	A4T has activities in agriculture and livestock development.
Afghanistan Women Council (AWC)	The AWC provides skills building training in carpet weaving, sweater knitting, and leather purse/handbag making, farming, poultry raising, dairy production and sewing.
BRAC	BRAC has farm building and agricultural projects.
CARE	CARE helps most vulnerable people adapt to the effects of a changing climate with a number of programmes that include sustainable farming, income diversification and resilience building. CARE helps women and families improve their household income through increased access to financial and non-financial services, participation in village savings and loan associations, market linkages and diversified livelihoods.
Cooperation Center for Afghanistan (CCA)	The CCA provides training and assistance for unemployed/underemployed youths to make a sustainable living. They offer locally marketable skills training in masonry, office skills, motorcycle/bicycle repairs, agricultural training and dairy and wool processing, and carpet weaving.
Coordination of Humanitarian Assistance (CHA)	The CHA provides emergency aid for war victims in the field, to assist with their rehabilitation into rural and urban life.
Catholic Organization for Relief and Development Aid (Cordaid)	Cordaid works to make agricultural production more sustainable, and to increase the income and improve the situation of small producers in a context of agricultural change.
Danish Committee for Aid to Afghan Refugee (DACAAR)	DACAAR works in rural areas and aims at improving rural livelihoods through sustainable activities that engage Afghan communities to be agents of their own development process.
Dutch Committee for Afghanistan (DCA)	DCA-VET works to improve the health and productivity of Afghan livestock. DCA-VET owns three veterinary training and support centres in: Kabul – Charikar; Herat; and Mazar-e-Sharif. In these training centres, DCA-VET offers an array of veterinary training courses for its own VFU staff as well as for the VFU staff of other NGOs, government veterinarians and students of agricultural schools.
CFA (Children Fund Afghanistan)	The CFA is involved in agricultural, environmental (flood and avalanche protection) and drinking water projects.
Coordination of Afghan Relief (CoAR)	CoAR provides services in agriculture/irrigation, food security, animal husbandry, health, women's and child support, education, rural engineering/support, emergency relief, disaster risk reduction management and income generation.

Name of the organization/project	Provision of services
Education and Training Center for Poor Women and Girls of Afghanistan/(ECW)	<p>The vocational training conducted by the ECW consist of the following components:</p> <ul style="list-style-type: none"> • Carpentry • Carpet-weaving • Shawl-weaving • Crotchet-weaving • Food-processing • Tailoring • Embroidery • Computer training
Food and Agriculture Organization of the United Nations (FAO)	<p>FAO projects in agriculture include:</p> <ul style="list-style-type: none"> - Variety and Seed Industry Development Project - Development of Integrated Dairy Schemes (IDS) in Afghanistan - Emergency Certified Wheat Seed and Fertilizer Distribution Programme - Support to Household, Food Security, Nutrition and Livelihoods in Afghanistan
Ghazni Rural Support Programme (GRSP)	<p>GRSP works in the following areas: Agriculture / animal husbandry • Irrigation • Income generation • Emergency Relief • Education/ training/ community development • National Solidarity Programme (NSP)</p>
Global Partnership For Afghanistan (GPFA)	<p>Global Partnership for Afghanistan (GPFA) works with rural Afghans to create farm businesses.</p>
Global Point Afghanistan (GPA)	<p>GPA works for Afghan Internally Displaced Persons (IDPs), providing literacy classes, vocational training, health awareness, computer programmes, etc.</p>
GIZ	<p>GIZ is involved in infrastructural projects (city and highway roads), capacity building, commerce and industry, educational projects (building primary and high-school facilities), teachers' training, community development and drinking water projects.</p>
Humanitarian Assistance for Women and Children of Afghanistan (HAWCA)	<p>HAWCA conducts tailoring courses in Kabul and Peshawar</p>
International Foundation of hope (IFHope)	<p>IFHope works with local leadership to develop agriculture-related projects that meet the needs of the community to become self-sustaining.</p>
International Maize and Wheat Improvement Centre (CIMMYT)	<p>CIMMYT works to increase the productivity of maize and wheat systems on a sustainable basis</p>
Japan International Cooperation Agency (JICA)	<p>JICA supports projects for, inter alia:</p> <ul style="list-style-type: none"> • Reintegration and Community Development • Inter-Communal Rural Development • National Agricultural Experiment Stations Rehabilitation • Improvement of Rice-based Agriculture
Korea International Cooperation Agency (KOICA)	<p>KOICA supports the construction of schools, hospitals, vocational training centres, and other indispensable facilities</p>
Mennonite Economic Development Associates (MEDA)	<p>MEDA works in the following strategic areas:</p> <ul style="list-style-type: none"> • Agriculture • Rural financial services • Investment in small- and medium-sized (SME) enterprises • Business of health • Youth and financial services •

Name of the organization/project	Provision of services
	Deposit mobilization • Women's economic development • Engaged and growing association
National Solidarity Programme (Provincial Management Unit) (NSP/PMU)	The NSP was created in 2003 by the MRRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.
Norwegian Refugee Council (NRC)	The NRC has activities in emergency food security and distribution, information, counselling and legal assistance, camp management, education and building of homes and schools
Relief International (RI)	RI provides vocational training, offers microfinance opportunities and develops promising value chains.
Sanayee Development Organization (SDO)	The SDO works in various fields such as: peace building, education, community health, community development, and capacity building.
Partners in Revitalization and Building (PRB)	<p>PRB has been involved in the following disciplines: agriculture and crop husbandry, horticulture, animal health and livestock production, rural engineering income generation, microfinance and women's development activity.</p> <p>PRB agricultural activities include the rehabilitation of agriculture and its products in Afghanistan. The trial and distribution of improved wheat, maize, rice and vegetable seeds are the first priority of its agricultural activity.</p> <p>PRB contribute towards the rehabilitation and production of livestock and animal husbandry in Afghanistan. The programme consists of two sections: veterinary and livestock production.</p>
Solidarity for Afghan Families (SAF)	SAF is involved in issues of health, education, agriculture and social development.
Swedish Committee for Afghanistan (SCA)	SCA works in the areas of education, health, support for people with disabilities, and rural development.
SOZO International	SOZO supports work and training programmes that enable people to support themselves. It also supports small business start-ups that create economic activity in communities.
Swedish International Development Cooperation Agency (SIDA)	SIDA works to strengthen the private sector alongside its other agenda. SIDA promotes an environment that encourages micro-entrepreneurs and small businesses.
Swiss Agency for Development and Cooperation (SDC)	SDC has activities in the following areas: improvement of income opportunities through landscape diversification, higher crop yields and efficient cattle farming; promotion of small and medium-sized enterprises; raising awareness and prevention in the field of health; elementary schooling and the general quality of education; provision of water supplies and sanitation
Professional Construction Machinery Fixation School in Kabul (State-owned TVET school, under ASDP)	Formal T-VET education, 107 male students enrolled in 2010-11 academic year.

Name of the organization/project	Provision of services
Professional Commerce High School of Kabul (State-owned TVET school, under ASDP)	Formal T-VET education, 140 students enrolled in 2010-11 academic year.
Jamhoriyat High School of Economics and Administration of Kabul (State-owned TVET school, under ASDP)	Formal T-VET education, 91 students enrolled in 2010-11 academic year.
Kishm Agriculture High School of Kabul (State-owned TVET school, under ASDP)	Formal T-VET education, 29 students enrolled in 2009-10 academic year.
Kabul Agriculture and Veterinary Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 472 male students enrolled in 2011-12 academic year.
Kabul Auto Mechanic School (State-owned TVET school, under ASDP)	Formal T-VET education, 906 students enrolled in 2011-12 academic year.
Kabul Accounting and Management Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 1359 students enrolled in 2011-12 academic year, more 941 students in night shift
Females Accounting and Management Institute of Kabul (State-owned TVET school, under ASDP)	Formal T-VET education, 476 female students enrolled in 2011-12 academic year.
Kabul ICT institute (State-owned TVET school, under ASDP)	Formal T-VET education, 644 students enrolled in 2011-12 academic year, and an additional 390 students in the night shift.
Kabul Civil Aviation Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 134 students enrolled in 2011-12 education year.
Kabul Water and Energy Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 493 students enrolled in 201-12 academic year, and an additional 144 students in the night shift.
Kabul Afghan IT institute (State-owned TVET school, under ASDP)	Formal T-VET education, 208 students enrolled in 2011-12 academic year.
Kabul Technical Teacher Training Academy (State-owned TVET school, under ASDP)	Formal T-VET education, 194 students enrolled in 2011-12 academic year.
Kabul National Institute of Management and Administration (State-owned TVET school, under ASDP)	Formal T-VET education, 2126 students enrolled in 2011-12 academic year.

Name of the organization/project	Provision of services
Kabul Construction and Engineering Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 689 students enrolled in 2011-12 academic year.
Department of Agriculture, Irrigation and Livestock (DAIL)	<p>DAIL has the following ongoing projects:</p> <ul style="list-style-type: none"> • On-Farm Water Management (OFWM) funded by the World Bank • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Horticulture Cooperatives Development Project (HCDP) funded by AFD • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Animal Husbandry Development Project (AHDP) funded by AFD • Beekeeping Development Project (BDP) funded by AFD • Perennial Horticulture Development Project PHDP) funded by the EC • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Commercial Horticulture and Agriculture Marketing Programme (CHAMP) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by the EU • Variety and Seed Industry Development Project funded by the EC • Promoting Integrated Pest Management in Afghanistan funded by the Norwegian Government • Agriculture Development Fund (ADF) - Agriculture Credit Enhancement Programme funded by USAID

DEMAND AND SUPPLY OF FINANCIAL SERVICES

It was found that poor financial literacy among households is prevalent in all sites - and Barikab is no exception. The HHS' financial management is very deficient, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

Barikab used to have a savings group, where each member saved 100 Afs per month, and it accumulated a total amount of 30,000 Afs. Members could take out loans of up to 5,000 Afs for emergency purposes and had to pay back the money in three months. However, the group is not working now, as people failed to reimburse their loans.

At present, there do not appear to be any financial service providers as such in the community. People take loans from each other, and buying on credit from shops is commonplace. Details of financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The site falls under the category of “limited agriculture and far from an urban centre”⁴⁴. It resembles another land allocation site, Alice Ghan, which is in the vicinity. The suggested interventions are therefore the same as those for Alice Ghan.

As many men commute to Kabul city and nearby Qarabagh and Bagram districts daily, Recommendations 2, 4, 5 and 6 from the main report are very important for this site. The long list of service provider organizations identified should serve as a basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as well as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services
√	8. Assist the value-chain development (VCD) of selected agricultural subsectors
√	9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the site’s poor financial management, lack of savings culture and prevalence of over-indebtedness. The ILO’s financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

⁴⁴ The site typology is discussed in the main report

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: While access to formal education is relatively easy due because there is a school in the community and others in the vicinity, career and entrepreneurial education could be introduced at secondary-school level. This would have a tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as well as to low-cost and reliable remittances services

NOT APPLICABLE: Given that many men commute to Kabul city and nearby Qarabagh and Bagram districts daily, Recommendation 1 could cover the savings element of this Recommendation, while the remittances component is not relevant. Serving the needs of migrant workers in other urban centres goes beyond this site-specific Recommendation.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers' and workers' organizations, including the Afghan Builders Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the poor working conditions in general; no or unfairly reduced payment;⁵ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: Given that five per cent of households in the community rely on urban informal jobs, this type of employment should be further encouraged. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

⁵ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: Although only a few people from the community own small businesses in Kabul, the vibrant Kabul market provides ample opportunities to start and improve MSEs. This does not apply to the community itself, where there is limited opportunity for growth.

The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: While the target HHs have many family members working in Pakistan and the Islamic Republic of Iran, this goes beyond this site specific Recommendation.

8. Assist the value-chain development (VCD) of selected agricultural subsectors

APPLICABLE: Both the host community and the nearby district, Qarabagh, are engaged in significant agricultural activities. Grapes, as a selected value chain, provide agri-labour opportunities for people in the surrounding areas. Some families from the returnee community are currently growing grapes on their land in Qarabagh. The sharing of water is still an issue between the returnee and the host community. If an amicable agreement between them were reached, thereby improving access to drinking water, the agri-labour opportunities of the returnee community in the host community would be increased.

A value chain approach could be applied by linking the community with the Kabul-based large traders/exporters who source grapes/raisins from this area. The project could focus on supporting selected large traders/exporters in strengthening their sourcing of grapes/raisins by addressing post-harvest loss; finding ways to improve productivity; identifying methods to improve processing techniques; and thus increasing the provision of agri-labour and processing opportunities. A first step

could be to establish linkages between the urban-based exporters/traders and the people in the returnee community. The project could then facilitate training on grape processing, which would be provided by the exporters/traders. To make the sourcing more attractive for the exporters/traders, the project could help form groups of growers to generate a large volume of produce, thus reducing transaction costs. However, concerned experts should guide the value chain development and private sector integration.

9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

APPLICABLE: The number of families with disability is high in the community and nearly half of them are currently registered with MoLSAMD to receive cash benefits. Supporting the people with physical or mental disabilities in the community who are excluded from this coverage is important to ensure that livelihood development is inclusive and fair, particularly bearing in mind that they are all jobless and have no external support. A first consideration would be to link them to MoLSAMD's public cash transfer programme of benefits for the Families of Martyrs & Disabled. To enhance this support, they should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.

CHILMATI, LAGHMAN



Employment patterns

Returnee/IDP community¹

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
10%	15%	10%	<1%	<1%	<1%	70%	1%	2%	1%

Base: 3,000 HHs

INTRODUCTION

The Chilmati reintegration site is located approximately 3 km north of Mehtarlam city (centre of Laghman province). The Mehtarlam-Alinger road divides the village into two parts. The original village is 300 years old and is located on the right-hand side of the Alinger road. The other part, located on the left-hand side of the road, was established some 80 years ago. The village has four sub-villages: Daman, Dehmazang, Mohammad Khil and Shikhan. Because of the road, there are means of transport enabling people to commute to the city from the village. Typical means of transport include taxis, three-wheelers, etc. The trip to Mehtarlam city costs 10-15 Afs and takes only around 20 minutes.

¹ Information based on interviews with the Community Development Council (CDC) executives at the inception meeting, and also on further follow-up site visits. Given that HHs have multiple incomes – as there are often several income earners on one family – the total does not come to 100 per cent.

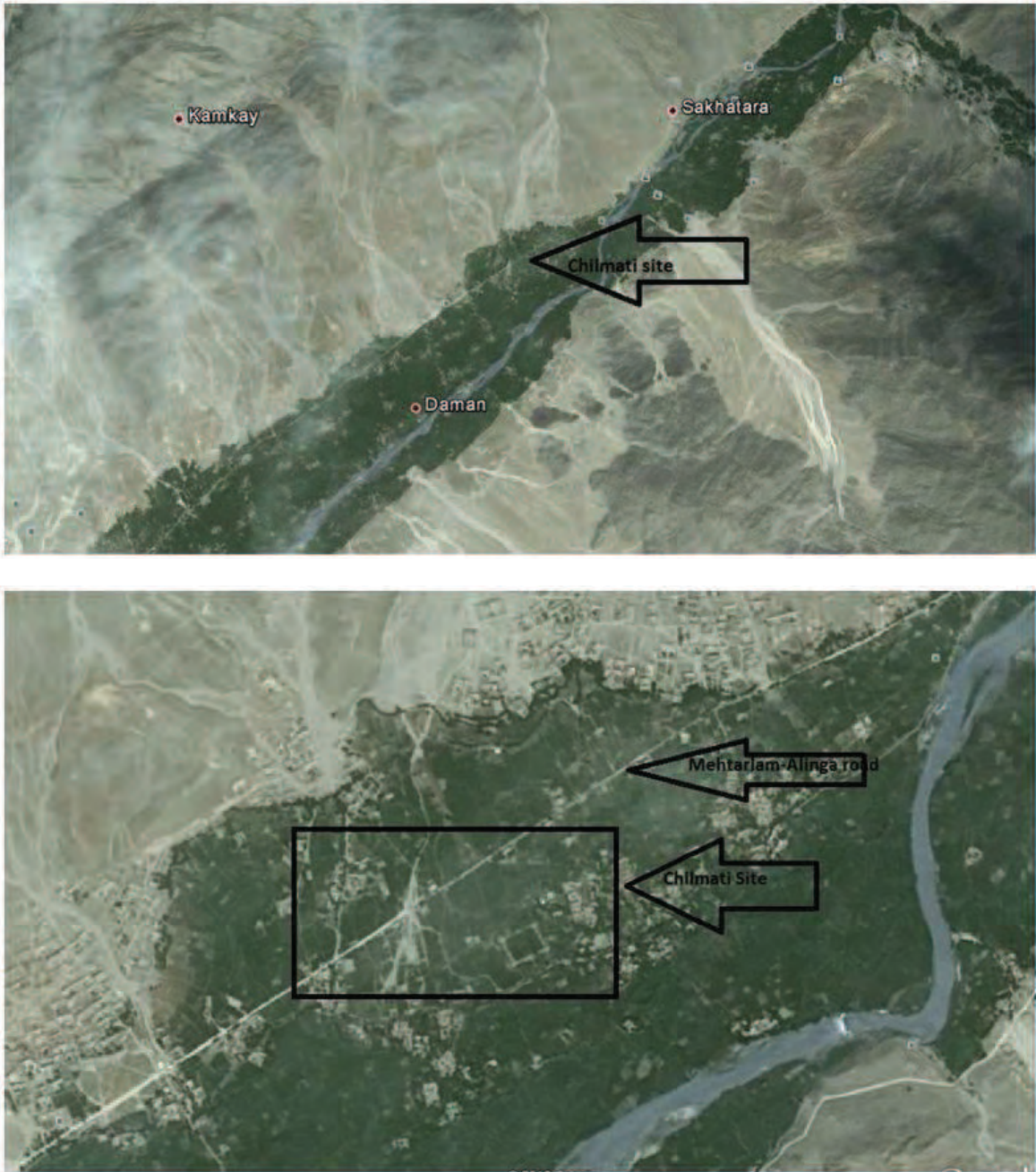


Figure 1: Satellite image of Chilmati site

At present, approximately 3,000 families live in the village, of which around 300 families are returnees. The majority of the people are Pashtuns and belongs to the Nirabkhil tribe. There is also a Tajik minority. During the war, most of the people left the village and went to Pakistan or other neighbouring districts in Laghman, or to other provinces. After the collapse of the Taliban government in 2001, people started to return to the village.

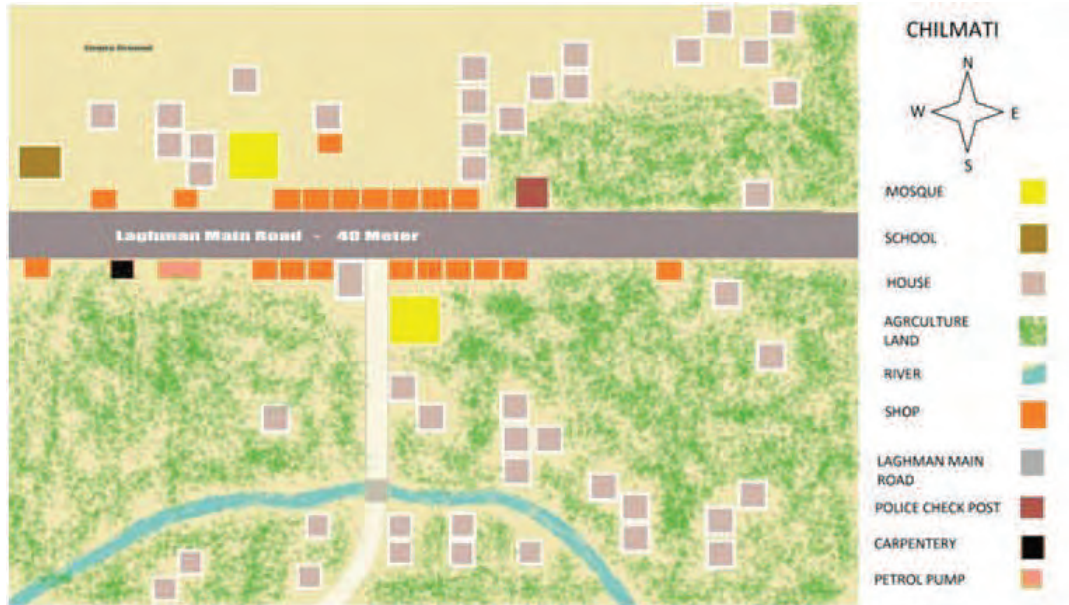


Figure 2: Physical layout of the Chilmati site

Disability

Around 30 people in the community are reported to have disabilities.

LOCAL LABOUR MAPPING

Agriculture

The region is suitable for agriculture due to its favourable agro-climatic conditions. Three crops can usually be grown in a year. Figure 3 shows the crop calendar for the region.

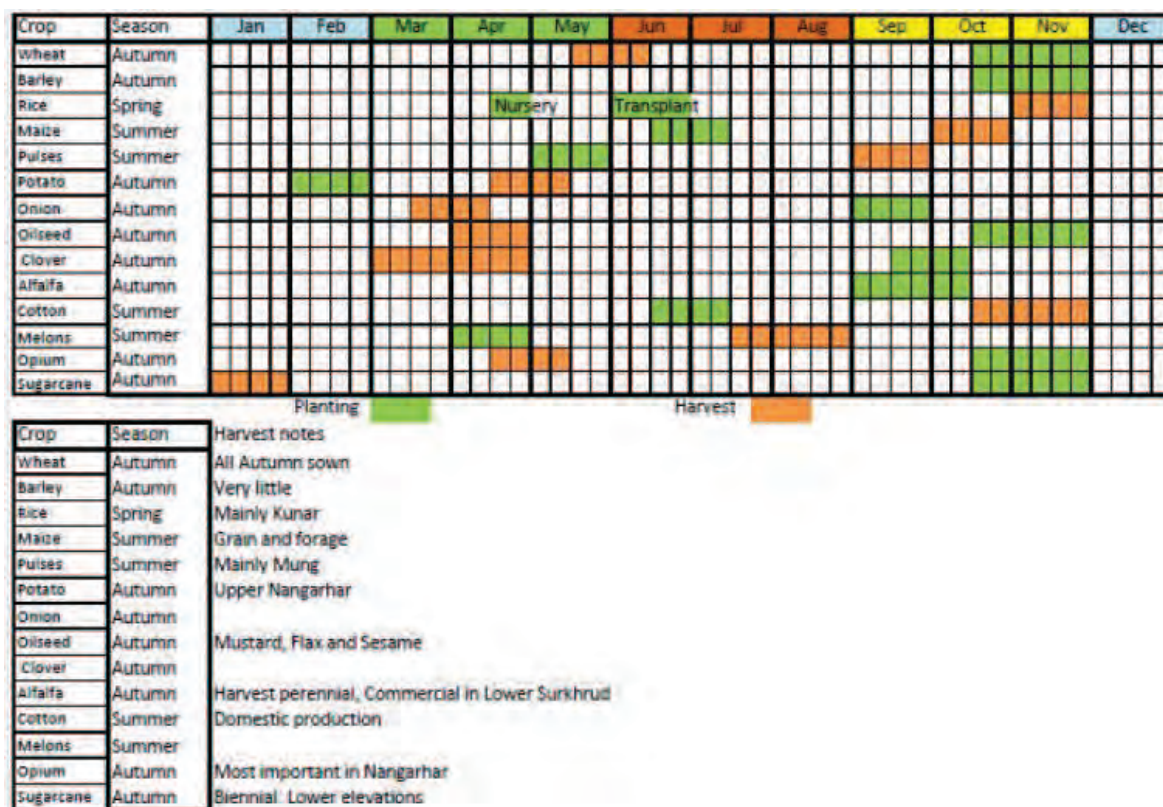


Figure 3: Crop calendar in Laghman (source: USDA, 2008)

Despite these favourable agro-climatic conditions, agricultural land in the target site is limited, and only around 10 per cent of the population are involved in agriculture. All the farming land is irrigated. Most of the farmers grow wheat, followed by vegetables such as spinach, tomatoes, cauliflowers, radishes, carrots and pumpkins, and fruits such as watermelons. Among those involved in agriculture, 40 per cent cultivate their own land, 30 per cent work on leased land, and 10 per cent are sharecroppers; the rest work as agricultural wage labourers. Wheat is grown mostly for household consumption, whereas vegetables and fruits are cultivated for commercial purpose. Farmers sell their products to Mehtarlam, Jalalabad and even Kabul city.

Livestock

Around 15 per cent of the households raise livestock, but mostly for home consumption. The herd size is usually small, composed of one or two cows and a few goats and sheep. People keep these animals as savings in kind, which they can use as liquidity in a crisis.

Wage labour

Various development organizations are carrying out infrastructural works in the community, which provides about 10 per cent of the households with daily wage-based work. People mostly work in house building and road construction, canal excavations, etc.

Informal workers

There are a few skilled workers in the site, such as masons, carpenters and electricians. They work both within and outside the community.

Small businesses

In view of the site's large population, there is a fair number of small businesses in the community - around 20. The most common businesses are grocery shops, vegetables/fruits sellers, carpentry shops, tailoring shops, etc.

Formal jobs

A few people work as teachers in the community school.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Wage labour

Family members of about 70 per cent of the households work as daily wage labourers outside the community. Most of them are seasonal migrants to other provinces, which include Jalalabad (in various seasons with weekly/monthly commuting), Kabul (mostly during the summer), as well as Mazar-e-Sharif, Kunar, and Herat. A significant number of people also go to Pakistan.

Informal workers

Around 20-30 people work as informal workers in Mehtarlam city, in such areas as carpentry, metal works, car repairs and tailoring.

Small businesses

Some 40-50 people run small businesses in Mehtarlam and Jalalabad city, mostly in petty trading. They operate as fruit and vegetable street vendors, sell mobile phone recharge cards, or drive taxis.

Formal jobs

Around 30-40 people are employed by the Afghan Army and Police – and a few more work in various government ministries in other provinces.

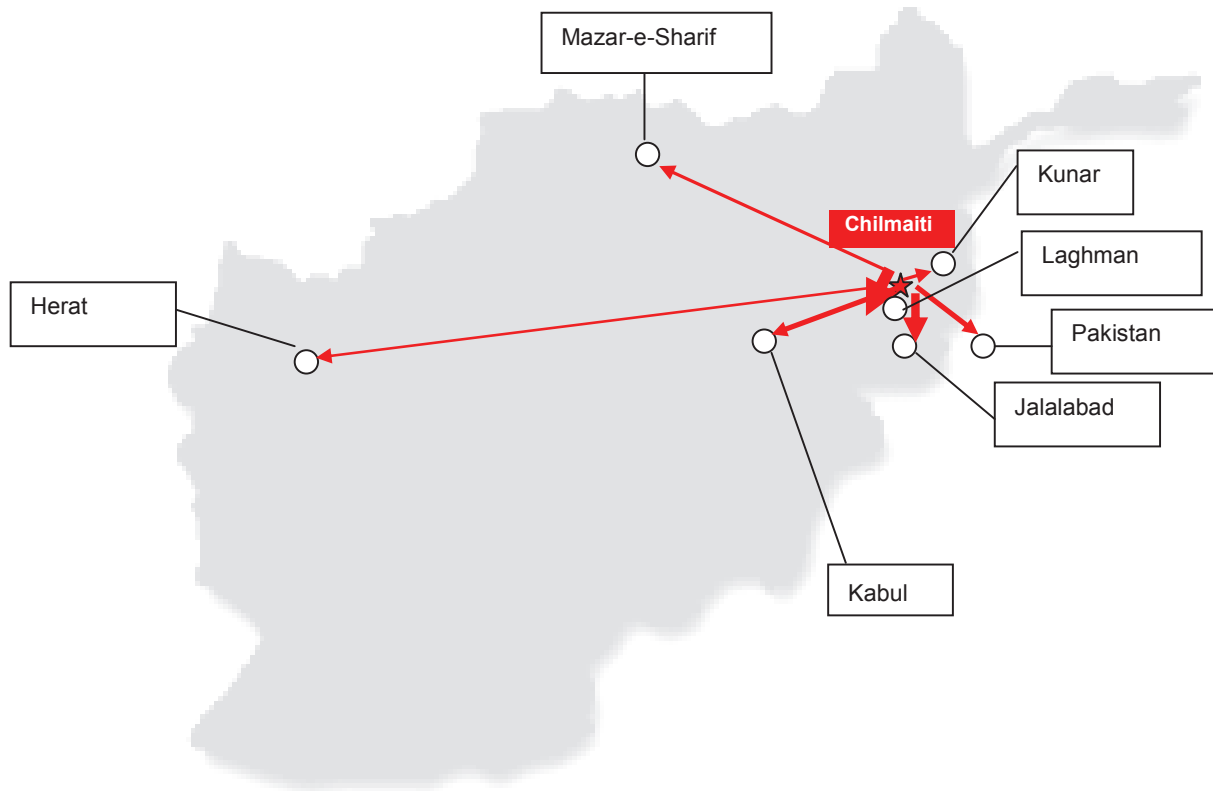


Figure 4: Labour and business mobility of the people from the Chilmaiti site

MOBILITY MAPPING OF EDUCATION/TRAINING

There are two secondary schools in the community, attended by about 800 boys and girls. There is also a high school in the community, and two others in the vicinity. Altogether around 1,800 pupils study at these high schools, from which around 45 boys and 25 girls graduate every year. A typical breakdown of students' occupational activities after high-school graduation is as follows:

- Five per cent start their own business
- Six per cent become teachers
- 14 per cent go back to agricultural work
- 45 per cent are engaged in daily wage-based labour or informal skills-based work
- 20 per cent are admitted to universities or vocational institutes
- 15 per cent join the Afghan Army or Police

MAPPING OF AVAILABLE TRAINING AND BDS

Training provided in the community

At the time of the investigation, no organization was found to provide any skills-building training in the community.

Training/BDS provided by organizations based in Laghman

Name of the organization/project	Provision of services
Afghanistan Development Association (ADA)	<p>Agriculture and Livestock</p> <ul style="list-style-type: none"> - Agriculture and forestry - Livestock and poultry - Small irrigation <p>Economic Recovery and Capacity Building</p> <ul style="list-style-type: none"> - Knowledge and skills - Civic education - Access and market - Institutional development <p>Cross-Cutting Activities (gender, environment, good governance and advocacy, peace building, conflict resolution, human rights, disaster management, humanitarian assistance and emergency activities)</p>
Department of Agriculture, Irrigation & Livestock (DAIL)	<p>DAIL has the following ongoing projects:</p> <ul style="list-style-type: none"> • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Animal Husbandry Development Project (AHDP) funded by AFD • Beekeeping Development Project (BDP) funded by AFD • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Commercial Horticulture and Agricultural Marketing Programme (CHAMP) funded by USAID • Incentives Driving Economic Alternatives- North, East and West (IDEA-NEW) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by the EU • Variety and Seed Industry Development Project funded by the EC • Agriculture Development Fund (ADF)- Agriculture Credit Enhancement Programme funded by USAID
National Solidarity Programme (Provincial Management Unit) (NSP/PMU)	<p>The NSP was created in 2003 by the MMRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.</p>
Swedish Committee for	<p>SCA supports persons with disabilities and rural development. Its mission is to</p>

Afghanistan (SCA)	empower poor women, men and children by combining service provision, capacity development and advocacy.
Alingar Agriculture School of Laghman (State-owned TVET school, under ASDP)	Formal T-VET education, 240 students enrolled in 2011-12 academic year, and an additional 390 students in the night shift
Qargai Agriculture School of Laghman (State-owned TVET school, under ASDP)	Formal T-VET education, 146 students enrolled in 2011-12 academic year, and an additional 390 students in the night shift
Laghman Agricultural School (State-owned TVET school, under ASDP)	Formal T-VET education, 154 students enrolled in 2011-12 academic year, and an additional 390 students in the night shift

DEMAND AND SUPPLY OF FINANCIAL SERVICES

Poor financial literacy among households is prevalent in all the sites. However, at aggregate level, the sites in the Eastern Region tend to be less over-indebted and have a better savings culture than other regions (please see the main report). But a significant number of households in Chilmati still have poor financial management, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

No financial service providers were identified in the community as such. People take loans from each other, and buying on credit from the shops in the community and at the nearby bazaar is commonplace. Details of financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The site falls under the category of “limited agriculture and far from an urban centre”²². Although the site is close to Mehtarlam city, most people tend to go to other major cities, which provide more job opportunities - and thus the site is referred to as “far from an urban centre”. As 70 per cent of the family members of households work outside the community in large cities such as Jalalabad (temporal and seasonal migration), in other major urban centres (seasonal and long-term migration), or outside the country, Recommendations 2, 3, 4, 5 and 6 from the main report are very important for this site. The list of service provider organizations identified should serve as a basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
√	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well

²² The site typology is discussed in the main report

	as well as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services
	8. Assist the value-chain development (VCD) of selected agricultural subsectors
√	9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the site’s poor financial management, lack of savings culture and prevalence of over-indebtedness. The ILO’s financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: While access to formal education is relatively easy due because there is a school in the community and others in the vicinity, career and entrepreneurial education could be introduced at secondary-school level. This would have a tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as well as to low-cost and reliable remittances services

APPLICABLE: Seventy per cent of the men from the site work outside the community as daily wage-based labourers. Although Mehtarlam city is close to the site, there are greater work opportunities in other major cities and people tend to go to Jalalabad, Kabul, Mazar-e-Sharif and Herat to work on a seasonal or long-term basis. Remittances services are not required for those working in Mehtarlam city. However, access to savings accounts and low-cost and reliable remittances services could help the migrants in other urban centres better manage their savings and ensure that their money is transferred risk-free to their families. Although Recommendation 1 could effectively help develop the savings

culture, a system providing access to savings accounts and low-cost and reliable remittances services should be in place in both the respective urban centre and at the site.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers' and workers' organizations, including the Afghan Builders Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the poor working conditions in general; no or unfairly reduced payment;³ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: Although only a small percentage of the community households relies on urban informal jobs, this type of employment should be further encouraged. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: Although only a few people from the community have small businesses in Mehtarlam, urban markets provide ample opportunities to start and improve MSEs. This does not apply to the

³ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

community itself, as there is limited opportunity for growth. Furthermore, growing urban MSEs can potentially absorb a greater share of the labour force in the future.

The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: While the target HHs have many family members working in Pakistan and the Islamic Republic of Iran, this goes beyond this site-specific Recommendation.

8. Assist the value-chain development (VCD) of selected agricultural subsectors

NOT APPLICABLE: This is not feasible because there are limited agricultural activities in the site and surrounding areas.

9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

APPLICABLE: Supporting people with physical or mental disabilities in both the returnee/IDP and host communities – although their number is small - is important to ensure that livelihood development is inclusive and fair, particularly when they are all without a job and have no external support. A first consideration would be to link them to MoLSAMD's public cash transfer programme of benefits for the Families of Martyrs & Disabled. To enhance this support, they should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.



FATIH ABAD, NANGARHAR

Employment Patterns

Inside the community ¹						Outside the community ²			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
40%	30%	5%	1%	<1%	<1%	60%	5%	5%	2%

Base: 5,500 HHs

INTRODUCTION

Fatih Abad is composed of a cluster of 12 sub-villages located about 20 km south-west of Jalalabad city. The site has fairly good road connectivity with Jalalabad city, and various forms of transport – taxis, three-wheelers (zarang), pick-up vans and minivans (taking 8-10 people) - are available within walking distance of the community. The trip is less than an hour from Jalalabad city and costs 15 to 40 Afs, depending of the type of transport taken.

¹ Information based on interviews with the Community Development Council (CDC) executives at the inception meeting, and also on further follow-up site visits. Given that many HHs have multiple incomes – as there are often several income earners in one family – the total does not come to 100 per cent.

² Ibid.



Figure 1: Satellite image of Fatih Abad village

There are at present around 5,500 families living at this site. Eighty-four per cent of them are Pashtun and 16 per cent are Tajik. Most of the households left the village during the war and they started coming back after 2001, when the Taliban government collapsed. They returned mainly on account of the improved security situation in the village, but close to 30 per cent came because their refugee camps had been closed.



Figure 2: Physical layout of Fatih Abad village

Disability

Approximately 20 per cent of the returnee families and 17 per cent of the local families have EVIs in their households, most of them with some form of disability or chronically ill. However, none of them have received any kind of assistance from the Government. Almost all of them are dependent on other family members or relatives.

LOCAL LABOUR MAPPING

Agriculture

A significant proportion of the population – around 40 per cent of HHs – depend upon agriculture for their living. Of this 40 per cent, 70 per cent own their land, ten per cent lease land, five per cent are sharecroppers and the remaining 15 per cent work as agricultural wage labourers. The crop calendar of Nangarhar province (figure 3) shows that there are three agricultural seasons- spring, summer and autumn - and farmers can harvest three crops a year. Fatih Abad is no exception.

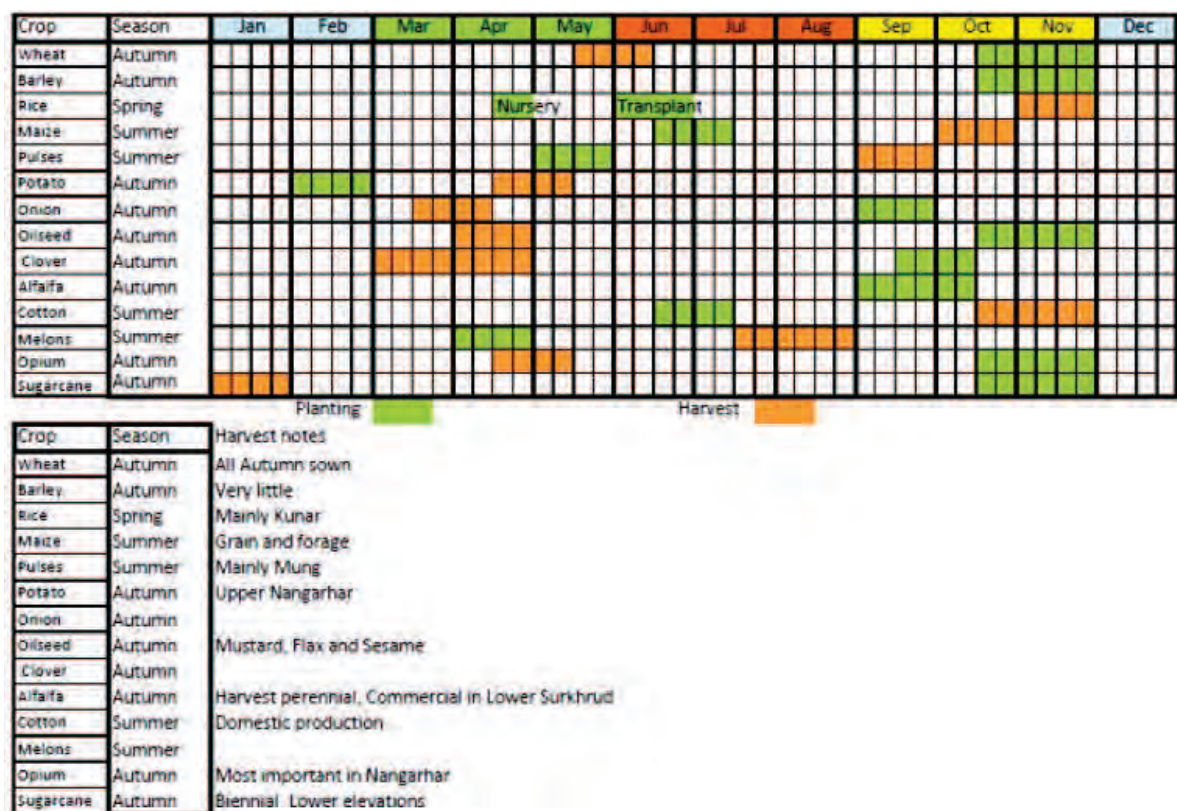


Figure 3: Crop calendar of Nangarhar province (source: USDA, 2008)

Vegetables are a very popular crop these days because of their high profit margin. Farmers usually grow vegetables on irrigated land in spring and summer. The major vegetables grown include okra, cauliflowers, turnips, spinach, tomatoes, radishes, carrots and pumpkins. Wheat and maize are generally grown in rain-fed lands; they are planted in the autumn and harvested in the spring. The average size of a plot of land per person is two *jerib*. Wheat is mostly grown for home consumption, whereas vegetables are primarily cultivated for commercial purposes. The proximity of the village to Jalalabad city makes it convenient for farmers to transport perishable products like vegetables. Farmers also collectively rent trucks to transport vegetables to Kabul city. However, these days, the lack of water increases the irrigation costs, which adds to the farmers' overall production costs, thereby reducing their profit margin. At the same time, rain-fed land also produces a lower yield if there is not enough rain.

Livestock

Thirty per cent of the families have livestock, but only in limited quantities. A typical household has one or two cows, a few sheep or goats, and a handful of backyard poultry. Only around five families (Kochis) have 80-100 animals, which they raise commercially. The others mainly have animals for household consumption, or to be used as liquidity in a crisis. Although there is sufficient pasture in the vicinity, a fair number of families have only returned to the village recently and do not have many animals.

Wage labour

Fatih Abad is a large village and people are continually returning from exile. As a consequence, there is a certain amount of house building and related infrastructural development. Approximately five per cent of people in the community find daily wage-based labour opportunities in the village. Daily wages range from 200 to 300 Afs.

Informal workers

The community has a fair number of skilled workers, such as masons, carpenters and tailors. There is a fairly high demand for masons in the community because of the construction of new houses. A skilled mason earns 700-800 Afs per day. Around 50-60 people work as informal workers inside the village, or in the bazaar adjacent to the village.

Small businesses

There are around 15-20 small businesses run by the community people in the adjacent bazaar, such as grocery shops, carpentry workshops, tailoring and blacksmith shops.

Formal jobs

A small number of people work as teachers in the village schools, and a few more as guards.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Wage labour

Family members of around 60 per cent of the households work outside the village as daily wage labourers. They are mostly engaged in construction work, carrying goods in the market, and in brick kilns, etc. Half of the daily wage labourers commute to Jalalabad city, while the other half work in cities such as Kabul, Mazar-e-Sharif, Kandahar and Peshawar in Pakistan, mostly on construction sites. Workers leave Nangarhar on a seasonal basis, for a few months during the summer. Their average wage is 250 to 300 Afs.

Informal workers

Family members of around five per cent of the households work in Jalalabad city in various skills-based occupations such as carpentry, welding, car repairs, etc.

Small businesses

Some five per cent of people from the village have small businesses in Jalalabad. Most of them are involved in petty trading, such as selling fruits and vegetable, children's items or stationary on pushcarts, or running carpentry shop, tailoring shops, etc.

Formal jobs

Family members of five per cent of the households work in the Afghan Army or Police in various provinces such as Nangarhar, Laghman, Helmand and Kandahar. A few people also work in Government ministries.

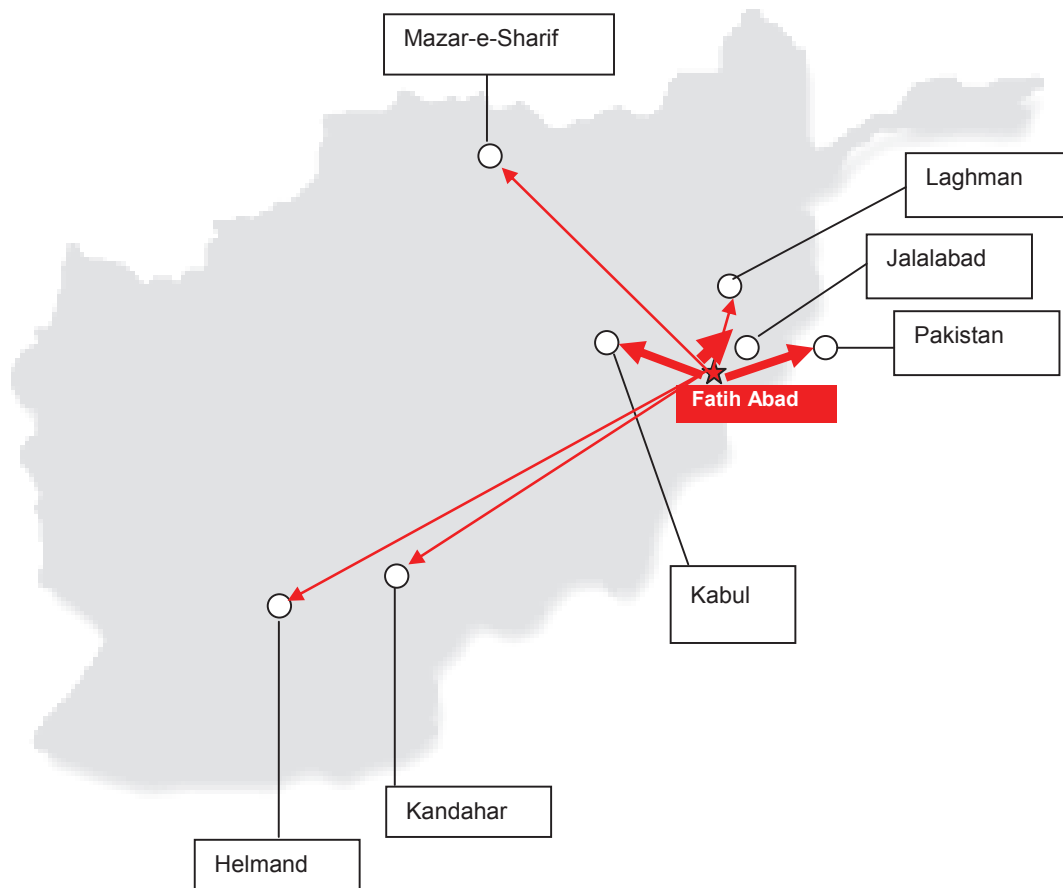


Figure 4: Labour and business mobility of the people from Fatih Abad village

MOBILITY MAPPING OF EDUCATION/TRAINING

There are three schools in the community - one secondary school and two high schools. There are around 6,000 pupils, both boys and girls, studying at these schools. Of the 40 boys who graduated last year from the high schools:

- Five joined the Afghan Army and Police
- Two went back to agricultural work
- Eight started taking higher-level religious studies in Afghanistan, Pakistan or even Saudi Arabia
- Five joined schools within the community or outside
- Eighteen joined different skills-based enterprises as informal workers
- Two started their own businesses (grocery shop, welding)

Half of the girls who graduated from high school last year are currently undertaking a two-year course at teachers' training institutes, while the rest have discontinued their studies.

MAPPING OF AVAILABLE TRAINING AND BDS

Training provided in the community

In 2009, Roots of Peace conducted a 30-day training course on cotton production for 200 farmers. Each farmer received seeds, medicines and US\$300 for participating in the training. The organization provided the site with a cotton-processing machine, and the Shura was made responsible for maintaining it. The project also donated a tractor to the agricultural cooperative in the community, and farmers can now rent a tractor for less than half the market rate.

Training/BDS provided by organizations based in Jalalabad

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few Departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
Afghanistan Development Association (ADA)	<p>Agriculture and Livestock</p> <ul style="list-style-type: none"> - Agriculture and forestry - Livestock and poultry - Small irrigation <p>Economic Recovery and Capacity Building</p> <ul style="list-style-type: none"> - Knowledge and skills - Civic education - Access and market - Institutional development <p>Cross-Cutting Activities (gender, environment, good governance and advocacy, peace building, conflict resolution, human rights, disaster management, humanitarian assistance and emergency activities)</p>
Food and Agriculture Organization of the United Nations (FAO)	<p>FAO projects include:</p> <ul style="list-style-type: none"> - Variety and Seed Industry Development Project - Development of Integrated Dairy Schemes (IDS) in Afghanistan - Emergency Certified Wheat Seed and Fertilizer Distribution Programme - Support to Household, Food Security, Nutrition and Livelihoods in Afghanistan
German Agro Action (GAA)	The GAA has agricultural projects in such areas as farmers' support, drinking water and irrigation, food storage and construction, etc.
National Solidarity Programme (Provincial Management Unit) (NSP/PMU)	The NSP was created in 2003 by the MRRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to

Name of the organization/project	Provision of services
	empower rural communities to take decisions affecting their own lives and livelihoods.
CFA (Children Fund Afghanistan)	The CFA is involved in agricultural, environmental (flood and avalanche protection) and drinking water projects.
Danish Committee for Aid to Afghan Refugee (DACAAR)	DACAAR works in rural areas and aims at improving rural livelihoods through sustainable activities that engage Afghan communities to be agents of their own development process.
BRAC	BRAC is involved in farm building and agricultural projects.
Sanayee Development Organization (SDO)	SDO works in various fields such as peace building, education, community health, community development, and capacity building.
International Foundation of hope (IFHope)	IFHope works with local leadership to develop agriculture- related projects that meet the needs of the community to become self-sustaining.
Noor Educational & Capacity Development Organization (NEC)	NEC endeavors to assist Afghan women and children by building their capacities to enhance their economic and social well-being in a sustainable and equitable manner.
Relief International (RI)	RI provides vocational training, offers microfinance opportunities and develops promising value chains.
Swedish Committee for Afghanistan (SCA)	SCA works in the areas of education, health and support for people with disabilities and rural development.
Department of Agriculture, Irrigation and Livestock (DAIL)	<p>DAIL has the following ongoing projects:</p> <ul style="list-style-type: none"> • On-Farm Water Management (OFWM) funded by the World Bank • Rural Business Support Project (RBSP) funded by ADB • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Rural Microfinance and Livestock Support Programme (RMLSP) funded by IFAD • Integrated Dairy Scheme Project (IDSP) funded by FAO • Nangarhar Valley Development Authority (NVDA) funded by ADB • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Animal Husbandry Development Project (AHDP) funded by AFD • Beekeeping Development Project (BDP) funded by AFD • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Commercial Horticulture and Agriculture Marketing Programme (CHAMP) funded by USAID • Incentives Driving Economic Alternatives - North, East and West (IDEA-NEW) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by the EU • Variety and Seed Industry Development Project funded by the EC • Development of Integrated Dairy Schemes in Nangarhar funded by IFAD • Seed and Fertilizer and Metallic Silo Distribution funded by JICA • Agriculture Development Fund (ADF) - Agriculture Credit Enhancement

Name of the organization/project	Provision of services
	Programme funded by USAID
Nangarhar Agriculture and Veterinary School (State-owned TVET school, under ASDP)	Formal T-VET education, 310 students enrolled in 2011-12 academic year.
Nangarhar Mechanical School (State-owned TVET school, under ASDP)	Formal T-VET education, 557 students enrolled in 2011-12 academic year.
Sulh and Azadi School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 832 students enrolled in 2011-12 academic year.
Khogyani Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 30 students enrolled in 2011-12 academic year.
Rodaat Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 60 students enrolled in 2011-12 academic year.
Behsood Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 62 students enrolled in 2011-12 academic year.
Kama Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 105 students enrolled in 2011-12 academic year.
Surkhrod Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 108 students enrolled in 2011-12 academic year.

DEMAND AND SUPPLY OF FINANCIAL SERVICES

Poor financial literacy among households is prevalent in all the sites. However, at aggregate level, the sites in the Eastern Region tend to be less over-indebted and have a better savings culture than other regions (please see the main report). But a significant number of households in Fatah Abad still have poor financial management, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

No financial service providers were identified in the community as such. People take loans from each other, and buying on credit from the shops in the community and at the nearby bazaar is commonplace. Details of financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The site falls under the category of “agriculture-based and near an urban centre”³³. As the family members of 60 per cent of the households work outside the community in Jalalabad, in other major urban centres, or outside the country, and commercial agriculture is carried out on a large scale, Recommendations 2, 3, 4, 5, 6 and 8 from the main report are very important for this site. Other important Recommendations specific to this site are related to agriculture and livestock, from which 40 per cent and 30 per cent of HHs, respectively, earn some income. The long list of service provider organizations identified should be the basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
√	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as well as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services
√	8. Assist the value-chain development (VCD) of selected agricultural subsectors
√	9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors
√	Other: A. Improve access to veterinary services to reduce the high mortality of livestock and to promote better animal husbandry practices B. Assist livestock farmers in forming groups to supply milk to the processing centre in Jalalabad city, as envisaged by the FAO

1. Assist HHs in moving from indebtedness to productive investments

³³ The site typology is discussed in the main report

APPLICABLE: This has been chosen as the first Recommendation on account of the site's poor financial management, lack of savings culture and prevalence of over-indebtedness. The ILO's financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: While access to formal education is relatively easy due because of the site's vicinity to an urban centre, career and entrepreneurial education could be introduced at secondary-school level. This would have a tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as well as to low-cost and reliable remittances services

APPLICABLE: Sixty per cent of the men from the site work outside the community as daily wage-based labourers. Half of them commute to Jalalabad city on a daily basis, and the other half migrate seasonally in summer to other major urban centres, as well as to Pakistan. Remittances services may not be required for those commuting to Jalalabad on a daily basis. However, access to savings accounts and low-cost and reliable remittances services could help the migrants in other provinces better manage their savings and ensure that their money is transferred risk-free to their families. Although Recommendation 1 could effectively help develop the savings culture, a system providing access to savings accounts and low-cost and reliable remittances services has to be in place in both the respective urban centre and at the site.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers' and workers' organizations, including the Afghan Builders' Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the poor working conditions in general; no or unfairly reduced payment;⁴ the neglect of other basic labour rights; drug abuse; and child labour.

⁴ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: Although only a small percentage of the community households rely on urban informal jobs, this type of employment should be further encouraged. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: Although only a few people from the community have small businesses in Jalalabad, the vibrant Jalalabad market provides ample opportunities to start and improve MSEs. This does not apply to the community itself, as there is limited opportunity for growth. Furthermore, growing urban MSEs can potentially absorb a greater share of the labour force in the future.

The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: While the target HHs have many family members working in Pakistan and the Islamic Republic of Iran, this goes beyond this site-specific Recommendation.

8. Assist the value-chain development (VCD) of selected agricultural subsectors

APPLICABLE: Fatih Abad has a distinct comparative advantage over many other reintegration sites. Not only does it have favourable agro-climatic conditions for year-round agricultural activities, but it is also close to a major urban centre, Jalalabad. There is considerable growth potential for agricultural activities – particularly vegetables – in the future, which would have a positive impact on commodity trading. Wheat and vegetables emerge as the two most important value chains in the region (see the main report), and a value-chain approach could be adopted to boost their production. As yet, the high demand for these products has not been met, and increased production could result in a higher income for the farmers.

At present, farmers use their own retained wheat seeds year after year, which results in a lower yield. Meanwhile, vegetables are becoming an increasingly popular crop in the village due to their high economic return. Like any other agricultural crop, the price of vegetables varies – it is high at the beginning of the season, low during peak harvests, and high again at the end of the season. For example, the wholesale price of okra at the beginning of the harvest is 25-27 Afs per kg; mid-season, the price goes down to 5-7 Afs per kg, and it rises again at the end of the season to 20-25 Afs per kg. Extending vegetable production by planting early and late varieties of the crop could increase income and work opportunities for the people in the community. Activities should be undertaken at input, production and output levels. Working with private seed companies to promote such varieties could help in this respect. Furthermore, there could be collaboration with seed and other agricultural input companies to promote better quality inputs (seeds, crop protection materials, fertilizers, etc.) and to improve technical know-how on their effective use. There should be a partnership with private input companies, with a view to improving production practices at farm level – as they could be supported to do their promotion through “farmers’ field schools”, demonstration plots and promotional campaigns.

In addition, group marketing should be encouraged as it has significant advantages. It gives the farmers a higher bargaining power, provides them with access to large buyers and reduces transaction costs. At present, farmers sometimes group together to sell their vegetables in Jalalabad and Kabul. Efforts should be made to capitalize on this mechanism and promote it further. Activities should be undertaken to help farmers form groups to aggregate their products and negotiate with large buyers in Kabul city. The wholesale price difference for vegetables in Jalalabad and Kabul is significant, but individual farmers with their limited quantities cannot profit from this benefit. Efforts could be made to link such groups with Kabul wholesalers and nurture this linkage by ensuring an information flow between the farmers’ groups and wholesalers; this information would concern not only the product price but also the quality requirements and the products in high demand. Support services such as transportation and packaging should also be strengthened to reduce wastage and transaction costs. There are a good number of relevant projects under DAIR and the FAO, whose services could be used to achieve a greater impact.

However, value-chain development experts must be involved in this process to ensure long-term sustainability.

Any interruption to the water supply is a threat to agricultural growth as a whole. Efforts could be made to improve the irrigation facilities to increase productivity in the village, either in the form of cash and food for work schemes under the UNHCR-led project, and/or coordinated intervention through other programmes and initiatives on irrigation. Experts could be involved to ensure that water is secured from a technological standpoint – and within the socio-political context – and that there are maintenance mechanisms for the irrigation facilities in the communities, which ensure that they are sustainable.

9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

APPLICABLE: A significant number of households in the community have family members with disabilities. It is important to support people with physical or mental disabilities to ensure that livelihood development is inclusive and fair, particularly when none of them have a job and external support. A first consideration would be to link them to MoLSAMD’s public cash transfer programme of benefits for the Families of Martyrs & Disabled.

Given that 20 per cent of the families in the returnee/IDPs community and 17 per cent in the local community have EVIs, they should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.

OTHER

A. Improve access to veterinary services to reduce the high mortality of livestock animals and also to promote better animal husbandry practices

Although livestock are a very important source of income in the site (30 per cent of households have some income from livestock), they have a high mortality rate. This may be attributed mainly to the people’s inadequate knowledge of ways to treat animals and to the distance from Jalalabad city (where veterinary services are available). While tapping DAIL relevant projects might address this problem, it may not be sustainable - given DAIL’s heavy reliance on project funds to mobilize their extension network beyond urban centres. A more sustainable approach would be to work with private veterinary service providers in Jalalabad city, and let DAIL and other projects continue providing their services as a supplementary measure. Carrying a diseased animal to the city is troublesome and also expensive. However, for a veterinary service provider, visiting a distant place for only one or a few animals is not feasible. A periodic visit to the village by private company representatives dealing with livestock medicines/vaccines might be an option. The project could negotiate with private companies to extend their services to the villages. As many other reintegration sites have a significant number of livestock, a large private company with a good coverage could also benefit by tapping this market - leading to a win-win situation for both the companies and the project. Nonetheless, it is important to involve the expert

of the BDS market development approach in negotiations with the private sector, in order to strengthen the provisions of the veterinary service in a commercially sustainable manner, while avoiding exploitative or inequitable situations. Should the distance from the city prevent the private vet service from being provided to the community, ideas such as training para-vets in the community could also be pursued.

B. Assist livestock farmers in forming groups to supply milk to the milk processing centre in Jalalabad city, as envisaged by the FAO

NOT APPLICABLE: Although around 30 per cent of the households (around 1,650 out of 5,500) have livestock, the majority of them have only one or two cows for their home consumption of milk. While the FAO “Integrated Dairy Scheme Project” to establish a processing plant in the city might look promising, the idea of organizing the 1,650 HHs into a dairy producer group/cooperative might not look that attractive a proposal. Unless the target HHs have extra land and capital to invest in establishing a commercially viable stall-fed system with high yield varieties, selling milk to the processing factory would provide only marginal returns - and diverting milk that is consumed by family for commercial purposes would have a negative nutritious and financial impact on the family. The net benefit would therefore be even smaller.

On the buyer’s side, it would be costly and risky to collect milk from thousands of HHs whose production is minuscule, uncontrolled and unreliable (cows do not produce milk all the time). Whenever there is an urban demand for dairy products, it is usually met by fairly large-sized farms – which are preferred by milk plants because collection costs are low and the supply is reliable. Should there be any extra demand, the middlemen (e.g., the milkmen on bicycle/motorcycle) would emerge to fill the gap, and some HHs who can supply them will do so. There is little need to run a project to promote that.

A market-based development, as mentioned above, is far less costly than establishing and running a cooperative, and far more flexible to changing demand. The success of the cooperative model, such as the Anand model in India, occurred in a context in which rural small-scale famers rearing a few cows dominated the market. This situation is not guaranteed to succeed in the Jalalabad dairy market of today.

If and when the growing dairy demand in Jalalabad and Kabul - and initial investments such as those by the FAO – give rise to the development of growth-oriented dairy farmers in and around Fatih Abad, interventions could be considered to optimize their economic and employment benefits, while minimizing their environmental impact (including the treatment of cow dung). The present situation appears premature for such actions.

For the time being, the recommendation is to “leave it to the market” and focus on mitigating the risk of disease. This idea could be revisited later in the event of demand-led growth and signs that there are opportunities in this area.



GARDIGHOUS, NANGARHAR

Employment patterns

Inside the community ¹						Outside the community ²			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
50%	20%	2%	1%	5%	1%	40%	1%	2%	5%

Base: 3,000 HHs

INTRODUCTION

The Gardighous reintegration site is located approximately 50 km east of Jalalabad city on the Jalalabad-Torkham road. Torkham is on the border between Pakistan and Afghanistan. The village has a well-developed road communications system with Jalalabad city. The main road linking the village with Jalalabad city is paved, and the internal road linking the village with the district centre is gravelled. There are various forms of public transport, which include buses, taxis and minivans. It takes one to hours to reach the city, and the fare ranges from 20 to 50 Afs - depending on the means of transport.

¹ Information based on the interviews with the Community Development Council (CDC) executives at the inception meeting, and also on further follow-up site visits. Given that HHs sometimes have multiple incomes – as there are often several income earners in one family – the total does not come to 100 per cent.

² Ibid.



Figure 1: Satellite image of Gardighous village

The village has approximately 3,000 families. According to UNHCR, only 328 returnees are living in the village at present. Thirty years ago, Gardighous was the scene of fighting between Afghan loyal groups and opposition groups, and over 80 per cent of the population left for Pakistan, the Islamic Republic of Iran and other countries. As the situation improved, the community people started returning to their homeland. Since 2001, the majority of the people who migrated to other countries have started coming back, particularly from Pakistan because they were near the border. Most of the people living in the village can therefore be referred to as returnees. The village is divided into many small sub-villages. The majority of the population are Pashtuns, originating from the Mohmand tribe. The site is surrounded by the villages of Landay, Ghazgi and Daka .

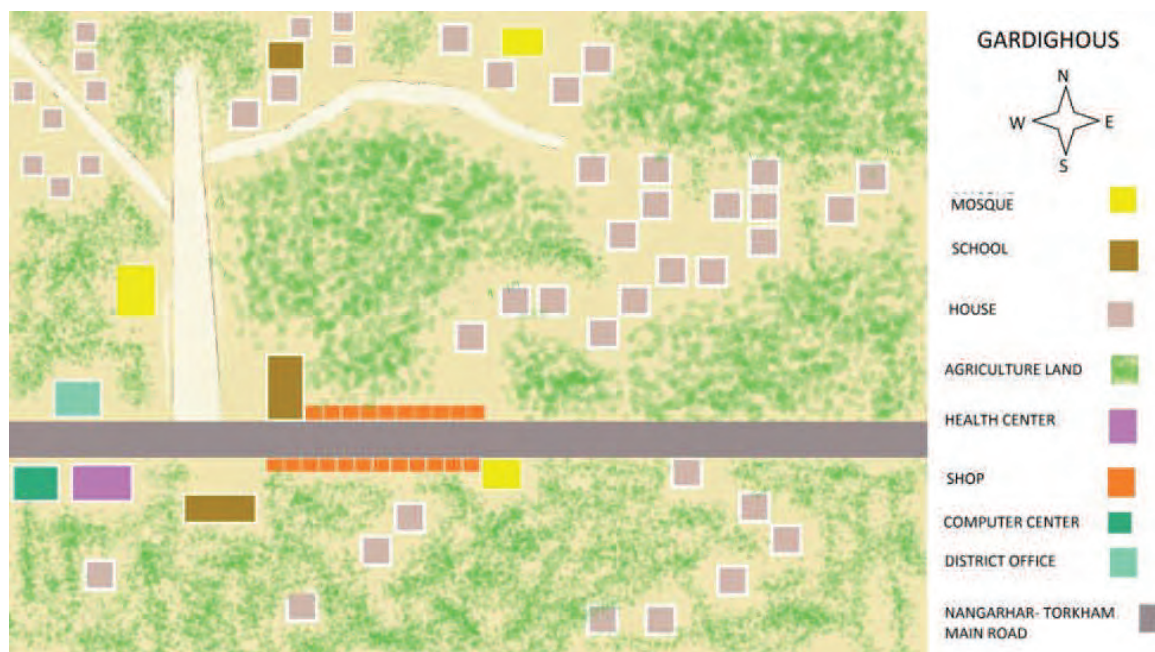


Figure 2: Physical layout of Gardighous village

Disability

Around 40 people in the community are recorded as having a disability, of which 25 became disabled during the war. Six to ten people have disabilities as a result of illnesses they suffered in Pakistan, where they did not get proper treatment. A few others were disabled at the workplace. One person fell from a building under construction and broke his leg. He received no compensation and is now working as a shopkeeper at the Gardighous bazaar selling synthetic carpets. Two other people had similar experiences of occupational accidents.

LOCAL LABOUR MAPPING

Agriculture

Agriculture accounts for 50 per cent of the families' major means of livelihood. Generally speaking, there are three agricultural seasons - spring, summer and autumn. There are both rain-fed and irrigated lands. Wheat and watermelons are grown on rain-fed land, whereas various types of vegetables such as turnips, spinach, tomatoes, cauliflowers, radishes, carrots and pumpkins are cultivated on irrigated land. There is only one crop cycle in rain-fed lands, with crops being planted in winter and harvested in the spring. The situation is different in the case of irrigated land, where there are three cropping seasons. Wheat is mostly grown for home consumption, while vegetables are primarily cultivated for commercial purposes. People sell their vegetables to Jalalabad city, Kabul and even to Peshawar in Pakistan.

There is plenty of rain-fed land, and people are constantly trying to bring more of this under irrigation. In the past few years, overall production has increased, as people who returned from Pakistan brought money with them and dug a number of wells.

Figure 3 shows the crop cycle in Nangarhar province.

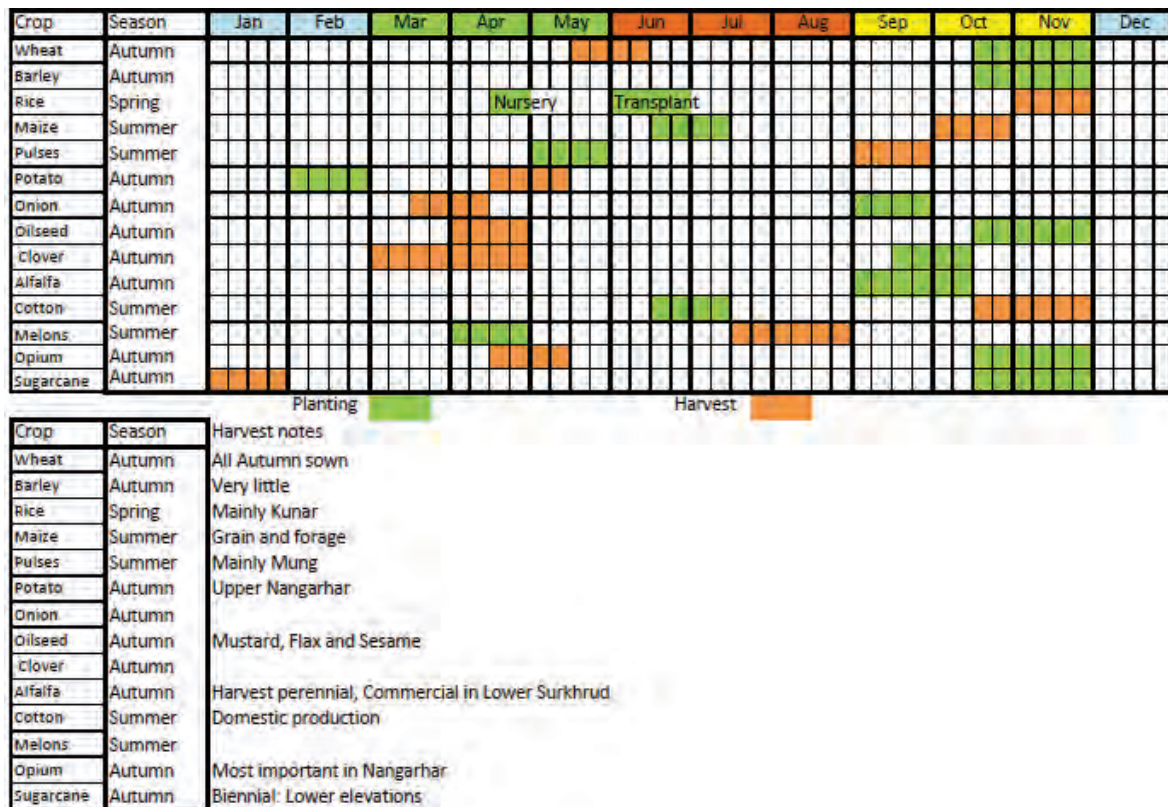


Figure 3: Crop calendar in Nangarhar province (source: USDA, 2008)

Livestock

Livestock is a major source of income for around 20 per cent of the households. Livestock mainly consists of cows, goats and sheep, while donkeys are considered a means of transportation. The average herd size for cows is 10-15, for goats 10-15, and for sheep 30-80. People sell milk in the community as well as in the city. In summer, people also sell milk to the Kabul market. Sheep and goats are sold as live animals at the meat market.

Wage labour

Around 30-40 people work as wage-based labourers in the village and surrounding areas. The average daily wage is 280-300 Afs for unskilled workers, and 400-600 Afs for skilled workers (such as masons). However, a worker may only find two or three days of work in a week.

Small businesses

Because of its location, there are a fair number of small businesses in the Gardighous bazaar. These include motor workshops, tailoring shops, plastic products manufacturing units and trading houses (dealing with exports to and imports from Pakistan). More than 100 households are involved in such businesses.

Informal workers

As already noted, a considerable amount of trade takes place in the Gardighous bazaar because of the village's location (it is alongside the road leading to Pakistan). About 25 informal workers are involved in the businesses referred to in the preceding paragraph.

Formal jobs

The formal job opportunities within the community are limited, accounting for less than one per cent of the population. Those concerned work as school teachers or drivers, etc.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Wage labour:

Most of the young people go to Jalalabad city, Kabul, Mazar-e-Sharif, Herat and Kandahar for daily wage-based labour. People prefer to work in Kabul during the summer because of the hot weather in Nangarhar. These days, people also go to Pakistan if the weather in Kabul is too hot. Around 1,200 people make up this category.

Informal workers

Only around 20 people are working in the informal sector, in areas such as small-scale manufacturing and small repairs units, or as public transport drivers - mostly in Jalalabad city and Kabul.

Small businesses

Small businesses outside the community are mostly confined to trading with Pakistan, importing and exporting goods such as agricultural commodities and processed consumer items. A significant number of people, around 100, are involved in such trading.

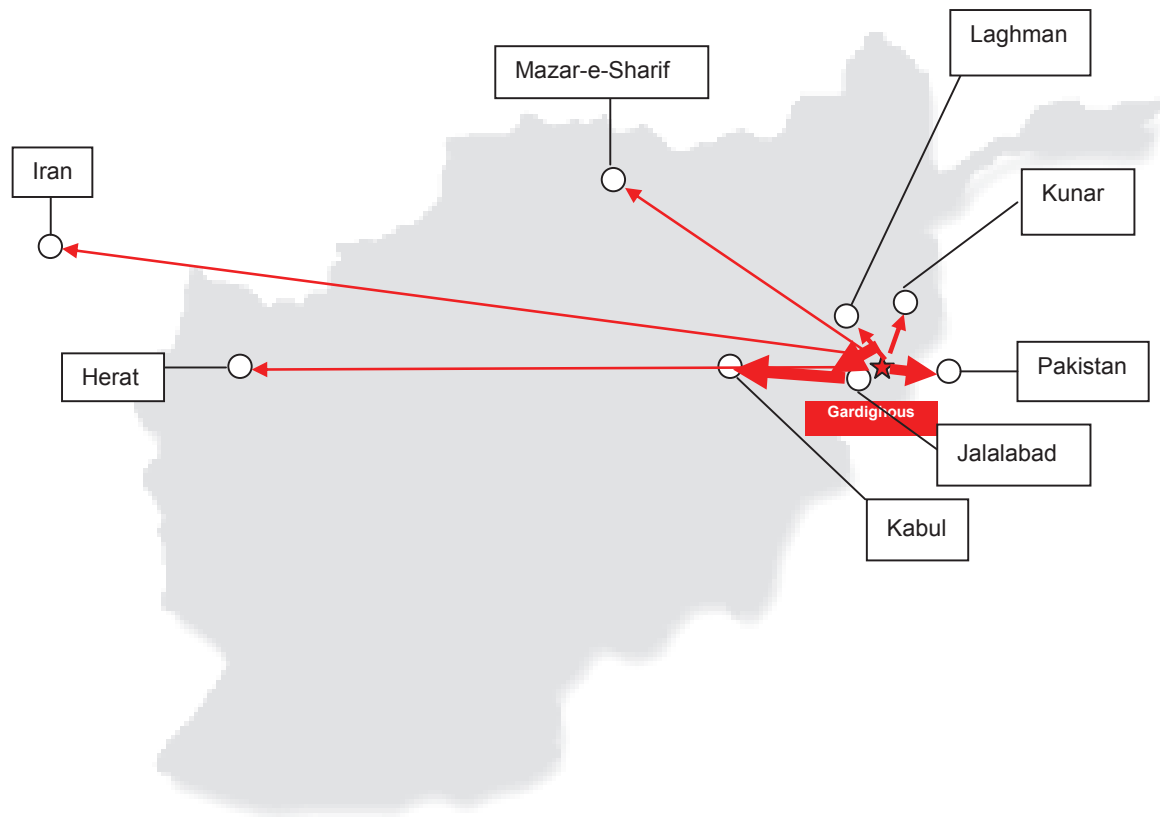


Figure 4: Labour and business mobility of the people from Gardighous village

MOBILITY MAPPING OF EDUCATION/TRAINING

There are two secondary schools (one for boys and another for girls) in the village. There is one high school in the community, but only for boys. Altogether around 2,000 boys and 700 girls are attending these schools.

Each year 45-50 pupils graduate from the high school. Twenty per cent of them go on to higher studies in Kabul University, Nangarhar University and Khost University. Those who can afford it also go to private universities such as Kardan and Bakhtar. Twenty per cent of the graduates join the Afghan Army or Police; ten per cent join different schools as teachers; ten per cent return to agricultural work; twenty per cent join NGOs or private businesses; ten per cent start their own small businesses; and the remaining ten per cent go on to pursue religious studies.

MAPPING OF AVAILABLE TRAINING AND BDS

Training provided in the community

The United Nations Office for Project Services (UNOPS)/CBS has been working in the site since 2006 and they conduct literacy courses for people in the community. At present, the organization has eight groups consisting of 70 students.

Private BDS provisions: In the Gardighous bazaar, there are both agriculture and livestock input shops, which sell agri-inputs and livestock medicines. They provide information on input usage to the farmers and livestock owners.

Training/livelihood supports provided by organizations based in Jalalabad

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few Departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
Afghanistan Development Association (ADA)	<p>Agriculture and Livestock</p> <ul style="list-style-type: none"> - Agriculture and forestry - Livestock and poultry - Small irrigation <p>Economic Recovery and Capacity Building</p> <ul style="list-style-type: none"> - Knowledge and skills - Civic education - Access and market - Institutional development <p>Cross-Cutting Activities (gender, environment, good governance and advocacy, peace building, conflict resolution, human rights, disaster management, humanitarian assistance and emergency activities)</p>
Food and Agriculture Organization of the United Nations (FAO)	<p>FAO projects include:</p> <ul style="list-style-type: none"> - Variety and Seed Industry Development Project - Development of Integrated Dairy Schemes (IDS) in Afghanistan - Emergency Certified Wheat Seed and Fertilizer Distribution Programme - Support to Household, Food Security, Nutrition and Livelihoods in Afghanistan
German Agro Action (GAA)	The GAA has agricultural projects in such areas as farmers' support, drinking water and irrigation, food storage and construction, etc.
National Solidarity Programme (Provincial Management Unit) (NSP/PMU)	The National NSP was created in 2003 by the MRRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own

Name of the organization/project	Provision of services
	lives and livelihoods.
CFA (Children Fund Afghanistan)	The CFA is involved in agricultural, environmental (flood and avalanche protection) and drinking water projects.
Danish Committee for Aid to Afghan Refugee (DACAAR)	DACAAR works in rural areas and aims at improving rural livelihoods through sustainable activities that engage Afghan communities to be agents of their own development process.
BRAC	BRAC is involved in farm building and agricultural projects.
Sanayee Development Organization (SDO)	SDO works in various fields such as peace building, education, community health, community development, and capacity building.
International foundation of hope (IFHope)	IFHope works with local leadership to develop agriculture- related projects that meet the needs of the community to become self-sustaining.
Noor Educational & Capacity Development Organization	NEC endeavors to assist Afghan women and children by building their capacities to enhance their economic and social well-being in a sustainable and equitable manner.
Relief International (RI)	RI provides vocational training, offers microfinance opportunities and develops promising value chains.
Swedish Committee for Afghanistan (SCA)	SCA works in the areas of education, health and support for people with disabilities and rural development.
Department of Agriculture, Irrigation and Livestock (DAIL)	<p>DAIL has the following ongoing projects:</p> <ul style="list-style-type: none"> • On-Farm Water Management (OFWM) funded by the World Bank • Rural Business Support Project (RBSP) funded by ADB • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Rural Microfinance and Livestock Support Programme (RMLSP) funded by IFAD • Integrated Dairy Scheme Project (IDSP) funded by FAO • Nangarhar Valley Development Authority (NVDA) funded by ADB • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Animal Husbandry Development Project (AHDP) funded by AFD • Beekeeping Development Project (BDP) funded by AFD • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Commercial Horticulture and Agriculture Marketing Programme (CHAMP) funded by USAID • Incentives Driving Economic Alternatives - North, East and West (IDEA-NEW) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by the EU • Variety and Seed Industry Development Project funded by the EC • Development of Integrated Dairy Schemes in Nangarhar funded by IFAD • Seed and Fertilizer and Metallic Silo Distribution funded by JICA • Agriculture Development Fund (ADF)- Agriculture Credit Enhancement Programme funded by USAID

Name of the organization/project	Provision of services
Nangarhar Agriculture and Veterinary School (State-owned TVET school, under ASDP)	Formal T-VET education, 310 students enrolled in 2011-12 academic year.
Nangarhar Mechanical School (State-owned TVET school, under ASDP)	Formal T-VET education, 557 students enrolled in 2011-12 academic year.
Sulh and Azadi School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 832 students enrolled in 2011-12 academic year.
Khogyani Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 30 students enrolled in 2011-12 academic year.
Rodaat Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 60 students enrolled in 2011-12 academic year.
Behsood Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 62 students enrolled in 2011-12 academic year.
Kama Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 105 students enrolled in 2011-12 academic year.
Surkhrod Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 108 students enrolled in 2011-12 academic year.

DEMAND AND SUPPLY OF FINANCIAL SERVICES

Poor financial literacy among households is prevalent in all the sites. However, at aggregate level, the sites in the Eastern Region tend to be less over-indebted and have a better savings culture than other regions (please see the main report). But a significant number of households in Ghardighous still have poor financial management, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

No financial service providers were identified in the community as such. People take loans from each other, and buying on credit from the shops in the community and at the nearby bazaar is commonplace. Details of financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The site falls under the category of “agriculture-based and far from an urban centre”³³. As the family members of 40 per cent of the households work outside the community in Jalalabad, in other major urban centres, or outside the country, and commercial agriculture is carried out on a large scale, Recommendations 2, 3, 4, 5, 6 and 8 from the main report are very important for this site. The long list of service provider organizations identified should be the basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
√	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as well as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services
√	8. Assist the value-chain development (VCD) of selected agricultural subsectors
√	9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors
√	Other: Improve access to veterinary services to reduce the high mortality of livestock animals and to promote better animal husbandry practices

1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the site’s poor financial management, lack of savings culture and prevalence of over-indebtedness. The ILO’s financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

³³ The site typology is discussed in the main report

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: While access to formal education is relatively easy because of the site's vicinity to an urban centre, career and entrepreneurial education could be introduced at secondary-school level. This would have a tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services

APPLICABLE: Sixty per cent of the men from the site work as daily wage-based labourers in Jalalabad city and migrate seasonally in summer to other major urban centres and Pakistan. Access to savings accounts and low-cost and reliable remittances services could help the migrants better manage their savings and ensure that their money is transferred risk-free to their families. Although Recommendation 1 could effectively help develop the savings culture, a system providing access to savings accounts and low-cost and reliable remittances services should be in place in both the respective urban centre and at the site.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers' and workers' organizations, including the Afghan Builders' Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the poor working conditions in general; no or unfairly reduced payment;⁴ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

⁴ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: Although only a small percentage of the community households relies on urban informal jobs, this type of employment should be further encouraged. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: Although only a few people from the community have small businesses in Jalalabad, the vibrant Jalalabad market provides ample opportunities to start and improve MSEs. This does not apply to the community itself, as there is limited opportunity for growth. Furthermore, growing urban MSEs can potentially absorb a greater share of the labour force in the future.

The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: While the target HHs have many family members working in Pakistan and the Islamic Republic of Iran, this goes beyond this site-specific Recommendation.

8. Assist the value-chain development (VCD) of selected agricultural subsectors

APPLICABLE: Gardighous has a distinct comparative advantage over many other reintegration sites. Not only does it have favourable agro-climatic conditions for year-round agricultural activities, but it is also close to a major urban centre, Jalalabad. There is considerable growth potential for agricultural activities – particularly vegetables – in the future, which would have a positive impact on commodity trading. Wheat and vegetables emerge as the two most important value chains in the region (see the main report), and a value-chain approach could be adopted to boost their production. As yet, the high

demand for these products has not been met, and increased production could result in a higher income for the farmers.

At present, farmers use their own retained wheat seeds year after year, which results in a lower yield. Meanwhile, vegetables are becoming an increasingly popular crop in the village due to their high economic return. Like any other agricultural crop, the price of vegetables varies – it is high at the beginning of the season, low during peak harvests, and high again at the end of the season. For example, the wholesale price of okra at the beginning of the harvest is 25-27 Afs per kg; mid-season, the price goes down to 5-7 Afs per kg, and it rises again at the end of the season to 20-25 Afs per kg. Extending vegetable production by planting early and late varieties of the crop could increase income and work opportunities for the people in the community. Activities should be undertaken at input, production and output levels. Working with private seed companies to promote such varieties could help in this respect. Furthermore, there could be collaboration with seed and other agricultural input companies to promote better quality inputs (seeds, crop protection materials, fertilizers, etc) and to improve technical know-how on their effective use. There should be a partnership with private input companies, with a view to improving production practices at farm level – as they could be supported to do their promotion through “farmers’ field schools”, demonstration plots and promotional campaigns.

In addition, group marketing should be encouraged as it has significant advantages. It gives the farmers a higher bargaining power, provides them with access to large buyers and reduces transaction costs. At present, farmers sometimes group together to sell their vegetables in Jalalabad and Kabul, as well as in Peshawar in Pakistan. Efforts should be made to capitalize on this mechanism and promote it further. Activities should be undertaken to help farmers form groups to aggregate their products and negotiate with large buyers in major cities. Support services such as transportation and packaging should also be strengthened to reduce wastage and transaction costs. There are a good number of relevant projects under DAIL and the FAO, whose services could be used to achieve a greater impact. However, value-chain development experts must be involved in this process to ensure long-term sustainability.

Any interruption to the water supply is a threat to agricultural growth as a whole. Efforts could be made to improve the irrigation facilities to increase productivity in the village, either in the form of cash and food for work schemes under the UNHCR-led project, and/or coordinated intervention through other programmes and initiatives on irrigation. Experts could be involved to ensure that water is secured from a technological standpoint – and within the socio-political context – and that there are maintenance mechanisms for the irrigation facilities in the communities, which ensure that they are sustainable.

9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

APPLICABLE: A significant number of households in the community have family members with disabilities. It is important to ensure that livelihood development is inclusive and fair, particularly when

they do not have a job and have no external support. A first consideration would be to link them to MoLSAMD's public cash transfer programme of benefits for the Families of Martyrs & Disabled.

In addition, families with EVIs members should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.

OTHER

Improve access to veterinary services to reduce the high mortality of livestock animals and to promote better animal husbandry practices

Although livestock are a very important source of income in the site (20 per cent of households have some income from livestock), they have a high mortality rate. This may be attributed mainly to the people's inadequate knowledge of ways to treat animals and to the distance from Jalalabad city (where veterinary services are available). While tapping DAIL relevant projects might address this problem, it may not be sustainable - given DAIL's heavy reliance on project funds to mobilize their extension network beyond urban centres. A more sustainable approach would be to work with private veterinary service providers in Jalalabad city, and let DAIL and other projects continue providing their services as a supplementary measure. Carrying a diseased animal to the city is troublesome and also expensive. However, for a veterinary service provider, visiting a distant place for only one or a few animals is not feasible. A periodic visit to the village by private company representatives dealing with livestock medicines/vaccines could be an option. The project could negotiate with private companies to extend their services to the villages. As many other reintegration sites have a significant number of livestock, a large private company with a good coverage could also benefit by tapping this market - leading to a win-win situation for both the companies and the project. Nonetheless, it is important to involve the expert of the BDS market development approach in negotiations with the private sector, in order to strengthen the provisions of the veterinary service in a commercially sustainable manner, while avoiding exploitative or inequitable situations. Should the distance from the city prevent the private vet service from being provided to the community, ideas such as training para-vets in the community could also be pursued.

KAHDISTAN, HERAT



Employment patterns

Returnee/IDP community:¹

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
70%	30%	10%	<1%	2%	0%	80%	10%	5%	0%

Base: 600 HHs (200 returnees and 400 IDPs)

Local community:²

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
40%	20%	20%	0%	5%	5%	30%	0%	3%	<1%

Base: 521 HHs

INTRODUCTION

The Kahdistan reintegration site, a comparatively new establishment, is an extended version of the old Kahdistan village. Kahdistan (comprising new and old parts) is located 15 km east of Herat city, and it is one of the largest village clusters in the Enjil district. The distance between the original village and the new settlement is around 3 km. The cluster is close to the Herat-Baghdis road and people therefore have easy road communications to Herat city. The nearest market from the Kahdistan reintegration site is Shahdae bazaar, around 2 km away. People usually commute to the bazaar on foot (40 minutes), or on their own bicycles or motorcycles, or take a public three-wheeler (zarang), which takes 10 minutes and costs 10 Afs. From the bazaar, people take public transport such as minivans (accommodating ten to

¹ Information based on interviews with the Community Development Council (CDC) executives at the inception meeting, and also on further follow-up site visits. Given that many HHs have multiple incomes – as there are often several income earners in one family - the total does not come to 100 per cent.

² Ibid.

eight people) or taxis to Herat city. The cost of the trip to Herat city from the varies between 10 to 20 Afs and takes around 20 minutes.

The returnees/IDPs started to settle here after 2008. At present, there are around 600 returnee/IDPs families in addition to 521 local families³. The Kahdistan site is therefore divided into two parts; Dasht Kahdistan, where the returnees and IDPs live, and Kahdistan, where the original people (local people) of the village live. In addition, around 1,000 host families live in the nearby villages of Rabat Pirzada and Ali Haider, which are 1.5-2 km away.

Sixty per cent of the inhabitants of the Kahdistan site are Pashtuns, and the remaining are Tajiks. All of the families living in the village originated from somewhere else; they were either displaced directly to the site from other provinces such as Bamyan, Badghis, Ghor, Faryab, Balkh, Kunduz, Sheberghan, Baghlan and Mazar-e-Sharif, or they came to the village via Pakistan and the Islamic Republic of Iran - after having been displaced from their places of origin (mentioned above). They settled here for several reasons; better security; cheaper land; greater work opportunities due to the proximity of Herat city; and the peaceful living conditions among the people in this village. Another interesting reason for their settling here is the high presence of NGOs and development programmes in the province. The number of HHs in the returnee/IDPs community is increasing, as the ones who are already settled here invite their friends and relatives from their original provinces to come to the site because of the above-mentioned advantages. The population of Kahdistan is also growing on account of the ongoing conflict in Badghis and Faryab provinces.



Figure 1: Physical layout of the Kahdistan reintegration site

³ According to UNHCR , there are 800 returnee/IDP families and 700 local families in Kahdistan.

Disability

According to the local population, around 24 people from the site have disabilities, mostly resulting from the war. Some of them were disabled by mines. Only a few of this group are currently working. One person works in the Islamic Republic of Iran; another collects scrap materials. Another person without a leg works in a welding shop. None of them have received any assistance from the Government. Three people were given artificial limbs by a United Nations agency – but the local people could not remember the name of the agency

The number of persons with disabilities is even higher in the local community - 52 in total. These disabilities may be attributed to war, mines or road accidents, or have been present since birth. A few people also became disabled while working in the fields. According to the local people, only four or five people receive financial assistance from the MoLSAMD. Only a handful of the disabled persons work. For example, one man works in his agricultural fields with his sons, and another person runs a small grocery shop in the village. One other person works as a guard at the Kahdistan school.

LOCAL LABOUR MAPPING

Agriculture

On the whole, the agro-climatic conditions in Herat allow people to grow two crops a year.

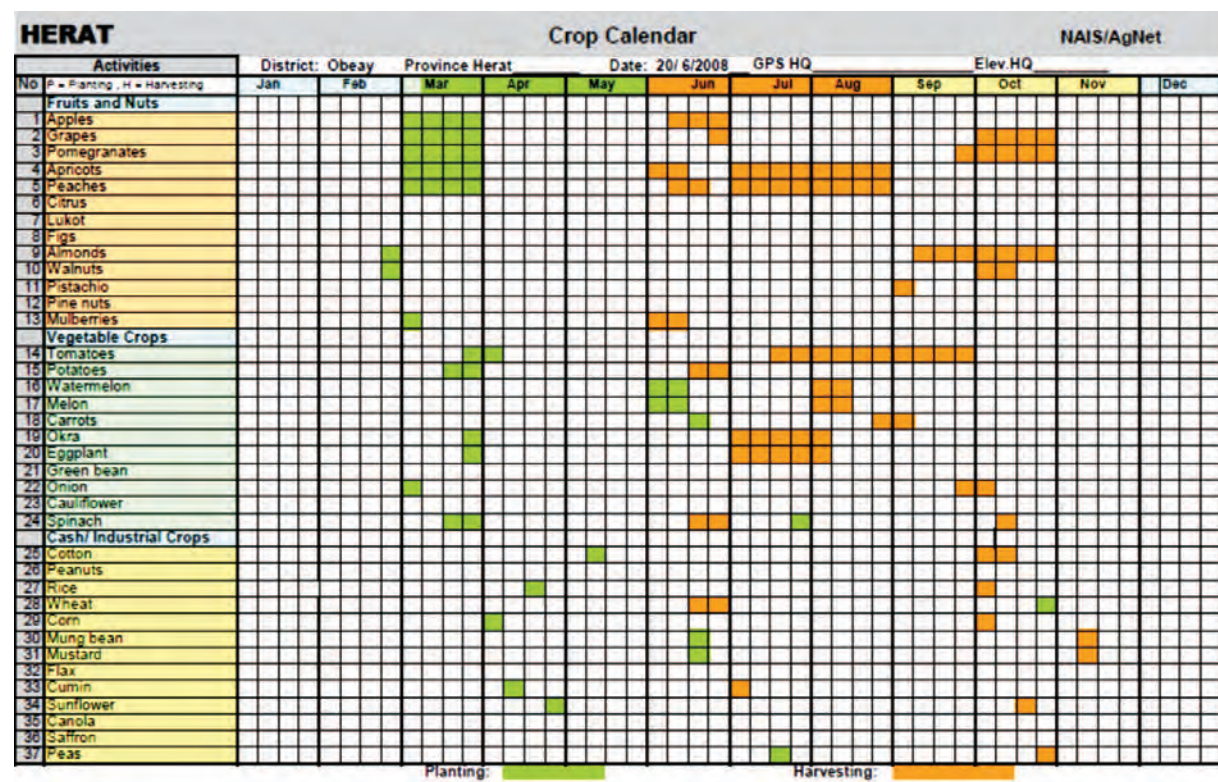


Figure 2: Agriculture crop cycle in Herat (Source: USDA, 2008)

The people in the returnee community do not have any agricultural land, but the majority of them (around 70 per cent) work as daily labourers in agricultural fields belonging to the local community. There are two agricultural crop seasons - spring and summer. Four to five per cent of returnees also work as agricultural labourers for the neighbouring host communities. Agricultural wage labour is available for around three to four months a year. Forty per cent of the people in the local community own agricultural land, and it is entirely irrigated. Wheat (the spring crop) is planted in October-November and harvested in June, whereas vegetables (the summer crop) are cultivated in June and harvested in October. Wheat is mostly grown for home consumption, whereas spring crops are grown commercially.

Livestock

Around 30 per cent of the households in the returnee community have livestock, on average two goats or 10 poultry. This is, in fact, a recent phenomenon as one development organization recently distributed these animals to the villagers. A few other families have one or two cows. People usually use their livestock and products for household consumption, although a number of families have started selling eggs. Some others sell milk or goats periodically at the Shaedae bazaar.

In the local community, fewer families (around 100) have livestock, but the average herd size is comparatively bigger and diverse – consisting of some cows, goats and sheep, along with poultry. Five people regularly trade livestock at the market.

Wage labour

Wage labour opportunities within the site are limited. Construction work depends on NGO-driven activities and it is on the decline these days. However, an increasing number of people are settling in this site, and the building of new houses is creating some daily wage-based labour. Around 10 per cent of people have daily wage-based jobs in the site.

Informal workers

Only a few women are involved in tailoring and embroidery, but they do this from their home.

Small businesses

There are around 30-40 small shops or businesses in the community, run by both returnee/IDPs and the local people. The most common types of business are grocery shops, welding, carpentry, petty trading (vegetables/fruits, etc.), hairdressers, tailoring, etc.

Formal jobs

No one from the returnee community has a formal job. Only a few people from the local community are employed as teachers at the Kahdistan school.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Wage labour

As agriculture is a seasonal activity, most of the households in the returnee community (around 80 per cent) have one or more family members working elsewhere - mostly in Herat city (on construction sites, but also in the agricultural commodity market or the Herat Customs Department as wage labourers), in nearby suburban areas, or in Kabul and Kandahar. They also work on construction sites in other provinces. At least 50 young people (or arguably 20 per cent of the community workforce⁴) are currently working in the Islamic Republic of Iran. As it is expensive to travel to the Islamic Republic of Iran, the young people usually stay for at least two or three years and then come back with a fair amount of money. Ten to fifteen people are working in Pakistan as daily wage labourers.

Thirty per cent of the people in the local community also work outside as daily wage based labourers, mostly in Herat city and nearby suburban areas, as well as in Kabul, Jalalabad, Ghazini and the Islamic Republic of Iran.

Informal workers

In Herat, two young men from the returnee community are working in welding workshops, while ten others are working in masonry, carpentry, metal workshops, etc. A further 50 people are working as informal workers in various cities throughout Afghanistan, and also outside the country.

Small businesses

Because of the proximity to Herat city, a good number of people from both the returnee and local community run small businesses in Herat city or nearby suburban areas. Approximately five per cent of the households from the returnee community, and three per cent from the local community, run small businesses such as petty trading (fruit and vegetable street vending), selling mobile recharge cards, currency exchange, grocery shops and livestock trading.

Formal jobs

Only one person from the local community was recorded to be working for the Government in Kabul.

⁴ As observed, due to current deportations from both the Islamic Republic of Iran and Pakistan, people are generally reluctant to disclose their household members' information in these countries.

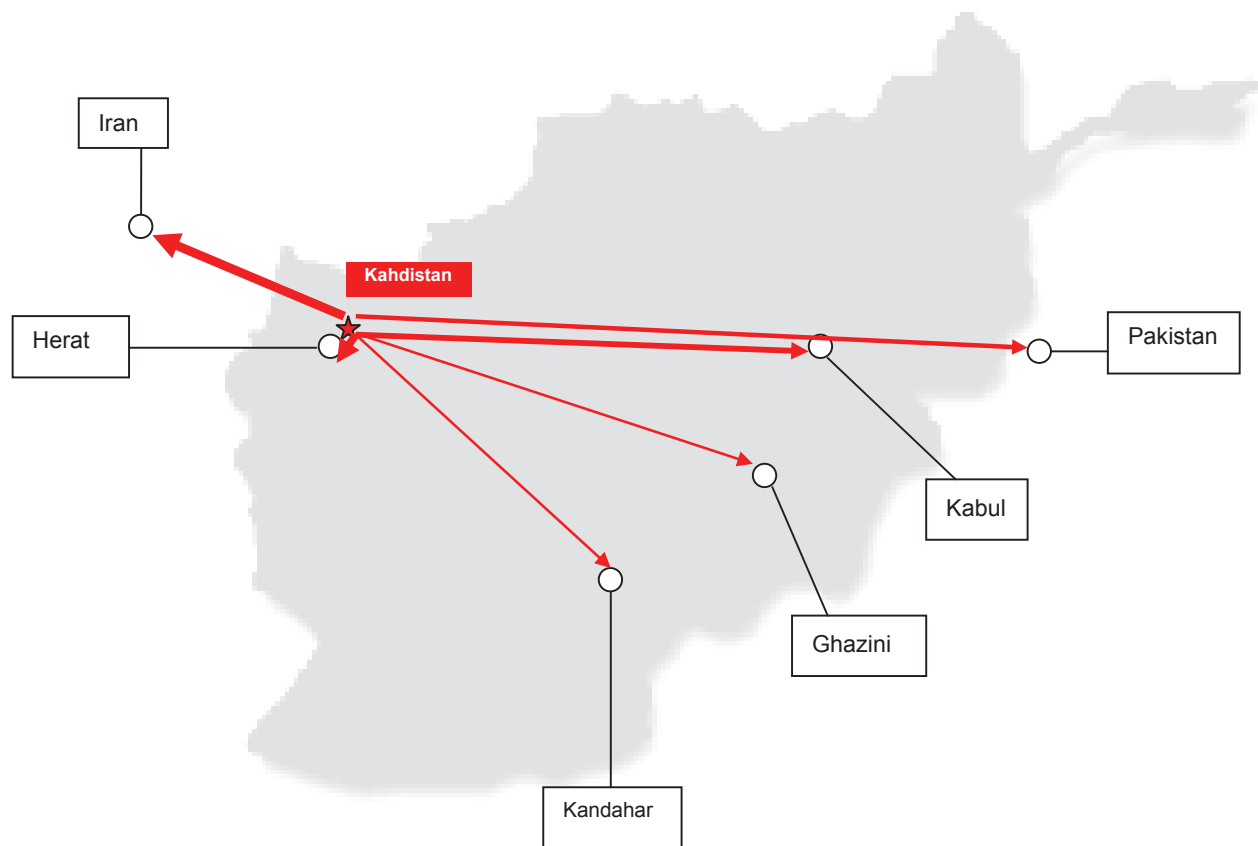


Figure 3: Labour and business mobility of people from the Kahdistan site

MOBILITY MAPPING OF EDUCATION/TRAINING

There are no schools in the community. However, there are primary, secondary and high schools in the Kahdistan host community (3 km away). There is another high school in Karijak (6 km away). Only boys from the returnee and local communities (120) go to these schools because they are far away. According to the local people, girls do not attend these schools because of the distances involved. Last year ten boys from the Kahdistan site graduated from high school. Only two boys are currently studying at the Agriculture Vocational Institute in Herat city. The remaining graduates are unemployed and waiting for job opportunities.

MAPPING OF AVAILABLE TRAINING AND BDS

Training/livelihood supports provided in the community

In 2011, UNHCR conducted a three-month training course on welding for 30 participants from the community. Only two trainees found a job in the city and one opened a welding shop in Parwan. In 2010-11, the Women's Activities and Social Services Association (WASSA) provided livelihood-based supports to 275 people from Kahdistan (from both the returnee/IDP and host communities). They carried out various activities under their "Food Facility Programme". In particular, they:

- a) distributed wheat seeds;
- b) promoted kitchen/homestead gardening (75 farming families were supported in this and also benefited from the wheat seed distribution);
- c) built greenhouses, and helped farmers to build their own green houses;
- d) provided two goats (one male and one female) to 100 families;
- e) Distributed ten poultry birds each to another 100 families and built small poultry sheds;
- f) Provided two tractors to ten villages.

The Department of Agriculture, Irrigation and Livestock (DAIL) also participated in the implementation activities. The Shuras of the respective villages selected the beneficiaries. According to WASSA and their subsequent evaluation, the poultry in some of the households currently produce eight or nine eggs a day. Some families who were provided with goats have multiplied their number of animals. It is worth noting that the project was equipped with veterinary doctors and agricultural specialists to address livestock diseases. The results of the project are encouraging, but because it failed to create any private-sector veterinary services, some of the poultry and goats are diseased and dying.

As mentioned above, the project distributed two tractors to ten villages. Two representatives from each Shura came together to form an association of 20 people. This association was responsible for managing the tractors, which were rented out to the farmers at a reduced rate (compared to the market rate). The charges were intended only to cover the fuel and maintenance costs and also the driver's costs. The members of the association were trained in finance and tractor maintenance, and a bank account was set up on their behalf. In the past, the farmers had had to pay a high sum for renting tractors because they came from far away – and now the cost was considerably reduced. However, the people in the community have not seen the tractor since last year, after the project ended. They are not sure where they are now - whether they have been sold or taken away.

Training/BDS provided by organizations based in Herat

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few Departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
Department of Agriculture, Irrigation & Livestock (DAIL)	<p>DAIL has the following ongoing projects:</p> <ul style="list-style-type: none"> • On-Farm Water Management (OFWM) funded by the World Bank • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Support to Agriculture and Rural Development (SARD) funded by the Italian Corporation • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Agriculture Support for Peace and Reintegration Programme (ASPRP) • Animal Husbandry Development Project (AHDP) funded by AFD • Beekeeping Development Project (BDP) funded by AFD • Perennial Horticulture Development Project (PHDP) funded by the EC • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Incentives Driving Economic Alternatives - North, East and West (IDEA-NEW) • Strengthening Agricultural Economics, Market Information and Statistics Services funded by the EU • Variety and Seed Industry Development Project (FAO) funded by the EC • Agriculture Development Fund (ADF) - Agriculture Credit Enhancement Programme
Coordination of Humanitarian Assistance (CHA)	CHA provides emergency aid for war victims in the field, to assist with the rehabilitation of their rural and urban life.
Food and Agriculture Organization of the United Nations (FAO)	<p>The FAO has the following projects:</p> <ul style="list-style-type: none"> - Variety and Seed Industry Development Project - Development of Integrated Dairy Schemes (IDS) in Afghanistan - Emergency Certified Wheat Seed and Fertilizer Distribution Programme - Support to Household, Food Security, Nutrition and Livelihoods in Afghanistan
National Solidarity Programme (Provincial Management Unit) (NSP/PMU)	The NSP was created in 2003 by the MRRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.
Danish Committee for Aid to	DACAAR works in rural areas and aims at improving rural livelihoods through

Name of the organization/project	Provision of services
Afghan Refugee (DACAAR)	sustainable activities that engage Afghan communities to be agents of their own development process.
BRAC	BRAC has farm building and agricultural projects.
Norwegian Refugee Council (NRC)	The NRC has activities in the areas of emergency food security and distribution; information, counseling and legal assistance; camp management; education and building of homes and schools.
Sanayee Development Organization (SDO)	SDO works in various fields such as: peace building, education, community health, community development, and capacity building.
Afghanistan's Children A new Approach (ASCHIANA)	In order to provide a sustainable livelihood for youth, ASCHIANA provides vocational training opportunities in the areas of tailoring, bicycle repairs, hairdressing and beauty therapy, carpentry, electrical repairs, masonry, welding, information technology, cooking, traditional instrument making and plumbing.
Dutch Committee for Afghanistan (DCA)	DCA-VET works to improve the health and productivity of Afghan livestock. DCA-VET owns three veterinary training and support centres: in Kabul – Charikar; Heart; and Mazar-e-Sharif. In these training centres, DCA-VET offers an array of veterinary training courses to its own VFU staff, as well as to VFU staff of other NGOs, government veterinarians and students of agricultural schools. DCA-VET works to improve the health and productivity of the Afghan livestock.
Humanitarian Assistance for Women and Children of Afghanistan (HAWCA)	HAWA conducts skills training courses
Blind School of Herat (State-owned TVET school, under ASDP)	Formal T-VET education, 40 students enrolled in 2011-12 academic year.
Herat Agriculture and Veterinary Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 302 students enrolled in 2011-12 academic year.
Herat Technical Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 352 students enrolled in 2011-12 academic year.
Behzad Industrial School of Herat (State-owned TVET school, under ASDP)	Formal T-VET education, 286 students enrolled in 2011-12 academic year.

DEMAND AND SUPPLY OF FINANCIAL SERVICES

It was found that poor financial literacy among households is prevalent in all sites - and Kahdistan is no exception. The HHs' financial management is very poor, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

Like many other sites, people depend on friends and family to borrow money whenever they need it. The people in the community use *Hawalas* (informal system of money transfers) in Herat city to receive remittances from their family members working in the Islamic Republic of Iran. BRAC used to work in the area - not in the returnee community but in a nearby village. They wound up their activities two years ago as people stopped borrowing money with interest on religious grounds. Details of the financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The site falls under the category of "agriculture-based and near an urban centre"⁵⁵. Although the people in the returnee/IDP community do not have their own agricultural land, many find their means of livelihood by working as agricultural labourers in nearby communities. As vegetable production is labour-intensive - and the host/local communities grow them on a fairly large scale - further growth in the vegetables subsector could possibly increase job opportunities and income. However, as agriculture provides seasonal work opportunities for only three to four months, most of the people commute to Herat city daily once the agriculture season is over. In addition, seasonal migration to other major urban centre is also commonplace. Recommendations 2, 3, 4, 5, 6 and 8 from the main report are therefore very important for this site. The list of service provider organizations identified serve as a basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
√	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

⁵⁵ The site typology is discussed in the main report

√	8. Assist the value-chain development (VCD) of selected agriculture subsectors
√	9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the site’s poor financial management, lack of savings culture and prevalence of over-indebtedness. The ILO’s financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: As there is no school in the returnee/IDPs or local community, girls seldom go to the nearest school in the host community, which is 3 km away. Efforts could be made to explore ways of establishing primary- and secondary-level schools in the community to promote education. However, access to career and entrepreneurial education could be introduced at secondary-school level. This would have a tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services

APPLICABLE: Although most of the people in the community find daily wage-based work in Herat city, a significant number of people migrate seasonally to other major urban centres. Access to savings accounts and low-cost and reliable remittances services could help the migrants better manage their savings and ensure that their money is transferred risk-free to their families. Although Recommendation 1 could effectively help develop the savings culture, a system providing access to savings accounts and low-cost and reliable remittances services should be in place in both the respective urban centre and at the site.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers’ and workers’ organizations, including the Afghan Builders’ Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH);

compensation for injury and disability; a formal contract as a precondition for such compensation; the poor working conditions in general; no or unfairly reduced payment;⁶ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: Although only a small percentage of the community households relies on urban informal jobs, this type of employment should be further encouraged. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: At present, a fair number of people from both the returnee/IDPs and local community run small businesses in Herat city, due to its proximity. Herat market provides ample opportunities to start and improve MSEs. This does not apply to the community itself, as there is limited opportunity for growth. Furthermore, growing urban MSEs can potentially absorb a greater share of the labour force in the future.

The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan

⁶ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: Although the target HHs have many family members working in Pakistan and the Islamic Republic of Iran, this goes beyond this site-specific Recommendation.

8. Assist the value-chain development (VCD) of selected agriculture subsectors

APPLICABLE: As the site's neighbouring villages and host communities grow a considerable amount of vegetables - and the returnees/IDPs work as agricultural wage labourers for three to four months a year - efforts should be made to help boost this subsector further through a VCD approach. Activities should be undertaken at input, production and output levels. Extending vegetable production by planting early and late varieties of the crop could increase income and work opportunities for the people in both types of communities. Working with private seed companies to promote such varieties could help in this respect. Furthermore, there could be collaboration with seed and other agricultural input companies to promote better quality inputs (seeds, crop protection materials, fertilizers, etc.) and to improve technical know-how on their effective use. There should be a partnership with private input companies, with a view to improving production practices at farm level – as they could be supported to do their promotion through “farmers’ field schools”, demonstration plots and promotional campaigns. Because of the close proximity to Herat city, group marketing should also be promoted so that farmers have access to large buyers. There are a good number of relevant projects under DAIL and the FAO, whose services could be used to achieve a greater impact. However, value-chain development experts must be involved in this process to ensure long-term sustainability.

9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

APPLICABLE: The number of disabled people is quite high in both the returnee/IDPs and local communities, and only a few receive help from the Government or development organizations. Efforts should be made to support people with physical or mental disabilities to ensure that livelihood development is inclusive and fair, particularly when they have no job and external support. A first consideration would be to link them to MoLSAMD's public cash transfer programme of benefits for the Families of Martyrs & Disabled. In addition, families with EVI members should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.

KAS AZIZ KHAN, LAGHMAN



Employment patterns

Returnee/IDP community: Kas Aziz Khan New Township¹

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
0%	15%	10%	5%	<1%	<1%	80%	9%	4%	5%

Base: 300 HHs

Host community- Kas Aziz Khan Village²

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
30%	40%	<1%	<1%	<1%	<1%	30%	<1%	1%	3%

Base: 4,000 HHs

INTRODUCTION

Kas Aziz Khan is a land allocation scheme (LAS) settlement. It is located 27 km west of Jalalabad city and 18 km south of Mehtarlam, the provincial capital of Laghman province. The site is located alongside the Jalalabad-Laghman road and has very good road communications. Kas Aziz Khan village is located on the other side of the road. Various types of transport to Jalalabad City are available, including buses, minivans, three-wheelers and taxis. The trip takes less than an hour and costs from 20 to 50 Afs.

¹ Information based on interviews with the Community Development Council (CDC) executives at the inception meeting, and also on further follow-up site visits. Given that many HHs have multiple incomes – as there are often several income earners in one family – the total does not come to 100 per cent.

² Ibid.

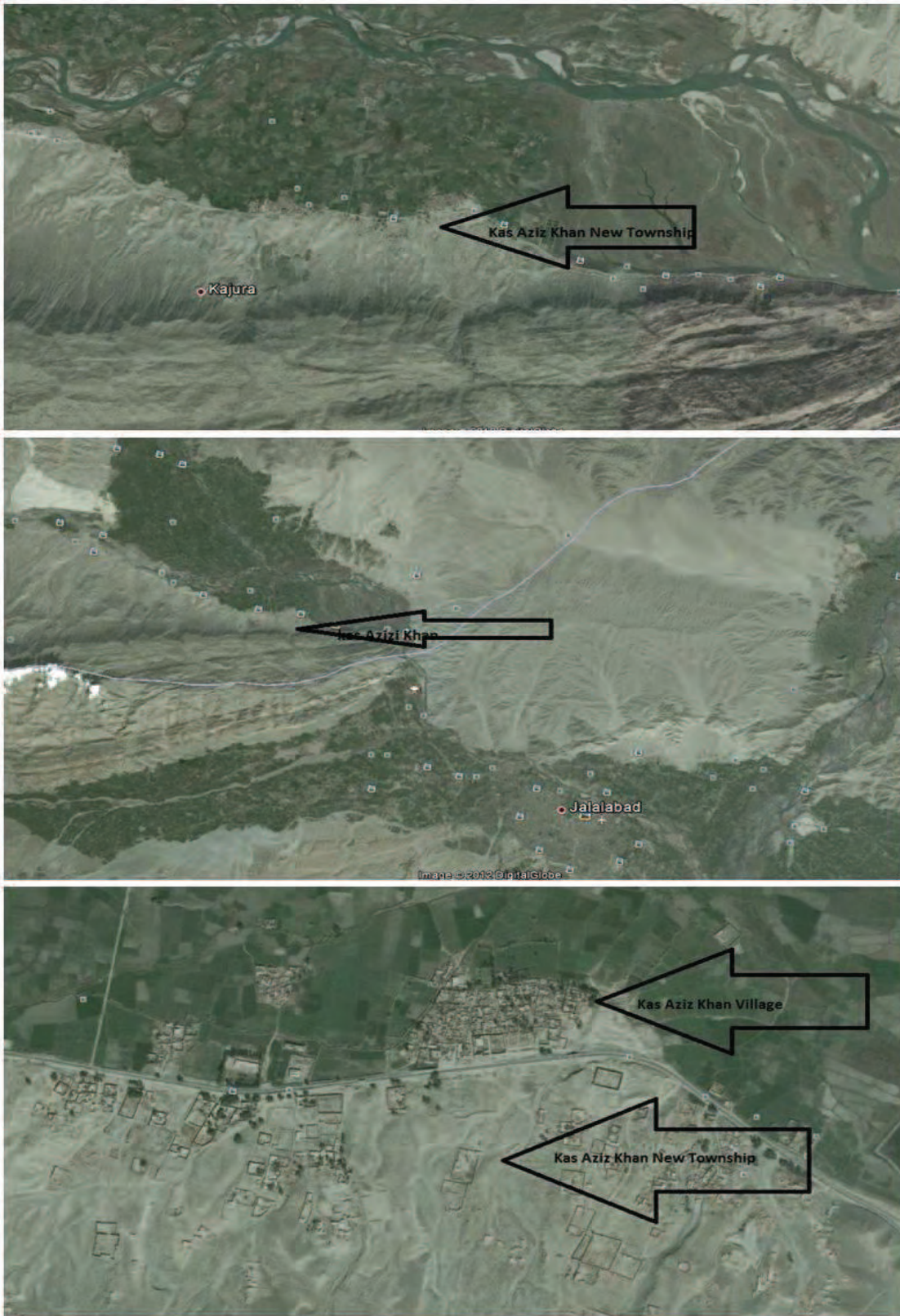


Figure 1: Satellite image of Kas Aziz Khan Township and village

At present, only around 300 families are living at the site.³ Many other people purchased land and built houses, but they subsequently left the site and settled elsewhere because of the lack of economic opportunities and basic services. Some 800 returnees are living in Kas Aziz Khan village either in their relatives' homes or are renting houses. Altogether, around 4,000 families live in the village.

The majority of the population is Pashtun, with a Tajik minority. There is no agricultural land in the Township but the village is blessed with plenty of agricultural land, both irrigated and rain-fed.

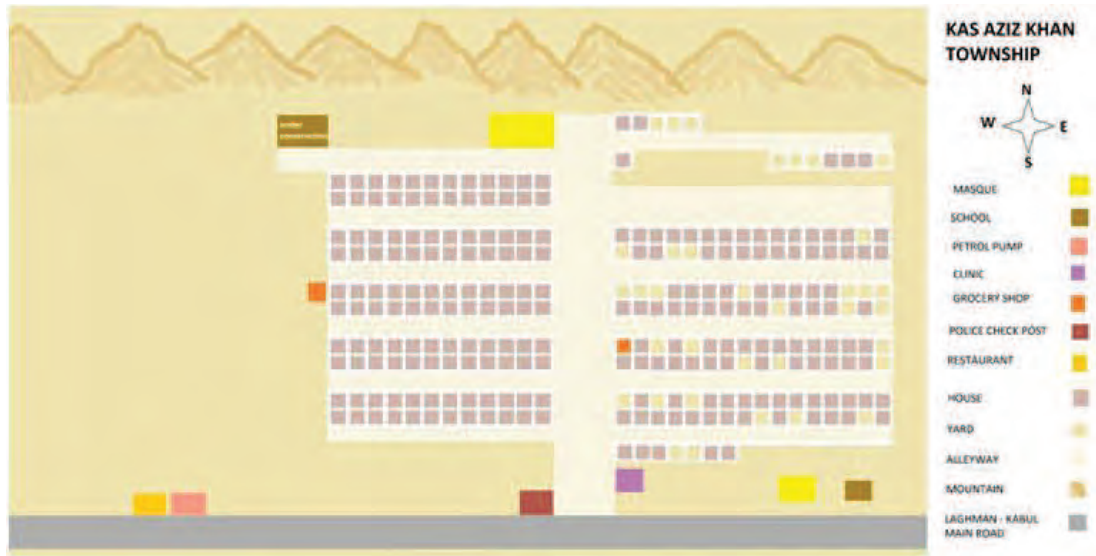


Figure 2: Physical layout of Kaz Aziz Khan New Township



Figure 2: Physical layout of Kaz Aziz Khan village

³ According to UNCHR, 1,700 families (10,200 individuals) live on the site, among which 500 families (3,000 people) have been allocated land.

Disability

Around 16-20 people in the Township have physical disabilities. Most of them were disabled during the war or as a result of sickness, but a few of them had occupational accidents. One person lost the fingers on his right hand while working in a timber sawmill in Peshawar. The owner of the sawmill paid for the worker's medical treatment, and he is now selling mobile phone recharge cards alongside the Kabul-Jalalabad highway.

LOCAL LABOUR MAPPING

Agriculture

Laghman has a comparative advantage in that it has favourable agro-climatic conditions, allowing for three crop seasons a year. Figure 3 shows the typical crop calendar for Laghman province.

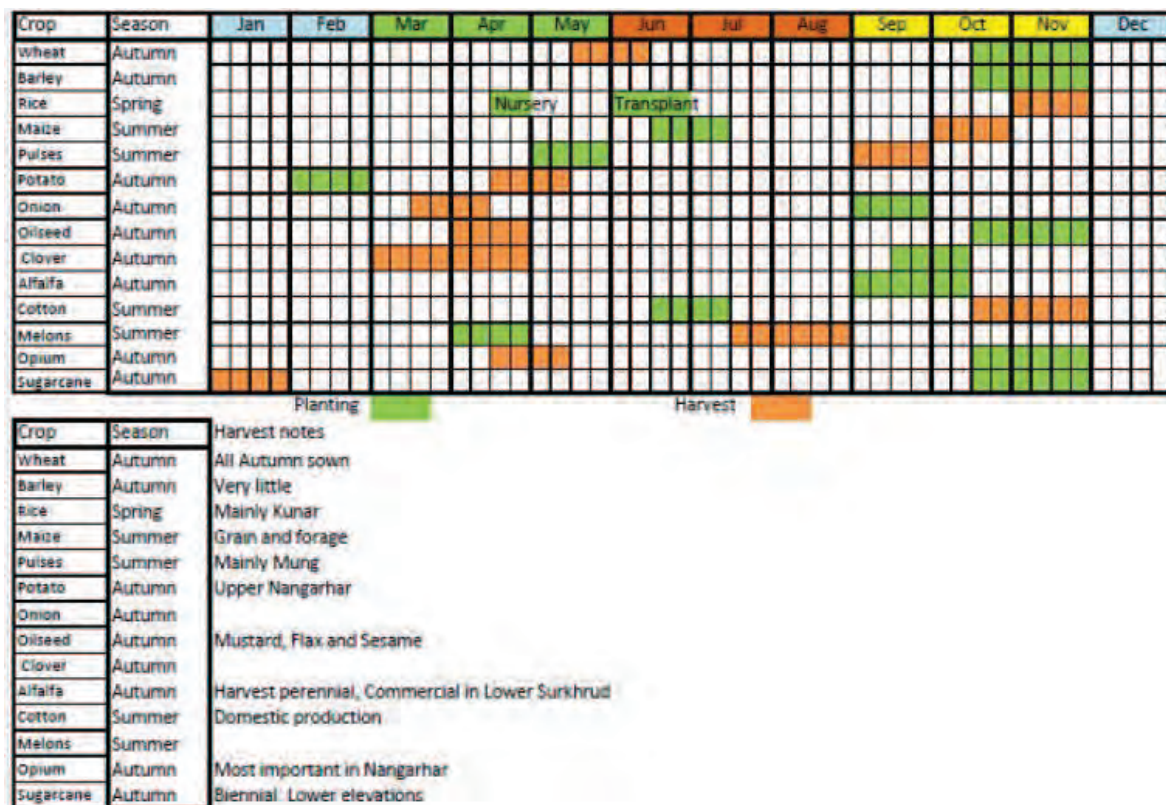


Figure 3: Crop calendar in Laghman province (source: USDA, 2008)

Kas Aziz Khan Township has no agricultural land, and consequently no one in the community is involved in agriculture. However, approximately 30 per cent of the households in the village are involved in crop production as the village has both rain-fed and irrigated land. Farmers only grow wheat on the rain-fed land, whereas they grow cash crops - vegetables and fruits – on the irrigated land. Watermelons are the major fruit crop, and turnips, spinach, tomatoes, cauliflowers, radishes, carrots and pumpkins are the major vegetable crop. Their farmers sell their crops in Jalalabad market and in Kabul city.

Livestock

Around 15 per cent of the households in the Township own livestock, but the average size of the herd is usually small – one or two cows, a few goats and sheep, and some poultry. In the village, on the other hand, approximately 40 per cent of the households raise livestock, but the average size of the herd is similar to that in the Township. Nonetheless, 50 to 60 families have larger herds – three to five cows, 10 to 15 goats and 20 to 30 sheep.

Wage labour

Daily wage labour is a very important source of livelihood in both the communities. There are more daily wage-based labour opportunities in the Township, however, because of the high number of ongoing infrastructural development works. Around 10 per cent of the households in the Township are involved in daily wage-based labour, as opposed to less than one per cent of households in the village.

Informal workers

In the Township, 10 to 15 people are skilled in such areas as masonry, tailoring, carpentry, welding and driving. A similar number of people work in these occupations in the village.

Small businesses

There are three grocery shops in the Township, whereas about 15 to 20 small businesses, such as grocery shops, tailoring shops, carpentry workshops, transport and tractor-driving services, exist in the village.

Formal jobs

A few people in both the communities work as school teachers.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Wage labour

Approximately 80 per cent of the people living in the Township depend for their living on daily wage labour outside the community. They mostly go to Jalalabad, Kabul and Kandahar to work. Fifty people also work on construction sites and in brick kilns in Nooristan. The daily wage-based jobs are mostly on construction sites, involving 10 to 11 hours of work for wages of 250 to 300 Afs per day. Around 30 per cent of the people from the village also go outside to work.

Informal workers

Around 30 skilled workers, such as masons, master metal workers and carpenters, go outside both the communities to work.

Small businesses

Twelve to 15 people from each of the communities are dependent for their living on petty trading in Jalalabad City, working as fruit and vegetable and confectionary vendors.

Formal jobs

Five per cent of the people from the Township work in the Afghan Police in Kunar, Laghman, Helmand and Nimroz. Their average income per month is 10,000 Afs.

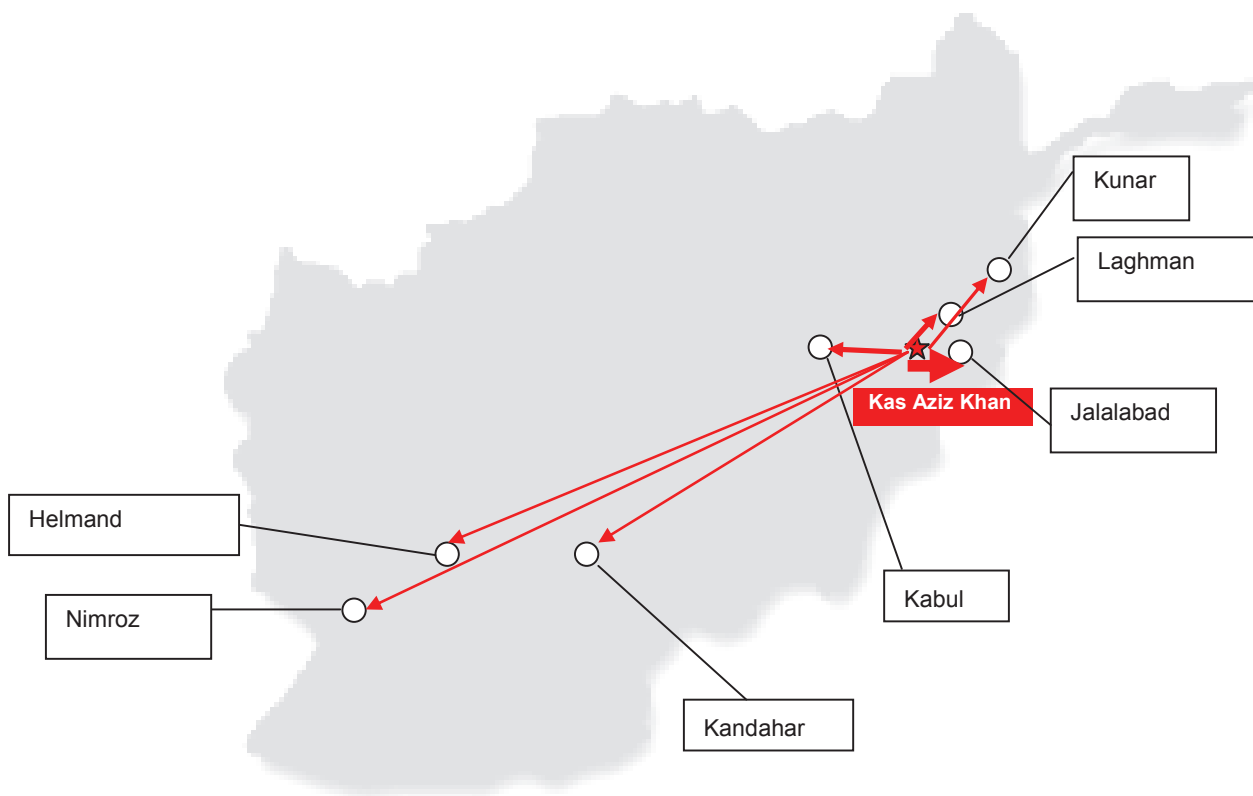


Figure 4: Labour and business mobility of the people from Kas Aziz Khan Township

MOBILITY MAPPING OF EDUCATION/TRAINING

There is one secondary school in Kas Aziz Khan Village and two high schools in Kas Aziz Khan Township, attended by over 2,500 pupils.

Only two per cent of the households send their children on to universities or higher educational establishments - such as Kabul University. There are many children who studied for two, three, four, six or even eight years, but they dropped out of school on account of poverty and started working as daily wage-based labourers - either inside or outside the community.

MAPPING OF AVAILABLE TRAINING AND BDS

Training provided in the community

In 2011, the International Rescue Committee (IRC) conducted a training course on welding to 20 people in the Township. However, it was observed that no one in the Township was actually working as a welder. As agriculture is prominent in the village, a good number of NGOs have provided agricultural support – by distributing seeds and equipment and disbursing vocational training.

Training/BDS provided by organizations based in Jalalabad

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few Departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
Afghanistan Development Association (ADA)	<p>Agriculture and Livestock</p> <ul style="list-style-type: none"> - Agriculture and forestry - Livestock and poultry - Small irrigation <p>Economic Recovery and Capacity Building</p> <ul style="list-style-type: none"> - Knowledge and skills - Civic education - Access and market - Institutional development <p>Cross-Cutting Activities (gender, environment, good governance and advocacy, peace building, conflict resolution, human rights, disaster management, humanitarian assistance and emergency activities)</p>
Food and Agriculture Organization of the United Nations (FAO)	<p>FAO projects include:</p> <ul style="list-style-type: none"> - Variety and Seed Industry Development Project - Development of Integrated Dairy Schemes (IDS) in Afghanistan - Emergency Certified Wheat Seed and Fertilizer Distribution Programme - Support to Household, Food Security, Nutrition and Livelihoods in Afghanistan
German Agro Action (GAA)	The GAA has agricultural projects in such areas as farmers’ support, drinking

Name of the organization/project	Provision of services
	water and irrigation, food storage and construction, etc.
National Solidarity Programme (Provincial Management Unit) (NSP/PMU)	The NSP was created in 2003 by the MRRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.
CFA (Children Fund Afghanistan)	The CFA is involved in agricultural, environmental (flood and avalanche protection) and drinking water projects.
Danish Committee for Aid to Afghan Refugee (DACAAR)	DACAAR works in rural areas and aims at improving rural livelihoods through sustainable activities that engage Afghan communities to be agents of their own development process.
BRAC	BRAC is involved in farm building and agricultural projects.
Sanayee Development Organization (SDO)	SDO works in various fields such as peace building, education, community health, community development, and capacity building.
International Foundation of hope (IFHope)	IFHope works with local leadership to develop agricultura-related projects that will meet the needs of that community and become self-sustaining.
Noor Educational & Capacity Development Organization	NEC endeavours to assist Afghan women and children by building their capacities to enhance their economic and social well-being in a sustainable and equitable manner..
Relief International (RI)	RI provides vocational training, offers microfinance opportunities and develops promising value chains.
Swedish Committee for Afghanistan (SCA)	SCA works in the areas of education, health and support for people with disabilities and rural development..
Department of Agriculture, Irrigation and Livestock (DAIL)	<p>DAIL has the following ongoing projects:</p> <ul style="list-style-type: none"> • On-Farm Water Management (OFWM) funded by the World Bank • Rural Business Support Project (RBSP) funded by ADB • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Rural Microfinance and Livestock Support Programme (RMLSP) funded by IFAD • Integrated Dairy Scheme Project (IDSP) funded by FAO • Nangarhar Valley Development Authority (NVDA) funded by ADB • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Animal Husbandry Development Project (AHDP) funded by AFD • Beekeeping Development Project (BDP) funded by AFD • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Commercial Horticulture and Agriculture Marketing Programme (CHAMP) funded by USAID • Incentives Driving Economic Alternatives- North, East and West (IDEA-NEW) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by the EU • Variety and Seed Industry Development Project funded by the EC • Development of Integrated Dairy Schemes in Nangarhar funded by

Name of the organization/project	Provision of services
	IFAD <ul style="list-style-type: none"> • Seed and Fertilizer and Metallic Silo Distribution funded by JICA • Agriculture Development Fund (ADF) - Agriculture Credit Enhancement Programme funded by USAID
Nangarhar Agriculture and Veterinary School (State-owned TVET school, under ASDP)	Formal T-VET education, 310 students enrolled in 2011-12 academic year.
Nangarhar Mechanical School (State-owned TVET school, under ASDP)	Formal T-VET education, 557 students enrolled in 2011-12 academic year.
Sulh and Azadi School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 832 students enrolled in 2011-12 academic year.
Khogyani Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 30 students enrolled in 2011-12 academic year.
Rodaat Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 60 students enrolled in 2011-12 academic year.
Behsood Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 62 students enrolled in 2011-12 academic year.
Kama Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 105 students enrolled in 2011-12 academic year.
Surkhrod Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 108 students enrolled in 2011-12 academic year.

Training/BDS provided by Laghman/Mehtarlam organizations based in Laghman/Mehtarlam

Name of the organization/project	Provision of services
Afghanistan Development Association (ADA)	Agriculture and Livestock <ul style="list-style-type: none"> - Agriculture and forestry - Livestock and poultry - Small irrigation Economic Recovery and Capacity Building <ul style="list-style-type: none"> - Knowledge and skills - Civic education - Access and market - Institutional development

	Cross-Cutting Activities (gender, environment, good governance and advocacy, peace building, conflict resolution, human rights, disaster management, humanitarian assistance and emergency activities)
Department of Agriculture, Irrigation & Livestock (DAIL)	<p>DAIL has the following ongoing projects:</p> <ul style="list-style-type: none"> • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Animal Husbandry Development Project (AHDP) funded by AFD • Beekeeping Development Project (BDP) funded by AFD • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Commercial Horticulture and Agricultural Marketing Programme (CHAMP) funded by USAID • Incentives Driving Economic Alternatives- North, East and West (IDEA-NEW) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by the EU • Variety and Seed Industry Development Project funded by the EC • Agriculture Development Fund (ADF)- Agriculture Credit Enhancement Programme funded by USAID
National Solidarity Programme (Provincial Management Unit) (NSP/PMU)	The NSP was created in 2003 by the MRRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.
Swedish Committee for Afghanistan (SCA)	SCA works to support persons with disabilities and rural development. The SCA's mission is to empower poor women, men and children by combining service provision, capacity development and advocacy.
Alingar Agriculture School of Laghman (State-owned TVET school, under ASDP)	Formal T-VET education, 240 students enrolled in 2011-12 academic year, with a further 390 more in the night shift
Qargai Agriculture School of Laghman (State-owned TVET school, under ASDP)	Formal T-VET education, 146 students enrolled in 2011-12 academic year, with a further 390 more in the night shift
Laghman Agricultural School (State-owned TVET school, under ASDP)	Formal T-VET education, 154 students enrolled in 2011-12 academic year, with a further 390 more in the night shift

DEMAND AND SUPPLY OF FINANCIAL SERVICES

Poor financial literacy among households is prevalent in all the sites. However, at aggregate level, the sites in the Eastern Region tend to be less over-indebted and have a better savings culture than other regions (please see the main report). But a significant number of HHs in Kas Aziz Khan (both the village and Township) still have poor financial management, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

No financial service providers were identified in the community as such. People take loans from each other, and buying on credit from the shops in the community and at the nearby bazaar is commonplace. Details of financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The returnee/IDP site falls under the category of “limited agriculture and far from an urban centre”⁴⁴ although the host community in Kas Aziz Khan village has a strong dependency on agriculture. As the family members of 80 per cent of the households from the returnee/IDP community and 30 per cent of the host community work outside the community (in Jalalabad, in other major urban centres, or outside the country) and commercial agriculture in the host community is carried out on a large scale, Recommendations 2, 3, 4, 5, 6 and 8 from the main report are very important for this site. Other important Recommendations specific to this site are related to agriculture and livestock, from which 40 per cent of HHs from the host community earn some income. The long list of service provider organizations identified should be the basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
√	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as well as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services
√	8. Assist the value-chain development (VCD) of selected agricultural subsectors
√	9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors
√	Other: A. Improve access to veterinary services to reduce the high mortality of livestock and to promote

⁴⁴ The site typology is discussed in the main report

	<p>better animal husbandry practices</p> <p>B. Help livestock farmers form groups to supply milk to the processing centre in Jalalabad city, as envisaged by the FAO</p>
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1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the site’s poor financial management, lack of savings culture and prevalence of over-indebtedness. The ILO’s financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: While access to formal education is relatively easy due because of the site’s vicinity to an urban centre, career and entrepreneurial education could be introduced at secondary-school level. This would have a tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services

APPLICABLE: Eighty per cent of the men from the returnee/IDP site and 30 per cent from the village commute daily to Jalalabad city to work as daily wage-based labourers, and they migrate seasonally in summer to other major urban centres and to Pakistan. Remittances services may not be required for those commuting to Jalalabad on a daily basis. However, access to savings accounts and low-cost and reliable remittances services could help the migrants in other urban centres better manage their savings and ensure that their money is transferred risk-free to their families. Although Recommendation 1 could effectively help develop the savings culture, a system providing access to savings accounts and low-cost and reliable remittances services should be in place in both the respective urban centre and at the site.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers’ and workers’ organizations, including the Afghan Builders Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the

poor working conditions in general; no or unfairly reduced payment;⁵ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: Although a small percentage of the households from both the communities relies on urban informal jobs, this type of employment should be further encouraged. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: Although only a few people from the community have small businesses in Jalalabad, the vibrant Jalalabad market provides ample opportunities to start and improve MSEs. This does not apply to the community itself, as there is limited opportunity for growth. Furthermore, growing urban MSEs can potentially absorb a greater share of the labour force in the future.

The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

⁵ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances

NOT APPLICABLE: While the target HHs have many family members working in Pakistan and the Islamic Republic of Iran, this goes beyond this site-specific Recommendation.

8. Assist the value-chain development (VCD) of selected agricultural subsectors

APPLICABLE: Although the returnee/IDP site does not have any agricultural land, around 30 per cent of the village HHs are involved in agricultural activities, and vegetables are sold on a commercial basis. The area has a distinct comparative advantage over many other reintegration sites. Not only does it have favourable agro-climatic conditions for year-round agricultural activities, but it is also close to a major urban centre, Jalalabad. There is considerable growth potential for agricultural activities – particularly vegetables – in the future, which would have a positive impact on commodity trading. Wheat and vegetables emerge as the two most important value chains in the region (see the main report), and a value-chain approach could be adopted to boost their production. As yet, the high demand for these products has not been met, and increased production could result in a higher income for the farmers.

At present, farmers use their own retained wheat seeds year after year, which results in a lower yield. Meanwhile, vegetables are becoming an increasingly popular crop in the village due to their high economic return. Like any other agricultural crop, the price of vegetables varies – it is high at the beginning of the season, low during peak harvests, and high again at the end of the season. For example, the wholesale price of okra at the beginning of the harvest is 25-27 Afs per kg; mid-season, the price goes down to 5-7 Afs per kg, and it rises again at the end of the season to 20-25 Afs per kg. Extending vegetable production by planting early and late varieties of the crop could increase income and work opportunities for the people in the community. Activities should be undertaken at input, production and output levels. Working with private seed companies to promote such varieties could help in this respect. Furthermore, there could be collaboration with seed and other agricultural input companies to promote better quality inputs (seeds, crop protection materials, fertilizers, etc.) and to improve technical know-how on their effective use. There should be a partnership with private input companies, with a view to improving production practices at farm level – as they could be supported to do their promotion through “farmers’ field schools”, demonstration plots and promotional campaigns.

In addition, group marketing should be encouraged as it has significant advantages. It gives the farmers a higher bargaining power, provides them with access to large buyers and reduces transaction costs. At present, farmers sometimes group together to sell their vegetables in Jalalabad and Kabul. Efforts should be made to capitalize on this mechanism and promote it further. Activities should be undertaken to help farmers form groups to aggregate their products and negotiate with large buyers in Kabul city.

The wholesale price difference for vegetables in Jalalabad and Kabul is significant, but individual farmers with their limited quantities cannot profit from this benefit. Efforts could be made to link such groups with Kabul wholesalers and nurture this linkage by ensuring an information flow between the farmers' groups and wholesalers; this information would concern not only the product price but also the quality requirements and the products in high demand. Support services such as transportation and packaging should also be strengthened to reduce wastage and transaction costs. There are a good number of relevant projects under DAIL and the FAO, whose services could be used to achieve a greater impact. However, value-chain development experts must be involved in this process to ensure long-term sustainability.

9. Help vulnerable HHs and individuals get linked to the social protection programmes of the government and donors

APPLICABLE: The number of vulnerable individuals is not high in the returnee/IDP site, and the figures are unknown in the case of the village. However, it is important to support people with physical or mental disabilities to ensure that livelihood development is inclusive and fair, particularly when they have no jobs and no external support. A first consideration would be to link them to MoLSAMD's public cash transfer programme of benefits for the Families of Martyrs & Disabled. In addition, families with EVI members should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.

OTHER

A. Improve access to veterinary services to reduce the high mortality of livestock and to promote better animal husbandry practices

Forty per cent of the HHs from the village depend on livestock, while only a few HHs in the returnee/IDP site have animals. Although livestock are a very important source of income, they have a high mortality rate at the site. This may be attributed mainly to the people's inadequate knowledge of ways to treat animals and to the distance from Jalalabad city (where veterinary services are available). While tapping DAIL relevant projects might address this problem, it may not be sustainable - given DAIL's heavy reliance on project funds to mobilize their extension network beyond urban centres. A more sustainable approach would be to work with private veterinary service providers in Jalalabad city, and let DAIL and other projects continue providing their services as a supplementary measure. Carrying a diseased animal to the city is troublesome and also expensive. However, for a veterinary service provider, visiting a distant place for only one or a few animals is not feasible. A periodic visit to the village by private company representatives dealing with livestock medicines/vaccines could be an option. The project could negotiate with private companies to extend their services to the villages. As many other reintegration sites have a significant number of livestock, a large private company with a good coverage could also benefit by tapping this market - leading to a win-win situation for both the companies and the project. Nonetheless, it is important to involve the expert of the BDS market development approach in negotiations with the private sector, in order to strengthen the provisions of the veterinary service in a

commercially sustainable manner, while avoiding exploitative or inequitable situations. Should the distance from the city prevent the private vet service from being provided to the community, ideas such as training para-vets in the community could also be pursued.

B. Help livestock farmers form groups to supply milk to the processing centre in Jalalabad city, as envisaged by the FAO

Although only about 40 per cent of households in the village have livestock, the significant population might justify an intervention to organize a cooperative structure to aggregate large volume of milk and link up with a milk-processing centre. This would provide the individual livestock owners in Kas Aziz Khan village with the opportunity of reducing their transaction costs when marketing their product. Aggregating and marketing dairy milk at the primary level is always difficult, particularly when the herd size is small – but because so many people in the village have cows, this task could be made easier. The FAO's "Integrated Dairy Scheme Project" is already in the process of establishing a processing plant in Jalalabad city, which will require a constant supply of milk. Linking farmers' groups with milking cows in the village with the processing plant could be a win-win situation for both parties. Efforts should be made to help form these groups, to facilitate the aggregation mechanism and to link the groups with the processing plant.



KERALA, KUNAR

Employment patterns

Returnee/IDP community¹

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
8%	5%	10%	20%	8%	1%	30%	15%	20%	2%

Base: 400 families

INTRODUCTION

The Kerala reintegration site is located about 3 km north of the Kunar provincial capital city, Asadabad, and 80 km north-east of Jalalabad. The village is situated alongside the Jalalabad-Asmar road, which connects Asadabad with Jalalabad city. Means of transport - such as pick-up vans and taxis – are easily available to take people to Asadabad city, and the trip costs 10-15 Afs (depending on the type of vehicle taken).



¹ Information is based on interviews with the Community Development Council (CDC) executives at the inception meeting, and also on further follow-up site visits. Given that HHs sometimes have multiple incomes – as there are often several income earners in one family – the total does not come to 100 per cent.



Figure 1: Satellite image of the Kerala site

At present, around 400 families are living in the village, most of whom are Pashtun. During the Taliban war, people fled to the Bajaur Agency of Pakistan, which borders Afghanistan's Kunar province. When the war also spread to the Bajaur Agency, the Pakistan Government displaced all the Afghans – and consequently the people returned to their own village.

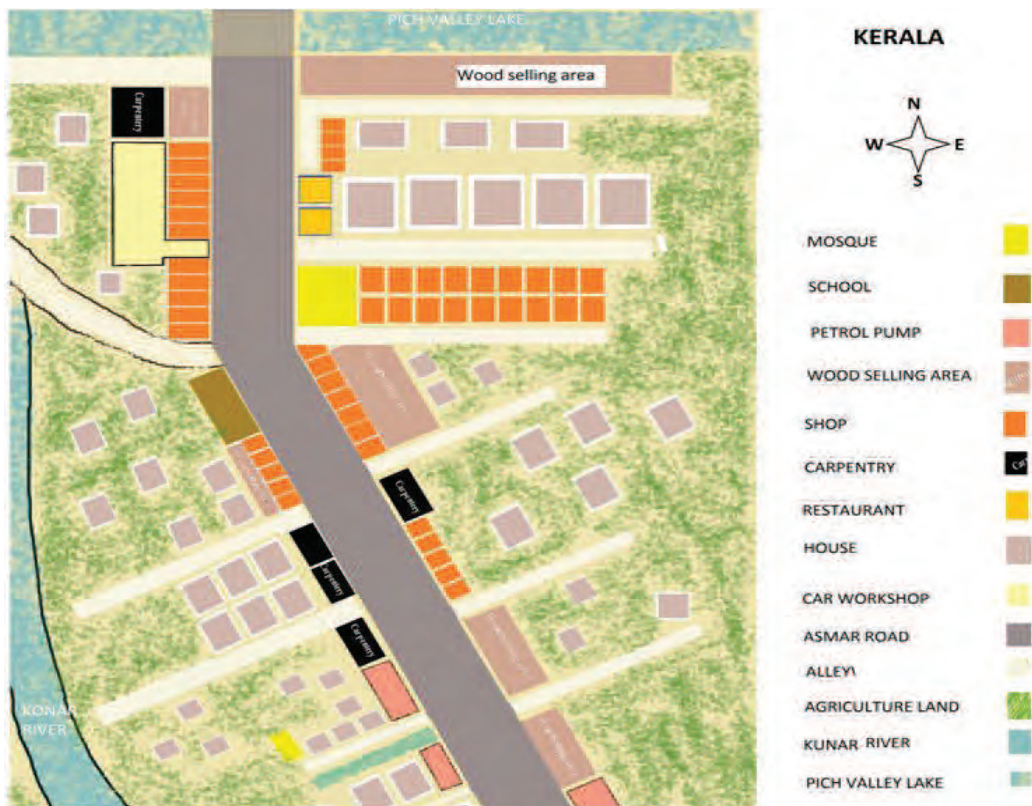


Figure 2: Physical layout of Kerala village

Disability

Around 10-14 villagers are recorded to have disabilities. Four or five of these people were the victims of occupational accidents. NATO forces shot one of the villagers when he was bringing wood down from the mountains, and another one fell off his donkey while working – also in the mountains. Three people have been disabled since birth, and the others were disabled as a result of various illnesses. Most of this group are not working and depend on the help of family members. One person with a partial disability is working as a night guard in a nearby market. He receives 50 Afs from each shop per month.

LOCAL LABOUR MAPPING

Agriculture and livestock

Given the water shortage and lack of cultivable land in the region, only a few people are engaged in agricultural and livestock-related activities.

Wage labour

Given that more returnees are now coming back to the village and building their houses, around ten per cent of people find daily wage-based labour in the community. The average wage for a regular daily wage labourer is 250-300 Afs.

Informal workers

There is a community bazaar that has a fair number of skills-based trades and businesses, such as carpentry and motor workshops, tailoring shops, saw mills and a company exporting wood to Pakistan. Around 30 per cent of the people from the community work in these businesses.

Small businesses

Collecting wood from the mountains and trading in wood are the most common businesses in the village. There are other shops in the community bazaar such as grocery shops, fruit and vegetable shops, shoe shops, tailoring shops and carpentry workshops. About eight per cent of the community people run these businesses.

Formal jobs

Only a few people in the community work as school teachers or religious teachers.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Wage labour

Approximately 30 per cent of the community are employed as construction workers in Asadabad, Jalalabad, Pakistan (Peshawar), Kabul, Mazar-e-Sharif, Herat and Laghman provinces. They usually leave for a few months in the summer to work in places that are far away - such as Kabul, Mazar-e-Sharif, Herat or Pakistan.

Informal workers

The family members of about 15 per cent of HHs work in different skills-based jobs in Asadabad and Jalalabad city, mostly in carpentry.

Small businesses

A significant number of people, around 20 per cent, work outside the community and run small businesses such as grocery shops and fruit and vegetable stalls. They are also involved in transport businesses (driving taxis or three-wheelers), livestock trading, tailoring and carpentry.

Formal jobs

Only a few people are engaged in the Afghan Army and Police, based in various provinces.

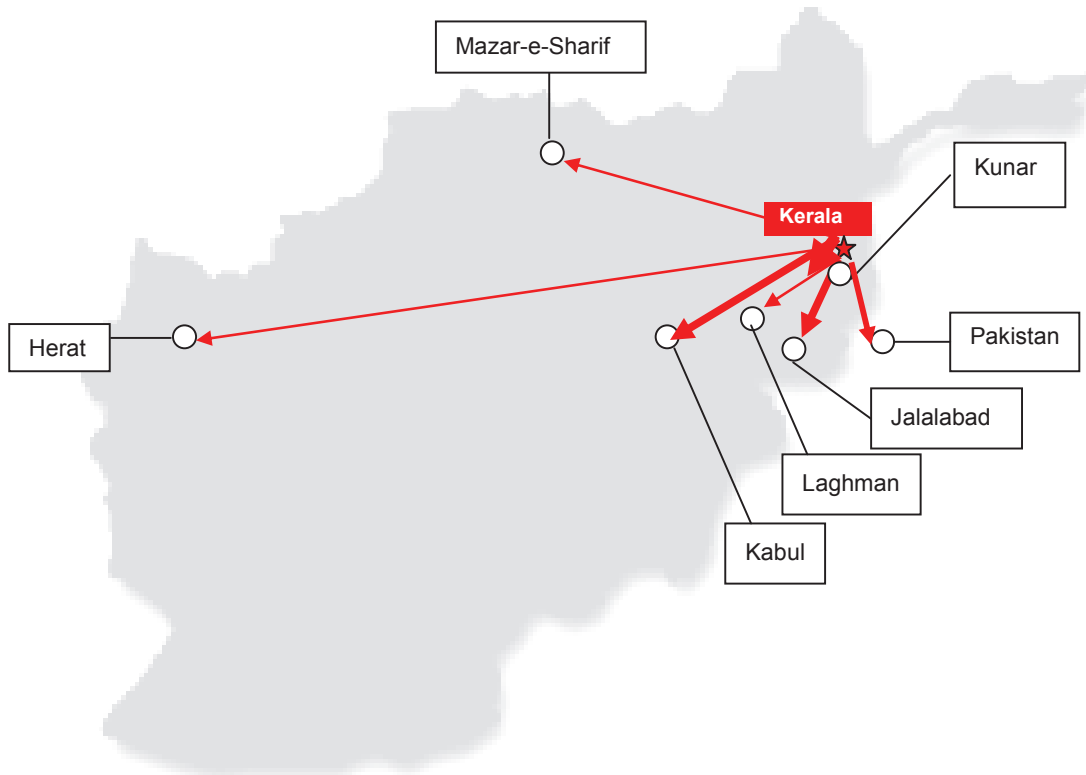


Figure 3: Labour and business mobility of the people from the Kerala site

MOBILITY MAPPING OF EDUCATION/TRAINING

There are around 1,500 boys and girls in the secondary schools and around 1,200 boys and girls in the high schools, which are located in Asadabad. The following is a tentative breakdown of the high-school graduates' current occupations:

- 20 per cent go on to higher education at various universities.
- 20 per cent join the Afghan National Army.
- 10 per cent join schools as teachers in different villages. Some of them continue studying for a bachelor's degree, but on a part-time basis.
- 5 per cent enter skills-based occupations, such as carpentry, motor workshops and welding.
- 20 per cent start their own business.
- 5 per cent go back to agriculture.
- The rest work on construction sites as daily wage labourers.

MAPPING OF AVAILABLE TRAINING AND BDS

In 2012, UNHCR arranged literacy courses for people in the community, in which 50 students are currently participating. In 1995, a Belgium-based organization conducted a six-month vocational training course on carpentry, carpet making and car mechanics. As a result, 140 students were trained in these various skills.

BDS/Training provided by organizations based in Kunar

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few Departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
National Solidarity Programme (Provincial Management Unit) (NSP/PMU)	The NSP was created in 2003 by the MRRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.
Department of Agriculture, Irrigation and Livestock (DAIL)	DAIL has the following ongoing projects: <ul style="list-style-type: none"> • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Agriculture Support for Peace and Reintegration Programme (ASPRP) • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Animal Husbandry Development Project (AHDP) funded by AFD • Beekeeping Development Project (BDP) funded by AFD

	<ul style="list-style-type: none"> • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Commercial Horticulture and Agriculture Marketing Programme (CHAMP) funded by USAID • Incentives Driving Economic Alternatives - North, East and West (IDEA-NEW) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by the EU • Variety and Seed Industry Development Project funded by the EC • Agriculture Development Fund (ADF) - Agriculture Credit Enhancement Programme funded by USAID
Industrial School of Kunar (State-owned TVET school, under ASDP)	Formal T-VET education, 276 students enrolled in 2011-12 academic year
Souki Agriculture School of Kunar (State-owned TVET school, under ASDP)	Formal T-VET education, 57 students enrolled in 2011-12 academic year.
Dara Pich Agriculture School of Kunar (State-owned TVET school, under ASDP)	Formal T-VET education, 80 students enrolled in 2011-12 academic year.
Sar Kano Technical School of Kunar (State-owned TVET school, under ASDP)	Formal T-VET education, 137 students enrolled in 2011-12 academic year.
Marwara Agriculture School of Kunar (State-owned TVET school, under ASDP)	Formal T-VET education, 144 students enrolled in 2011-12 academic year.
Khas Kunar Agriculture School (State-owned TVET school, under ASDP)	Formal T-VET education, 173 students enrolled in 2011-12 academic year.

DEMAND AND SUPPLY OF FINANCIAL SERVICES

It was found that poor financial literacy among households is prevalent in all sites - and Kerala is no exception. The HHS' financial management is very poor, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

No financial service providers were identified in the community as such. People take loans from each other. Buying on credit from community shops and at the nearby bazaar is commonplace. Details of financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The site falls under the category of “limited agriculture and near an urban centre”²². Many of the men from the community find their means of livelihood in Asadabad city in Kunar, by commuting daily from the site. However, there is also temporary migration to Jalalabad and seasonal migration to Kabul, Mazar-e-Sharif and Herat, particularly in the summer. Recommendations 2, 3, 4, 5 and 6 from the main report are therefore very important for this site. The list of service provider organizations identified should be the basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
√	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services
	8. Assist the value-chain development (VCD) of selected agriculture subsectors
√	9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the site’s poor financial management, lack of savings culture and prevalence of over-indebtedness. The ILO’s financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

²² The site typology is discussed in the main report

APPLICABLE: While access to formal education is relatively easy due to the proximity of the site to an urban centre, access to career and entrepreneurial education could be introduced at secondary-school level. This would have a tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services

APPLICABLE: Although many of the men commute to Asadabad city daily, there is a significant temporary migration to Jalalabad, and a seasonal migration to Kabul and other cities, during the summer months. Access to savings accounts and low-cost and reliable remittances services could therefore help the migrants better manage their savings and ensure that their money is transferred risk-free to their families. Although Recommendation 1 could effectively help develop the savings culture, a system providing access to savings accounts and low-cost and reliable remittances services has to be in place in both the respective urban centre and at the site.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers' and workers' organizations, including the Afghan Builders' Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the poor working conditions in general; no or unfairly reduced payment;³ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: A significant percentage of the community HHs relies on urban informal jobs, and this type of employment should be further encouraged. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

³ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: People from the community own a significant number of small businesses in Asadabad and in Jalalabad. These urban MSEs should be promoted. Furthermore, expanding urban markets provide ample opportunities to start and improve MSEs, This does not apply to the community itself, as there is limited opportunity for growth.

The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: While the target HHs have many family members working in Pakistan and in the Islamic Republic of Iran, this goes beyond this site-specific Recommendation.

8. Assist the value-chain development (VCD) of selected agriculture subsectors

NOT APPLICABLE: This Recommendation is not feasible due to the limited agricultural activities in the community.

9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

APPLICABLE: Supporting people with physical or mental disabilities in the community – although their number is small - is important to ensure that livelihood development is inclusive and fair, particularly when they have no job and external support. A first consideration would be to link them to MoLSAMD's public cash transfer programme of benefits for the Families of Martyrs & Disabled. In addition, families with EVIs should be provided with information on the eligibility and document requirements of various

existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.



KHANJAR KHIL, PARWAN

Employment patterns

Returnee/IDP community:¹

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
70%	10%	10%	<1%	2%	0%	30%	<1%	5%	15%

Base: 360 HHs (around 130 returnees and 230 returned IDPs)

INTRODUCTION

Khanjar Khil is situated about 7 km north of Bagram bazaar, between the Sayad-Bagram and Sayad-Charikar main roads, and it is 65 km from Kabul city. Bagram is the largest district in Parwan, and it is also of significant importance because it currently hosts the Bagram Military Base. The nearest bazaar to the village is Sayad, about 1.5 km away. People usually go there on foot. Other means of transport include rickshaws or taxis, which cost 10 Afs. As the site is close to the main roads, taxis, rickshaws, minivans and motorcycles are available on a fairly regular basis to take people to the Bagram bazaar - the trip takes less than half an hour and costs from between 30 to 50 Afs.

¹ Information based on interviews with the Community Development Council (CDC) executives at the inception meeting, and also on further follow-up site visits. Given that HHs sometimes have multiple incomes – as there are often several income earners in one family – the total does not come to 100 per cent.



Figure 1: Satellite image of Khanjar Khil

Seventy per cent of the village population are Tajik and the other 30 per cent are Pashtun. After the collapse of the Taliban regime in 2001, the Tajik community accused the Pashtuns of having been associated with the Taliban. This resulted in mistrust and tension between the two ethnic groups. As a consequence, about 60 Pashtun families (Niazy tribe) were displaced to Laghman and Jalalabad provinces from 2001 to 2002.

Approximately 360 households live at present in Khanjar Khil, including 120 families of assisted returnee families and 207 unassisted IDP returnee families. According to the community, up to 50 families were expected to return in 2012.



Figure 2: Physical layout of Khanjar Khil

Disability

There are around seven people with disabilities in the village. One of them works as a guard outside the village, and others work as shopkeepers, rickshaw drivers, etc. A number of them are registered with the Government (MoLSAMD), and they receive some financial assistance.

LOCAL LABOUR MAPPING

Agriculture

In general, the agro-climatic conditions in Parwan allow for two agricultural seasons. Figure 3 shows the crop calendar in the province.

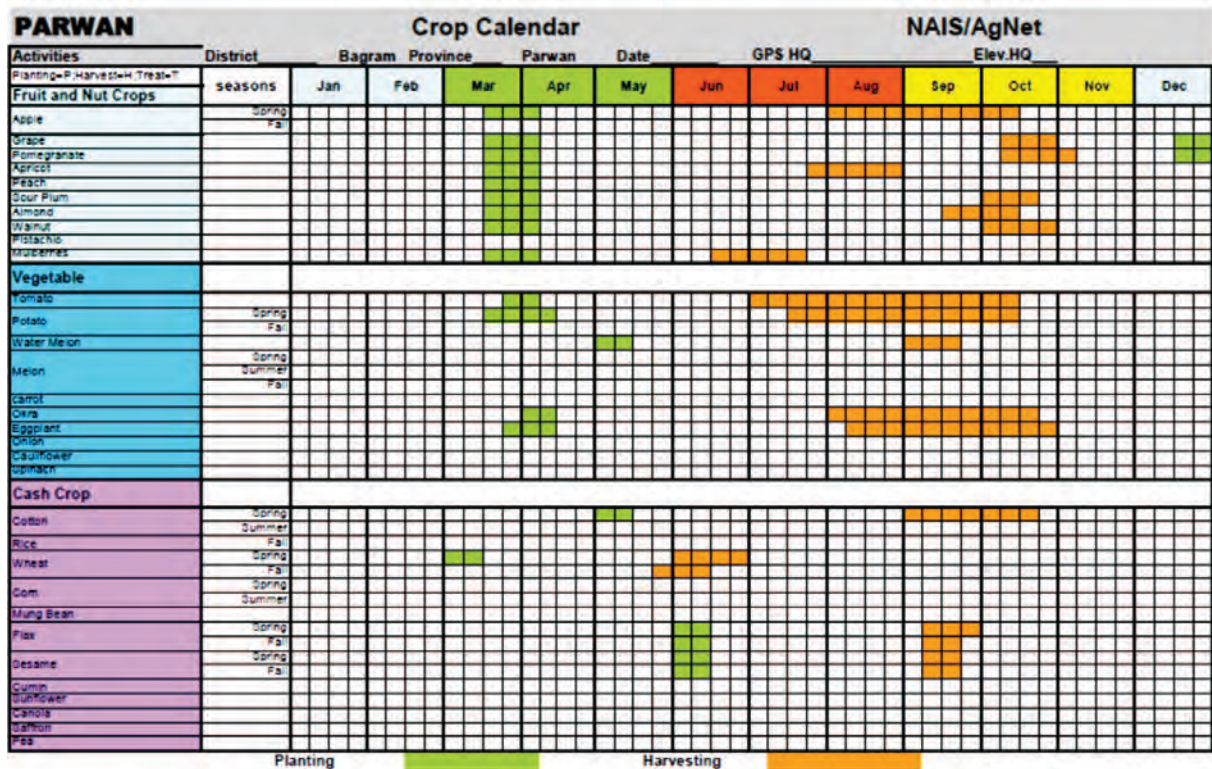


Figure 3: Crop calendar in Parwan province (source: USDA, 2008)

Almost 70 per cent of the households in the community own agricultural land – all of which is irrigated. The major agricultural products are grains such as wheat, corn and mash (a kind of grain that people generally mix with rice); fruits such as grapes, mulberries, apricots, behi and sinjid; and vegetables such as potatoes, tomatoes and peppers.

As mentioned before, there are two agricultural seasons in the village: spring and summer. Wheat is the major crop in the spring season. Seventy per cent of the harvest is for home consumption, and the rest is sold in the market. On average, farmers harvest 450-550 kg of wheat from each *jerib* of land.

In the summer, farmers cultivate corn and mash, which are planted in June and harvested in September. Corn is mostly grown for self-consumption, or its leaves are used as fodder for livestock. Mash is harvested from September to November. People mainly grow mash as a commercial crop and 80 per cent of the harvest is sold at the local market. Traders then transport it to Kabul and other cities. Farmers start harvesting grapes in September and continue until December. Grapes are grown commercially and are almost entirely sold at the market. Depending on the market price, farmers decide what portion of the harvest they are going to sell as fresh grapes and what portion they are going to make into raisins - to be sold later. Grapes grown on one *jerib* of land can be sold for as much as 50,000-60,000 Af. Almost every family in Khanjar Khil has a grapevine, which vary in size. Because of the

increasing market demand, farmers are becoming more inclined to expand their grape production. Vegetables are mostly cultivated in March and April and harvested from July to October.

Livestock

Only 10 per cent of the households have livestock, such as cows and sheep, but in limited numbers. Most of them raise the animals for home consumption or have them as liquidity. In only two to five cases does the household's major income come from selling dairy products such as milk and yoghurt.

Wage labour

Only about 10 per cent of households have family members who are employed as daily wage construction workers in the community. As there are few opportunities for wage labour in the village, they frequently go to the city to find work.

Informal workers

Only two families sew clothes for others in the community.

Small businesses

As Sayad bazaar is very close, there are not many small businesses in the village – just four grocery shops and one barber shop, which are owned by members of the community. In addition, one person owns a tractor and rents it out to farmers, while two people own three-wheelers (zarang) and run them between the village and Bagram city.

Formal jobs

No one in the community has a formal job.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Wage labour

On account of the agricultural activities in the village, not many people go further afield to find daily wage labour. Family members of roughly 30 per cent of the HHs work in brick kilns in the nearby Qarabagh district, or in bazaars such as Bagram or Ghulam Ali, which are in the vicinity. As far as seasonal migration is concerned, around two per cent of the inhabitants go to the Qarabagh district to work in brick kilns and one per cent to Pakistan to work as daily wage labourers for a few months, once the harvesting season is over or starts to decline in October.

Informal workers

Only one person is working in a welding workshop in the Bagram bazaar.

Small businesses

Around five per cent of the people are involved in trading in Kabul, mostly in the area of fruits and vegetables.

Formal jobs

Ten people from the community are employed by the Afghan Army and Police. Around 40 people work at the Bagram Military Air Base as guards, cleaners and similar occupations. A few people work with NGOs in Bagram as support staff, or as messengers and guards.

In addition to this seasonal or temporary migration and daily commuting, there is some permanent migration to other cities in Afghanistan such as Kabul - as well as to other countries such as the Islamic Republic of Iran and Pakistan. Fifty families are living permanently in Kabul, where family members work in government jobs or mining organizations, or are involved in petty trading or daily wage labour². Three families are living permanently in the Islamic Republic of Iran, and a few in Pakistan, where they work as daily wage labourers.

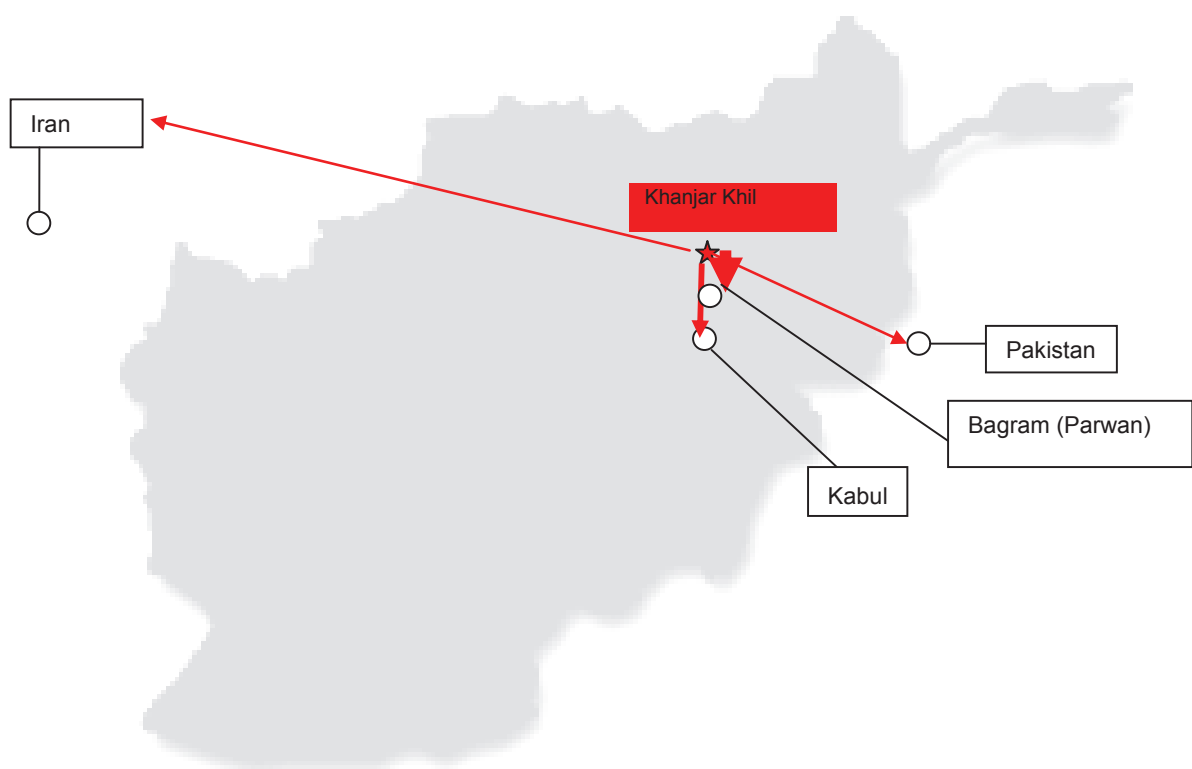


Figure 4: Labour and business mobility of the people from Khanjar Khil

² The local people could not provide a breakdown of families by occupation

MOBILITY MAPPING OF EDUCATION/TRAINING

There are two schools in the vicinity of the village: the Qalayee Baland Boys' High School; and the Qalayee Bala Girls' High School. At present, there are 1,250 pupils at the boys' school - 600 pupils at primary level (grades 1-6), 350 at secondary level (grades 7- 9), and 300 at high-school level. According to the Principal, only 9 – 10 per cent of the pupils come from Khanjar Khil village (around 120 boys).

According to the Principal of the Qalayee Bala Girls' High School principal, there are 480 pupils in the school - the majority of whom are at primary-school level; 42 pupils are studying at high-school level (15 in 11th grade, 27 in 10th grade), but there are no pupils in 12th grade yet. Since the required number of pupils for 12th grade has not been reached (the minimum is ten), the school authorities submit a written request for admission of suitable candidates to the Bagrami Girls' High School in the city. According to the Principal, almost 10 per cent of the school's pupils come from Khanjar Khil village (48 girls).

There are two other schools a little further away from the village, namely Sher Agha Shahid High School and Talot Shahid High School in Qalandar Khil. Some pupils in these schools may come from Khanjar Khil.

According to the Principal of the Qalayee Baland Boys' High School, 46 pupils graduated from high school last year. Three students were not allowed to sit the examination because of their high rate of absenteeism. They left the school and their families have also left this area. Out of 46 pupils, 36 entered universities or diploma institutes in Kabul or Kapisa. Ten failed the entrance exam and are preparing to sit for it again.

Most of the pupils who fail to enter a university or institute after graduating from high school prepare for the examination the following year. Some of them give up their studies and start working as shopkeepers, daily wage labourers, or in agriculture.

According to new regulations from the Ministry of Education, anyone can be formally employed as a teacher in a school if he or she has completed 14 years of education. Pupils can, therefore, after high school graduation, attend a two-year teachers' training course in a recognized institution³.

The Principal of the Qalayee Baland Girls' High School, Mohammad Anwar, stated that most of the boys who failed to enter a university or institute joined the Afghan Army or Police, found work as guards in NGOs, worked in different organizations or at Bagram Air Base, etc., by providing a reference. A few of them started their own business, or entered skills-based employment - or even started working as daily wage labourers.

³ This is applicable in Kabul and provinces like Parwan, but in other provinces schools eagerly employ teachers who have completed 12 years of education due to lack of teachers.

MAPPING OF AVAILABLE TRAINING AND BDS

Training provided in the community

In 2010, the MRRD conducted a short tailoring training course for 50 women. It was found that only a few women who had attended the course were working in this area on a commercial basis. Some NGOs have provided vocational training on various skills such as beekeeping, poultry raising and animal husbandry, followed by the distribution of tools/animals. However, there is hardly any evidence of the population having adopted such activities.

Training/BDS provided by organizations based in Parwan

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few Departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
Afghanistan Development Association (ADA)	<p>Agriculture and Livestock</p> <ul style="list-style-type: none"> - Agriculture and forestry - Livestock and poultry - Small irrigation <p>Economic Recovery and Capacity Building</p> <ul style="list-style-type: none"> - Knowledge and skills - Civic education - Access and market - Institutional development <p>Cross-Cutting Activities (gender, environment, good governance and advocacy, peace building, conflict resolution, human rights, disaster management, humanitarian assistance and emergency activities)</p>
Department of Agriculture, Irrigation & Livestock (DAIL)	<p>DAIL has the following ongoing projects:</p> <ul style="list-style-type: none"> • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Horticulture Cooperatives Development Project (HCDDP) funded by AFD • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Animal Husbandry Development Project (AHDP) funded by AFD • Beekeeping Development Project (BDP) funded by AFD • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Commercial Horticulture and Agricultural Marketing Programme (CHAMP) funded by USAID • Incentives Driving Economic Alternatives - North, East and West (IDEA-NEW) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by the EU • Variety and Seed Industry Development Project funded by the EC

Name of the organization/project	Provision of services
	<ul style="list-style-type: none"> Agriculture Development Fund (ADF) - Agriculture Credit Enhancement Programme funded by USAID
BRAC	BRAC has farm building and agricultural projects.
Coordination of Humanitarian Assistance (CHA)	CHA provides emergency aid for war victims to assist with the rehabilitation of rural and urban life.
National Solidarity Programme (Provincial Management Unit) (NSP/PMU)	The NSP was created in 2003 by the MRRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.
Solidarité Afghanistan Belgique (SAB)	Regarding agricultural activities, SAB involves local authorities in the training and monitoring of the beneficiaries. And since 2006, SAB has been an actor of the National Skills Development Project that aims at providing vocational training, employment and developing a national strategy regarding vocational education training.
Parwan Agriculture Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 145 male students enrolled in the 2011-12 academic year.
Shinwari Agriculture High School of Parwan (State-owned TVET school, under ASDP)	Formal T-VET education, 46 male students enrolled in the 2011-12 academic year.
Sia Gard Agriculture High School of Parwan (State-owned TVET school, under ASDP)	Formal T-VET education, 71 male students enrolled in the 2011-12 academic year.
Parwan Technical Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 214 male students enrolled in the 2011-12 academic year.

DEMAND AND SUPPLY OF FINANCIAL SERVICES

It was found that poor financial literacy among households is prevalent in all sites - and Khanjar Khil is no exception. The HHs' financial management is very poor, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

In 2008, BRAC provided 30,000 Afs to three families in Sayad Abad (4 km from Khanjar Khil). The families repaid the loan but BRAC did not distribute any further loans to the village. One of the loan recipients found the financial product inappropriate because of the structure of installments. The fact that he had had to repay the loan quickly and in installments did not allow him to make the investment he had wished to make (he wanted to buy a second-hand car for commercial purposes). In 2009 a savings group was established, and 40 families joined it. It did not work properly and its activities ceased. Details of financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The site falls under the category of “agriculture-based and near an urban centre”⁴⁴. As the site has a considerable amount of commercial agricultural production and many men go to nearby Bagram city to find a means of livelihood, Recommendations 2, 4, 5, 6 and 8 from the main report are very important for this site. The list of service provider organizations identified should serve as a basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services
√	8. Assist the value-chain development (VCD) of selected agriculture subsectors
√	9. Assist vulnerable HHs and individuals in being linked to the social protection programmes of the Government and donors

1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the site’s poor financial management, lack of savings culture and prevalence of over-indebtedness. The ILO’s financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: While access to formal education is relatively easy due to the proximity of the site to an urban centre, career and entrepreneurial education could be introduced at secondary-school level. This

⁴⁴ The site typology is discussed in the main report

would have a tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services

NOT APPLICABLE: Given that most of the men commute daily to surrounding areas for daily wage-based work, Recommendation 1 could cover the savings element of this Recommendation, while the remittances component is not relevant. Serving the needs of migrant workers in other urban centres goes beyond this site-specific Recommendation.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers' and workers' organizations, including the Afghan Builders' Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the poor working conditions in general; no or unfairly reduced payment;⁵ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: Although only a few HHs rely on urban informal jobs, this sector should be further encouraged to grow. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled

⁵ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: A fair number of men currently run small businesses in Kabul, mostly in fruit trading. However, Bagram city in Parwan, as well as the vibrant Kabul market, provide ample opportunities to start and improve MSEs. This does not apply to the community itself, where there is limited opportunity for growth.

The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: While the target HHs have many family members working in Pakistan and the Islamic Republic of Iran, this goes beyond this site-specific Recommendation.

8. Assist the value-chain development (VCD) of selected agriculture subsectors

APPLICABLE: The village grows grapes on a large scale as a commercial agricultural product. However, a value-chain approach could be applied by linking the village with the Parwan- and Kabul-based large traders/exporters who source grapes/raisins from this area. The proposed assistance could focus on supporting selected large traders/exporters in strengthening their sourcing of grapes/raisins by addressing post-harvest loss; finding ways to improve productivity; identifying methods to improve processing techniques; and increasing the provision of agri-labor and processing opportunities. Efforts should also be made to strengthen support services such as transportation and packaging. To impart sustainability, rather than directly working with the farmers in the production clusters, activities should be undertaken to work with these traders/exporters to build their capacity in the above-mentioned areas. A single trader/exporter is linked to a large number of farmers; working with a few traders/exporters could, therefore, ultimately help hundreds of farmers, while also constituting an efficient means of achieving scale. It is important to involve experts of value-chain development in negotiations with the private sector to ensure a win-win approach for long-term sustainability.

9. Assist vulnerable HHs and individuals in being linked to the social protection programmes of the Government and donors

APPLICABLE: Supporting people with physical or mental disabilities in the community – although their number is small - is important to ensure that livelihood development is inclusive and fair, particularly when they have no job and no external support. A first consideration would be to link them to MoLSAMD’s public cash transfer programme of benefits for the Families of Martyrs & Disabled. To enhance this support, they should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.

KOCHI ABAD, KABUL



Employment patterns

Returnee/IDP community:¹

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
<1% ²	25% ³	95%	<1%	0%	0%	95%	0%	0%	<1%

Base: 300 HHs

Host community 1- Sayad Abad:⁴

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
0%	0%	2%	80-85%	<1%	0%	98%	35%	<1%	<1%

Base: 65 HHs (50 returnees, 15 IDPs)

Host community 2- Shahrak Zeba:⁵

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
0%	0%	2%	90%	<1%	<1%	98%	12%	<1%	4%

Base: 185 HHs (53 returnees, 132 IDPs)

¹ Information based on interviews with the Community Development Council (CDC) executives at the inception meeting, and on further follow-up site visits. Given that HHs sometimes have multiple incomes – as there are often several income earners in one family – the total does not come to 100 per cent.

² Despite the fact that about 30 families have agricultural land, it is scarcely cultivated due to lack of water.

³ Only five families raise livestock on a commercial basis, others have a few for household consumption.

⁴ Information based on the interviews with CDC executives at the inception meeting, and also on further follow-up site visits. The total does not come to 100 per cent, for the reasons given in footnote 1.

⁵ Ibid.

INTRODUCTION

Kochi Abad is located 20 km west from Kabul city centre, about 5 km south-west of the Dashte Barchi main road, in District 13 of Kabul city. The village is situated on a hillside at an altitude of 2,000 m. Despite being close to the capital city, the village is isolated and situated in a rural setting. There is a transport stop in the nearby town of **Sayad Abad**, from where people may take taxis and minivans to the Dashte Barchi main road. The trip takes seven to ten minutes and costs around 10 Afs. The walk from **Kochi Abad** to this stop takes 10-15 minutes.



Figure 1: Satellite image of Kochi Abad

At present, 300 Pashtun families live in the village. Many Kochis have settled here permanently and given up their traditional way of living because they lost livestock during the war and were involved in disputes over grazing land. According to UNHCR, 60 per cent of the families come under the category of EVI (Extremely Vulnerable Individuals). Most of the returnees came back from Pakistan after 2007, as well as the IDPs from the Behsud district of Maidan Wardak and Daikundi provinces. Around 100 families from **Kochi Abad** are still in Pakistan - and were expected to return in 2012. There is ongoing tension between the village and two Hazara townships in the vicinity (**Sayad Abad** and **Shahrak Zeba**), mainly due to unresolved disputes over land. However, according to the CDC members, these differences are gradually being settled and people from the returnee and host communities mingle during religious festivals such as Eid.

The road connecting **Kochi Abad** to the Dashte Barchi main road is in poor condition, hindering easy access to services. Due to a lack of proper drainage and retention walls, there is regular flooding⁶. There is no school in the village; the nearest one is 3 km away in Qalai Qazi village.

⁶ This was the situation at the time the field investigation took place. Since then, improvements have been made, thanks to negotiations that the UNHCR had with the community.

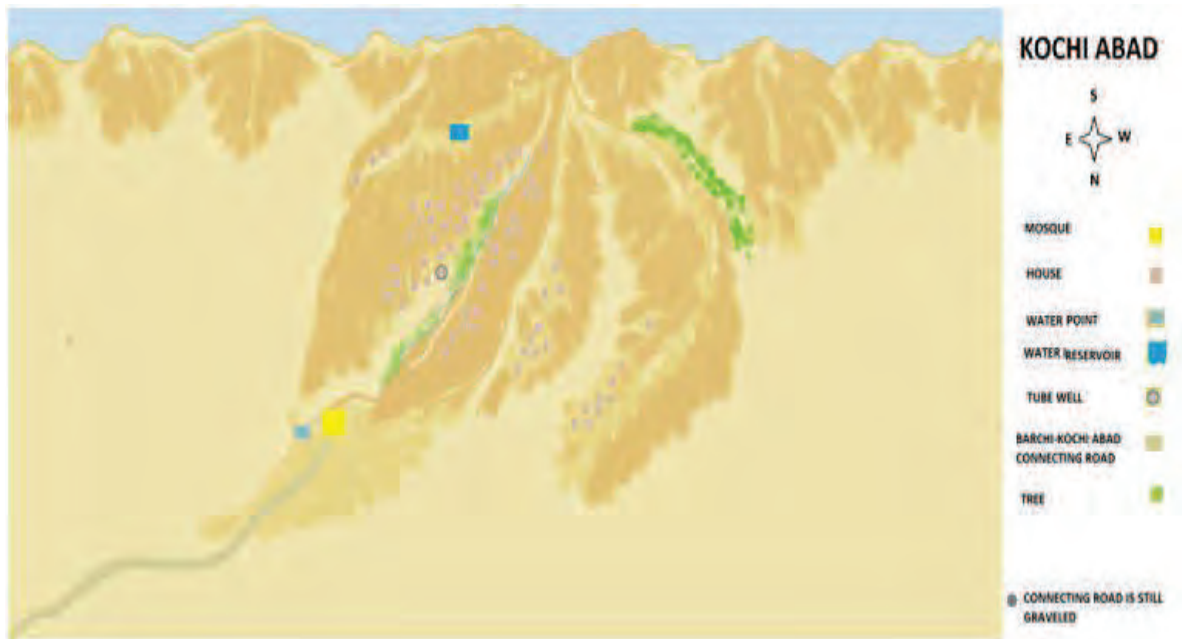


Figure 2: Physical layout of Kochi Abad (from the ground)



Figure 3: Physical layout of Kochi Abad (aerial view)

As mentioned before, there are two host communities, **Sayad Abad** and **Shahrak Zeba**, which are situated about 2 km and 1 km away from **Kochi Abad**, respectively, towards the Dashte Barchi main road. Currently, around 65 families live in **Sayad Abad** and 185 families in **Shahrak Zeba**⁷. All the residents in both communities are from the Hazara tribe, who returned from the Behsood district and Ghazni and Daikundi provinces, after internal displacement, or from Pakistan and the Islamic Republic of Iran.

Disability

According to the CDC members, there is no one in **Kochi Abad** with a disability.

According to the local people in **Sayad Abad** and **Shahrak Zeba**, there are 12 and 11 people with a physical or mental disability in their communities, respectively. All these people are without a job and are not supported by the government or NGOs.

LOCAL LABOUR MAPPING

Agriculture

Around 30 families have agricultural land (average land size 1-2 *jerib*) in **Kochi Abad**, but there is hardly any cultivation because of the lack of irrigation. Only the head of the CDC grows apples and apricots on 1.5 *jerib* of land, but production is limited because of the water situation.

The people in both the **Sayad Abad** and **Shahrak Zeba** communities are landless, and they have no income from agriculture-related activities.

Livestock

Only about five families in **Kochi Abad** have a significant herd - 50 to 100 animals – and these are mostly sheep, which are raised on a commercial basis. Around 80 families have one or two animals, but these are mainly for household consumption.

No one from either of the **host communities** has any kind of livestock. A few families may keep one or two animals, but their number is too negligible to count.

⁷ According to UNHCR, there are around 300 families in the two villages.

Wage labour

Given that it is a comparatively new site and that a number of development organizations are present there, **Kochi Abad** has a significant number of infrastructural development activities at the moment. As a result, the community people are able to find work as daily wage labourers. However, these same people go outside the community whenever there is no more work. On the whole, 95 per cent of the residents in the community are involved in daily wage-based labour.

In the host communities, only two per cent of the residents work as daily wage labourers because of the slower pace of infrastructural development activities in these communities.

Informal workers

A few women work as tailors from their homes in **Kochi Abad**, sewing the clothes of people in the community.

In both the host communities 80-90 per cent of the households are involved in carpet-weaving. It is mostly the female household members and children who weave carpets in their free time after household chores or school. A few Kabul-based private carpet companies distribute raw materials to the families and pay them for every square metre they produce. Wages are determined according to the complexity of the piece, and rang from 1,800 – 3,000 Afs per square metre.

Small businesses

Income-generating activities (IGAs) or small enterprises within the community have either ceased to operate or are encountering constraints to growth. No small businesses were identified in **Kochi Abad**. One person used to run a bakery - but it closed a few months ago due to poor market demand.

There are two grocery shops and one bakery in **Sayad Abad**, and three grocery shops in **Shahrak Zeba**.

Formal jobs

No one in the community has a formal job. As there is no school in the community, two teachers are hired from outside to prepare the children for school. The children are studying books from grade 1.

One person from **Shahrak Zeba** works as a teacher.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Wage labour

As mentioned above, 95 per cent of the people from **Kochi Abad** work as daily wage labourers in Kabul city. All the young people go to Kotesangi in Kabul city (labour wholesale market) every day, which costs them 40 Afs to commute. The average wage is 300 Afs for a 10-hour day.

According to the local people and CDC representatives in both the **host communities**, 98 per cent of the young men work as daily wage labourers outside the community, mostly in Kabul. They are involved in house building, road construction, well digging, etc. They usually work for 9 months (from March until the end of November) every year. During the three months of winter, most of them are without a job and a number of them take up carpet-weaving with their family members. During their nine-month period of work, people find on average 15-20 days of work per month, with an average wage rate of 250-300 Afs per day. At present, 30 to 35 people from **Sayad Abad** and 10-12 people from **Shahrak Zeba** are working in the Islamic Republic of Iran as daily wage labourers. A few people from both the communities are also working in Herat and Mazar-e-Sharif.

Informal workers

Nobody from **Kochi Abad** was found to be engaged in skills-based works in the informal sector.

Sayad Abad has four electricians, two metal craftspersons, ten masons, and three to four drivers, all of whom work in Kabul city. And in **Shahrak Zeba**, one electrician, two metal craftspersons, two carpenters, one electronic appliances repairer, one motor mechanic, ten to 12 masons and two drivers work in Kabul city.

Formal jobs

Three people from **Kochi Abad** work as drivers in different private companies in Kabul city.

Three people from **Sayad Abad** works in various Government ministries in Kabul; and five people from **Shahrak Zeba** work in the Afghan Army or Police in other provinces such as Farah, Nangarhar and Kandahar.

MOBILITY MAPPING OF EDUCATION/TRAINING

At present, there is no permanent school in **Kochi Abad**. As mentioned before, two teachers come from Drul Aman and Company area to teach young children (6 to 10 years old) to prepare them for grade 1. Sixty girls and 120 boys are currently studying in this community-based school, which was established by SOZO in September 2012.

There is a secondary school in Qala-e-Qazi village near **Sayad Abad**, which is attended by children from the community. Thirty girls and around 70 to 80 boys are studying at the school. There is a high school,

Abdur Rahim Shahed High School, which is a little further away than Qala-e-Qazi. After graduating from the Qala-e-Qazi secondary school, students go to the high school - but only two girls and three boys from the community are attending this school. Only one person is currently studying at university level in Kabul.

Approximately 230 students from **Shahrek Zeba** are currently studying at the Qala-e-Qazi secondary school (35 per cent of them are girls and the rest are boys). After completing secondary school, students from the site go to the same high school as those from **Sayad Abad** - the Abdur Rahim Shahed High School. At present, only three girls and four boys from the community go to the high school – and two other students are studying at Kabul University.

According to the Education Authority in Charge of District 13, Kabul, there are 21 public schools and 28 private schools in the same district.

The breakdown of students graduating from Abdur Rahim Shahid High School is as follows:

- In 2011, 616 students graduated from the school (another 24 students were not allowed to sit the final exam because of their high level of absenteeism).
- Out of the graduates:
 - 70 per cent entered various universities in Kabul, Parwan, Balkh, Nangarhar and Herat, etc.
 - 20 per cent entered the National Police Academy and Military
 - 10 per cent entered teachers' training institutes and other two-year programmes under the Ministry of Education, as well as other private institutes

Almost all of the students continued their studies after secondary school.

MAPPING OF AVAILABLE TRAINING AND BDS

Training provided in the community

In August 2012, the Danish Refugee Council (DRC) started a four-month training course in **Kochi Abad** for 40 people on carpentry, tailoring and mechanical works. During the training period, each participant received a stipend of 350 Afs per day.

The DRC is conducting the same skills-building training course in both **Sayad Abad** and **Shahrak Zeba**.

Training/BDS provided by organizations based in Kabul

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACC primarily promotes the private sector through various activities. It has a few departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
Afghanistan Development Association (ADA) http://www.ada.org.af/	<p>Agriculture and Livestock</p> <ul style="list-style-type: none"> - Agriculture and forestry - Livestock and poultry - Small irrigation <p>Economic Recovery and Capacity Building</p> <ul style="list-style-type: none"> - Knowledge and skills - Civic education - Access and market - Institutional development <p>Cross-Cutting Activities (gender, environment, good governance and advocacy, peace building, conflict resolution, human rights, disaster management, humanitarian assistance and emergency activities)</p>
Aga Khan Development Network (AKDN)	The Aga Khan Development Network (AKDN) is a group of development agencies with mandates that include the environment, health, education, architecture, culture, microfinance, rural development, disaster reduction, the promotion of private-sector enterprise and the revitalization of historic cities.
Afghanistan's Children: A new Approach (ASCHIANA)	<p>ASCHIANA has been providing services and support to street children and their families for close to ten years.</p> <p>It also provides vocational training opportunities in the areas of tailoring, bicycle repairs, hairdressing and beauty therapy, carpentry, electrical repairs, masonry, welding, information technology, cooking, traditional instrument making and plumbing.</p>
Agency for Technical Cooperation and Development (ACTED)	ACTED's programme have six objectives: human, social, natural, financial, political and physical capital development. Its focus is on human capital development. It helps increase employment; improve resource management; increase yields and incomes; reduce the incidence of disease; and increase literacy. It has provided vocational training in 25 trades, as well as in the areas of literacy; hygiene; governance; natural resources and physical infrastructure management; agriculture and livestock; small business development; and computer skills training.
Agency for Assistance and Development of Afghanistan (AADA)	AADA implements community development and health projects in several provinces of Afghanistan.
Afghans 4 Tomorrow (A4T)	A4T has activity in agriculture and livestock development.
Afghanistan Women Council (AWC)	AWC provides skills-building training on carpet weaving, sweater knitting, leather purse/handbag making, farming, poultry raising, dairy production and sewing.

Name of the organization/project	Provision of services
BRAC	BRAC runs farm building and agricultural projects.
CARE	CARE helps most vulnerable people adapt to the effects of a changing climate with a number of programmes that include sustainable farming, income diversification and resilience building. CARE helps women and families improve their household income through increased access to financial and non-financial services, participation in village savings and loan associations, market linkages and diversified livelihoods.
Cooperation Centre for Afghanistan (CCA)	CCA provides training and assistance for unemployed/underemployed youths to help them make a sustainable living. It offers locally marketable skills training in masonry, office skills, motorcycle/bicycle repairs, agriculture training, dairy and wool processing, and carpet weaving.
Coordination of Humanitarian Assistance (CHA)	Provides emergency aid for war victims in the field, to assist with their rehabilitation in rural and urban life.
Catholic Organization for Relief and Development Aid (Cordaid)	Cordaid works to make agricultural production more sustainable, and to increase the income and improve the position of small producers in agriculture.
Danish Committee for Aid to Afghan Refugees (DACAAR)	DACAAR works in rural areas and aims at improving rural livelihoods through sustainable activities that engage Afghan communities to be agents of their own development process.
Dutch Committee for Afghanistan (DCA)	DCA-VET works to improve the health and productivity of Afghan livestock. DCA-VET owns three veterinary training and support centres: in Kabul – Charikar, in Herat, and in Mazar-e-Sharif. In these training centres, DCA-VET offers an array of veterinary training courses to its own VFU staff, as well as to VFU staff of other NGOs, government veterinarians and students of agricultural schools.
CFA (Children’s Fund Afghanistan)	CFA runs agricultural, environmental (flood and avalanche protection), and drinking water projects.
Coordination of Afghan Relief (CoAR)	CoAR provides services in agriculture/irrigation, food security, animal husbandry, health, women and child support, education, rural engineering/support, emergency relief, disaster risk reduction management and income generation.
Education and Training Center for Poor Women and Girls of Afghanistan (ECW)	<p>The vocational training programmes conducted by the ECW consist of the following components:</p> <ul style="list-style-type: none"> • Carpentry • Carpet-weaving • Shawl-weaving • Crotchet-weaving • Food-processing • Tailoring • Embroidery • Computer training
Food and Agriculture Organization of the United Nations (FAO)	<p>FAO projects in agriculture include:</p> <ul style="list-style-type: none"> - Variety and Seed Industry Development Project - Development of Integrated Dairy Schemes (IDS) in Afghanistan

Name of the organization/project	Provision of services
	<ul style="list-style-type: none"> - Emergency Certified Wheat Seed and Fertilizer Distribution Programme - Support to Household, Food Security, Nutrition and Livelihoods in Afghanistan
Ghazni Rural Support Programme (GRSP)	GRSP works in the following areas: Agriculture and animal husbandry; irrigation; income generation; emergency relief; education, training and community Development; and the National Solidarity Programme (NSP).
Global Partnership For Afghanistan (GPFA)	The GPFA works with rural Afghans to create farm businesses.
Global Point Afghanistan (GPA)	GPA works for Afghan IDPs by providing literacy classes, vocational training, health awareness, computer programmes, etc.
GIZ	GIZ is involved in infrastructural projects (city and highway roads), capacity building, commerce and industry, educational projects (building primary and high school facilities), teachers' training, community development and drinking water projects.
Humanitarian Assistance for Women and Children of Afghanistan (HAWCA)	HAWA conducts tailoring courses in Kabul and Peshawar
International Foundation of Hope (IFHope)	IFHope works with local leadership to develop agriculture-related projects that meet the needs of the community to become self-sustaining.
International Maize and Wheat Improvement Centre (CIMMYT)	CIMMYT works to increase the productivity of maize and wheat systems on a sustainable basis.
Japan International Cooperation Agency (JICA)	<p>JICA supports programmes on, inter alia:</p> <ul style="list-style-type: none"> • Reintegration and community development • Inter-communal rural development • National agricultural experiment stations rehabilitation • Improvement of rice-based agriculture
Korea International Cooperation Agency (KOICA)	KOICA supports the construction of schools, hospitals, vocational training centres, and other indispensable facilities-
Mennonite Economic Development Associates (MEDA)	<p>MEDA works in the following strategic areas:</p> <ul style="list-style-type: none"> • Agriculture • Rural financial services • Investment in small- and medium-sized enterprises (SMEs) • Business of health • Youth and financial services • Deposit mobilization • Women's economic development • Engaged and growing associations.
National Solidarity Programme (Provincial Management Unit) (NSP/PMU)	The NSP was created in 2003 by the MRRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.
Norwegian Refugee Council (NRC)	The NRC has activities in the areas of emergency food security and distribution; information, counseling and legal assistance; camp management; education and building of homes and schools.
Relief International (RI)	RI provides vocational training, offers microfinance opportunities and develops

Name of the organization/project	Provision of services
	promising value chains.
Sanayee Development Organization (SDO)	SDO works in various fields such as: peace building, education, community health, community development, and capacity building.
Partners in Revitalization and Building (PRB)	<p>PRB has been involved in the following disciplines: agriculture and crop husbandry; horticulture; animal health and livestock production; rural engineering income generation; microfinance; and women's development activity.</p> <p>PRB's agricultural activities include the rehabilitation of agriculture and its products in Afghanistan. The trial and distribution of improved wheat, maize, rice and vegetable seeds are its first priority.</p> <p>PRB contributes to the rehabilitation and production of livestock and animal husbandry in Afghanistan. Its programme consists of two sections: veterinary and livestock production.</p>
Solidarity for Afghan Families (SAF)	SAF works on health, education, agriculture and social development.
Swedish Committee for Afghanistan (SCA)	The SCA works for education, health and support to people with disabilities, as well as in rural development.
SOZO International	SOZO supports work and training programmes that enable people to support themselves. It also supports small business start-ups that create economic activity in communities.
Swedish International Development Cooperation Agency (SIDA)	SIDA works to strengthen the private sector alongside its other agenda. SIDA promotes the environment, while encouraging micro-entrepreneurs and small businesses.
Swiss Agency for Development and Cooperation (SDC)	The SDC has activities designed to improve income opportunities through landscape diversification, higher crop yields and efficient cattle farming; promotion of small- and medium-sized enterprises; raising awareness and prevention in the field of health; elementary schooling and the general quality of education; provision of water supplies and sanitation.
Professional Construction Machinery Fixation School in Kabul (State-owned TVET school, under ASDP)	Formal T-VET education, 107 male students enrolled in 2010-11 academic year.
Professional Commerce High School of Kabul (State-owned TVET school, under ASDP)	Formal T-VET education, 140 students enrolled in 2010-11 academic year.
Jamhoriyat High School of Economics and Administration of Kabul (State-owned TVET school, under ASDP)	Formal T-VET education, 91 students enrolled in 2010-11 academic year.
Kishm Agriculture High School of Kabul (State-owned TVET school, under ASDP)	Formal T-VET education, 29 students enrolled in 2009-10 academic year.
Kabul Agriculture and	Formal T-VET education, 472 male students enrolled in 2011-12 academic year.

Name of the organization/project	Provision of services
Veterinary Institute (State-owned TVET school, under ASDP)	
Kabul Auto Mechanic School (State-owned TVET school, under ASDP)	Formal T-VET education, 906 students enrolled in 2011-12 academic year.
Kabul Accounting and Management Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 1,359 students enrolled in 2011-12 academic year, with more than 941 students on the night shift.
Females Accounting and Management Institute of Kabul (State-owned TVET school, under ASDP)	Formal T-VET education, 476 female students enrolled in 2011-12 academic year.
Kabul ICT institute (State-owned TVET school, under ASDP)	Formal T-VET education, 644 students enrolled in 2011-12 academic year, with more than 390 students on the night shift.
Kabul Civil Aviation Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 134 students enrolled in 2011-12 academic year.
Kabul Water and Energy Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 493 students enrolled in 201-12 academic year, with more than 144 students on the night shift.
Kabul Afghan IT institute (State-owned TVET school, under ASDP)	Formal T-VET education, 208 students enrolled in 2011-12 academic year.
Kabul Technical Teacher Training Academy (State-owned TVET school, under ASDP)	Formal T-VET education, 194 students enrolled in 2011-12 academic year.
Kabul National Institute of Management and Administration (State-owned TVET school, under ASDP)	Formal T-VET education, 2126 students enrolled in 2011-12 academic year.
Kabul Construction and Engineering Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 689 students enrolled in 2011-12 academic year.
Department of Agriculture, Irrigation and Livestock (DAIL)	<p>DAIL has the following ongoing projects:</p> <ul style="list-style-type: none"> • On-Farm Water Management (OFWM) funded by the World Bank • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Horticulture Cooperatives Development Project (HCDP) funded by AFD • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Animal Husbandry Development Project (AHDP) funded by AFD

Name of the organization/project	Provision of services
	<ul style="list-style-type: none"> • Beekeeping Development Project (BDP) funded by AFD • Perennial Horticulture Development Project PHDP) funded by the EC • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Commercial Horticulture and Agriculture Marketing Programme (CHAMP) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by the EU • Variety and Seed Industry Development Project funded by the EC • Promoting Integrated Pest Management in Afghanistan funded by the Norwegian Government • Agriculture Development Fund (ADF) - Agriculture Credit Enhancement Programme funded by USAID

DEMAND AND SUPPLY OF FINANCIAL SERVICES

It was found that poor financial literacy among households is prevalent in all sites - and **Kochi Abad** is no exception. The HHs’ financial management is very poor, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

No financial service providers were identified in the community as such. People take loans from each other. Buying on credit from community shops and at the nearby bazaar is commonplace. Details of financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The site falls under the category of “limited agriculture and near an urban centre”⁸⁸. As most of the men among the returnees/IDPs and host communities find their means of livelihood in Kabul city, Recommendations 2, 4, 5 and 6 from the main report are very important for this site. The long list of service provider organizations identified should serve as a basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services

⁸⁸ The site typology is discussed in the main report

√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services
	8. Assist the value-chain development (VCD) of selected agriculture subsectors
√	9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors
√	Other: Link vulnerable HHs to the private carpet weaving companies in Kabul, which are active in the host communities.

1. Help HHs better manage their financial resources

APPLICABLE: This has been chosen as the first Recommendation on account of the site's poor financial management, lack of savings culture and prevalence of over-indebtedness. The ILO's financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: While access to formal education is relatively easy due to the proximity of the site to an urban centre, access to career and entrepreneurial education could be introduced at secondary-school level. This would have a tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centers in benefiting from access to savings accounts as well as to low-cost and reliable remittances services

NOT APPLICABLE: Given that most of members of the communities commute to Kabul city on a daily basis, Recommendation 1 could cover the savings element of this Recommendation, while the remittances component is not relevant. Serving the need of migrant workers in other urban centres goes beyond this site-specific Recommendation.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers' and workers' organizations, including the Afghan Builders' Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the poor working conditions in general; no or unfairly reduced payment;⁹ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: Given that a significant percentage of the host community HHs rely on urban informal jobs - but none from the returnee/IDP community - the latter should be encouraged to try and find this type of employment. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: Although only a few people from the host communities own small businesses in Kabul – and there are none owned by people from the returnee/IDP community – the vibrant Kabul market provides ample opportunities to start and improve MSEs. This does not apply to the communities themselves, because people prefer going to Kabul to shop for most of the goods and services they need. The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

⁹ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: Although the target HHs have many family members working in Pakistan and the Islamic Republic of Iran, this goes beyond this site-specific Recommendation.

8. Assist the value-chain development (VCD) of selected agriculture subsectors

NOT APPLICABLE: This is not feasible because there only limited agricultural activities in the returnee/IDP community and none at all in the host communities. Any efforts in this area would have to start by introducing irrigation facilities, but only 10 per cent of those in the returnee/IDP community would benefit from such an investment.

9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

APPLICABLE: Supporting people with physical or mental disabilities in both the returnee/IDPs and host communities – although their number is small - is important to ensure that livelihood development is inclusive and fair, particularly when none of them have a job and any external support. A first consideration would be to link them to MoLSAMD's public cash transfer programme of benefits for the Families of Martyrs & Disabled.

As 60 per cent of the families come under the category of EVI, they should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.

OTHER: Link vulnerable HHs to the private carpet-weaving companies in Kabul, which are active in the host communities.

Some vulnerable individuals in the returnee community are forced to take low-income jobs - either in the village or outside. Given the fact that the nearby host communities are highly involved in carpet-weaving and working with a number of private companies in Kabul city, this same opportunity could be pursued in the returnee community.

In view of the eroding competitiveness of the sector and the long-term decline of wages in general, there is a need to identify companies that have high-end and/or niche possibilities. Failing this, the sector might be restricted and support only vulnerable households – such as female-headed households or those without working-age male in the family - for whom other opportunities are limited. If the

number of HHs involved in the community becomes an issue, other HHs interested in making a supplementary income might also join.

This Recommendation runs the risk of keeping vulnerable workers in low-paid and hard jobs without any protection. It is therefore important to involve experts in BDS market development in the process, to ensure that they negotiate fair working conditions and facilitate the workers' access to social protection (Recommendation 9).



KOPROOK, BAMYAN

Employment patterns

Returnee/IDP community¹

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
100%	90%	0%	15%	1%	2%	80%	3%	1%	3%

Base: 300 HHs (70 returnees and 230 returned IDPs)

INTRODUCTION

Koprook is a remote village in the eastern part of the Yakawlang district in Bamyan province. It is located 71 km north-west of Bamyan town, and is a 30 minutes' drive from the Band-e-Amir lake. There is another track road between the Bamyan-Yakawlang road (which is also the historic Silk Road) and the village, which starts around 15 km before the Band-e-Amir bazaar. The length of this track road (partially gravelled) is about 11 km. The nearest bazaar to Koprook is Band-e-Amir, followed by Yakawlang and Bamyan. There is no local bus between Koprook and these bazaars. People travelling to Bamyan city or Yakawlang bazaar can take a minivan (accommodating eight to ten people) or a truck owned by individuals in Koprook village. The one-way trip costs 150 Afs per person. People mostly travel to Band-e-Amir on foot, by donkey or on motorcycle. Some people going to the Bamyan or Yakawlang bazaars go to the main road on foot or by donkey and then take a minivan or minibus. The ride costs 100 – 150 Afs.

The village is situated in a valley surrounded by 3,000 m mountains, and is totally cut off in winter (from mid-November to April) as both roads to the village are blocked by snow.

¹ Information based on interviews with the Community Development Council (CDC) executives at the inception meeting, and also on further follow-up site visits. As many HHs have multiple incomes – as there are several income earners in each family – the total does not come to 100 per cent.



Figure 1: Satellite image of Koprook village

Koprook is one of 14 villages lying within the area of Band-e-Amir - an area of approximately 222 square miles - that was declared the first National Park of Afghanistan in 2009. There are around 300 families currently living in Koprook, of which 70 are returnees and the rest are IDPs. Most of the inhabitants left Koprook in the early 1980s, as the fighting in and around Yakawlang made it impossible to find work or food. This displacement continued during the Taliban regime, with families fleeing to the Islamic Republic of Iran and Pakistan, and inside the country to Kabul, Herat and Mazar-e-Sharif; 158 families have still not returned, the majority of whom live in the Islamic Republic of Iran. Around 40 families were expected to return to Koprook in 2012. The majority of the families living in Koprook are Sayeds. There are also 16 Hazara families.



Figure 2: Physical layout of Koprook village

Disability

According to the CDC executives and local people, there are around 20 people with disabilities in the community. Five of them have been mentally disabled since birth, or on account of illness. Fifteen cases of physical disability are related to an occupational accident, war or illness. None of the people in this group have a job, and they do not receive any donations or support from NGOs or the Government.

LOCAL LABOUR MAPPING

Agriculture

Agriculture is the major means of livelihood for all the households in the community. Because of the harsh winter, there is only one crop cycle in Bamyan. Figure 3 shows the major crops and corresponding agricultural cycles in Bamyan.

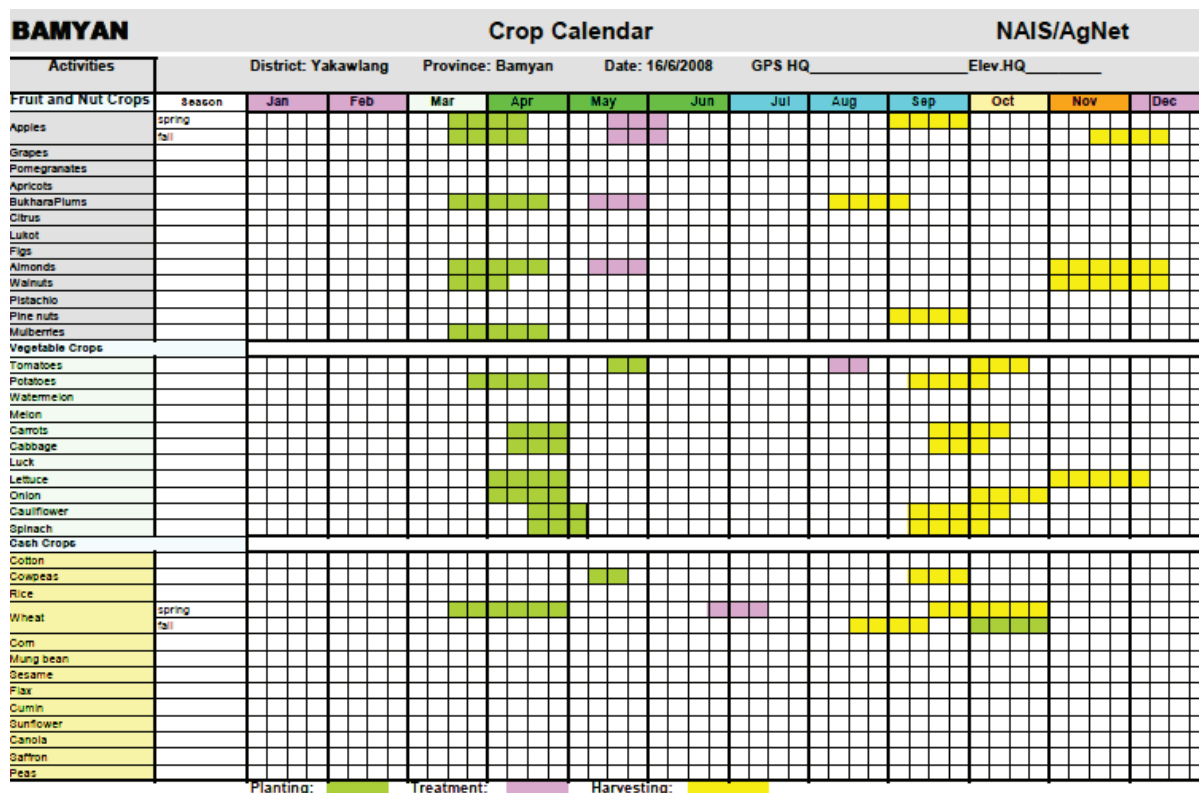


Figure 3: Crop calendar of Bamyan (source: USDA, 2008)

Out of the 256 families currently living in the village, around 60 families do not have any land of their own. The average piece of land per household is 2 *jeribs* (1 *jerib*=1/5 of a hectare). Seventy per cent of the total agricultural land is rain-fed, while the rest is irrigated. Farmers without land enter into a sharecropping arrangement with some of the landowners. Under this arrangement, the sharecropper is

given one quarter of the total harvest and the remainder goes to the landowner. Those families who have more livestock animals and are better-off usually invite those without land to grow crops in their fields as sharecroppers. Furthermore, a number of families (50-60) who had earlier returned from the Islamic Republic of Iran decided to leave the village some time afterwards and settled in Kabul, Mazar-e-Sharif, and elsewhere. Before leaving, they sold their livestock animals and other assets but retained their land, which they lease out to other farmers at a rate of 3,000 Afs per *jerib*. They come once every two to three years to collect their lease payments or get them transferred through *Hawalas* (informal value transfer system).

Wheat, barley, potatoes and *mashung* are the major crops in Koprook, all of which are grown during the summer. Due to its high altitude and harsh winter, the village only has one crop cycle per year. *Mashung* is a type of bean grown as a field crop, of which the leaves and stems are used as fodder for livestock animals in the winter. Wheat, potatoes and barley are mostly produced for self-consumption. Koprook does not have any fruit orchards because of its climatic conditions and short summer.

Farmers use their own retained seeds, as they are ill informed about the availability of better quality seeds at the Yakawlang or Bamyan city markets. They heard that the Government had distributed some good quality seeds to farmers in various villages the previous year, but they did not receive any such support. However, they buy fertilizers from either the Yakawlang or Bamyan city markets and apply one bag (50 kg, for 1,500 Afs) per *jerib*, which they feel is not sufficient. Another input they buy is water. In fact, they do not buy water as such but depend upon the services of a man, appointed by the farmers in the village, who distributes water. Water is distributed on the basis of the number of a person's sons and not the size of the land. A farmer growing various crops on two different plots of land pays this water distributor in kind – i.e., crops grown, such as wheat, which are worth around 250 Afs.

Inadequate access to irrigation water was found to be the major constraint to agriculture. Farmers stated that they could have had a higher yield if there had been a greater water supply. Applying less fertilizer was also linked to the lack of water. At present, farmers obtain their water from a reservoir that is 7 km away. The water is brought to the village through a narrow canal, where there is considerable spillage, before it reaches the agricultural land. Furthermore, the dam is not high enough to retain sufficient water. The new dam was built 12 years ago by a French organization. At the time, the villagers had suggested that the old dam be repaired – the one that the people from the village themselves had built 50 years before, which consisted of a concrete channel that brought water to the agricultural land. What is more, the previous dam was higher and could store more water. In the present circumstances, farmers feel that three measures could be taken to increase the water supply: increase the height of the dam; re-excavate the stream leading from the dam; and build a concrete channel to the village to reduce water spillage. Moreover, if the water supply increases, the nearby village Opkul could also benefit. As mentioned before, all the farmers grow crops for their self-consumption; their production is so limited that most of them also have to buy produce from the market.

Livestock

Around 90 per cent of families have livestock (sheep, goats, cows and, of course, a donkey for transportation), which is their major source of income as they hardly sell any agricultural produce. The minimum herd size is ten - and some people have 40-50 animals. Livestock seem to be considered more as a form of liquidity to maintain household expenditure rather than as a commercial activity. Most of the families buy household goods and daily necessities from shops in the Band-e-Amir market on credit. After a few months, when they need to settle their credit, they sell one or two animals to the livestock traders who come from Bamyan city. Many traders come to the village periodically to buy animals and take them to Bamyan city, or even supply them to Kabul. Selling animals does not seem to be an issue. If villagers want to sell their animals, they telephone traders and ask them to visit their village. They also seem to be knowledgeable about market prices. The average selling price of a lamb is 3,000 Afs, of a sheep 4,500 Afs, and of a cow 30,000 Afs. The people also make some dairy products and sell them in the local market, but their earnings from this are insignificant.

A major problem is the high mortality of livestock - 20-25 per cent per year - which is a big loss for this poverty-stricken target group. There is no veterinary doctor or clinic in the vicinity. The villagers can only buy medicines from Bamyan city, which is around 71 km away, and the road between Band-e-Amir and the village is gravelled - and there is no regular means of transport. From an economic standpoint, it would make more sense to treat or vaccinate the animals in the village rather than take them to the city. But there is hardly any extension service from the Government or private sector. Furthermore, the people do not seem, in general, to be very aware of the importance of vaccinations. This low level of awareness is clearly due to the villagers' lack of commercial orientation.

Wage labour

At present, there is no daily wage-based work in the community, as this is mostly contingent upon development projects and related activities. Whenever there is any infrastructural work, people from the community are employed as wage labourers. In winter, a few households who do not have young family members hire people to remove the snow from their pathways. The wage is 300 Afs per day. However, the CDC is responsible for clearing the roads and people help each other to remove snow from the roads and paths, without being paid.

Informal workers

According to the CDC executives and members, there are a few informal workers in the village. These include one tailor, one carpenter, one radio and television mechanic, one motorcycle repairs merchant, three or four masons, and one metal works craftsperson - but they do not have a permanent job. They are based in the community and only find work if someone from the village hires them. Most of the time, they work in their agricultural fields. There are 40 carpet weavers in Koprook, but they do not practice their occupation because of the lack of buyers and the poor wage rate.

Small businesses

Three grocery shop owners from the community run their business in Band-e-Amir during the summer (May-September,) but in winter they bring their goods to the community and run their business from there.

Formal jobs

Four people (three men and one woman) from Koprook teach at the community school.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Koprook village is characterized by harsh winters. As a result, summer is the only agricultural crop-growing season, and farmers move up to the mountains with their livestock to access the grazing land and facilitate agricultural production in the village. This seasonal migration is called *Ailak*, but the farmers make frequent visits back to the village to tend their fields. The remaining household members remain in the village during the *Ailak*. This period ends when the harvest season starts at the end of summer or the beginning of autumn. People start to return to their villages but the livestock remain a few more months in the mountains until it begins to snow. In general, livestock are kept in the village during the three to four extreme winter months, and stay in the mountains for the rest of the year.

Wage labour

According to the CDC executives and local people, 20-22 young people from the community are at present working in the Islamic Republic of Iran (Zabol) as daily wage labourers. After the agricultural harvest, most of the young people go to other cities in Afghanistan such as Kabul, Kandahar, Mazar-e-Sharif, Herat, Samangan, and sometimes Nimroz, for 3-4 months to work as daily wage labourers in house building, road construction, and in coal mines. On average, they earn 7,000-8,000 Afs per month. The young people usually go in groups to a particular city. Last year, some of them went to Kandahar to work in a government project, where they earned 40,000 Afs in 40 days; however, on account of security reasons and harassment by the Talibans, they returned earlier than planned. It was observed that young people usually depend on their peers' information to go to a specific place, or they move directly to urban centres with the hope of finding work.

Informal workers

The informal skilled workers living in the community move on to urban centres once they have finished their agricultural work.

Small businesses

Only three people run small grocery shops (one shop also provides vulcanizing services) in the Band-e-Amir bazaar. However, all the shops in Band-e-Amir remain closed during the winter (from the end of

November to April). The shopkeepers from Koprook move their merchandise back home to the village during those four months and sell from there.

Formal jobs

Seven people from the community are employed by the Afghan Army and are based in Jalalabad, Kabul, Gardez and Mazar-e-Sharif. Two to three people work as drivers or guards in NGOs in Bamyan city.

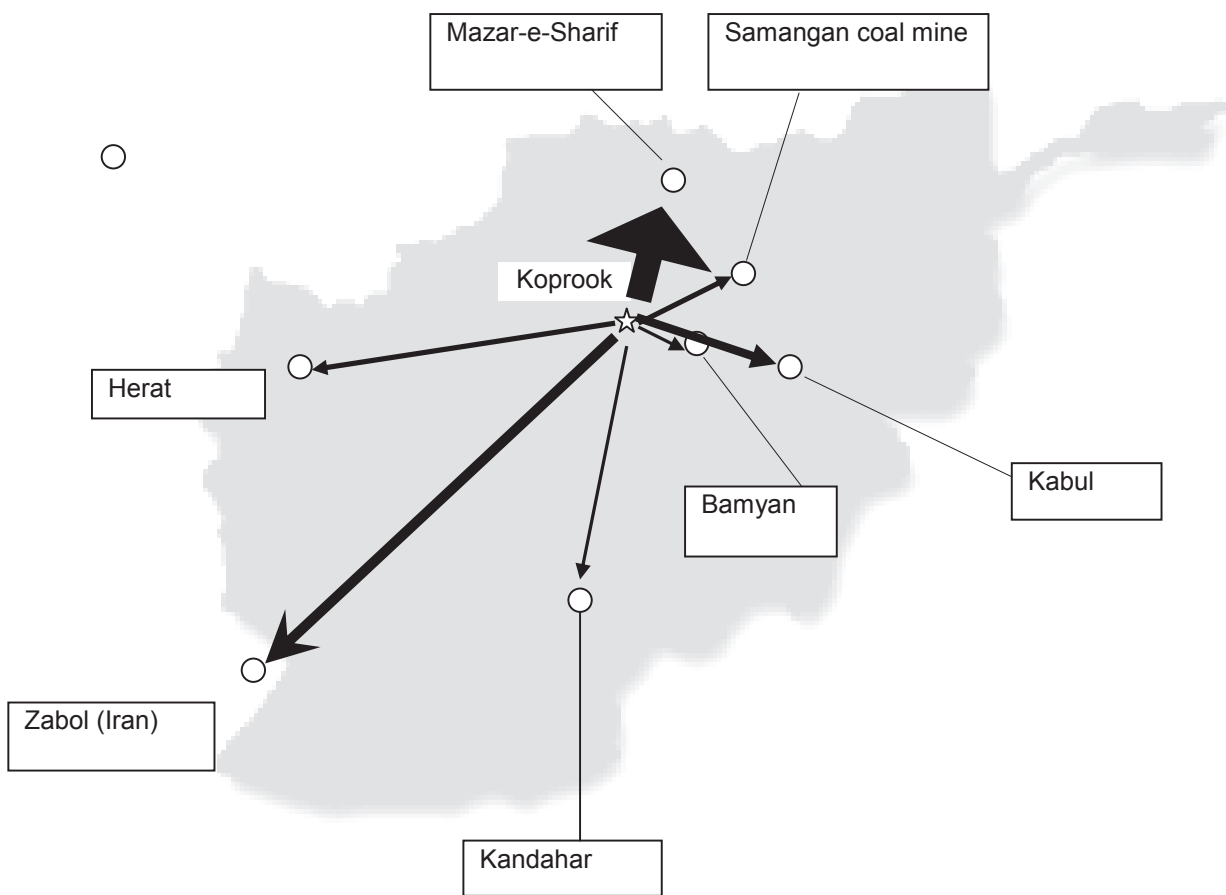


Figure 4: Labour and business mobility of the people in the Koprook site

MOBILITY MAPPING OF EDUCATION/TRAINING

There is a secondary school in Koprook community up to 9th grade. Afterwards, pupils go to Band-e-Amir or Bamyan city to attend high school.

According to a teacher at the community school, there are 260 pupils at present in 1st to 9th grade. Out of 260 pupils, 95 are girls and the remaining are boys. Last year, 18 pupils (nine boys and nine girls) graduated from 9th grade. Of the girls who graduated, seven are continuing their education and attending the Band-e-Amir high school, whereas all the boys are continuing their studies at the high schools in Band-e-Amir and Bamyan city.

According to the local people, no females from the community are studying at university level. A total of 13 students (all men) are studying at various universities in different cities: one at Faryab University; one at Samangan University in the Education and Training faculty (Talem o Tarbya faculty); one at Nimroz University in the Education and Training faculty; and ten at Kabul universities in various departments.

One student is studying at a private university in Kabul, while doing part-time work in a private company. He attended a short course on English, computer sciences and the Internet before getting the job. He earns 6,000 Afs per month.

MAPPING OF AVAILABLE TRAINING AND BDS

Training provided in the community

There are no sustainable livelihood support projects or skills-based training in the village at present. In 2009, UN-Habitat conducted a six-month training course on tailoring for 28 women and distributed sewing machines to each of them at the end of the period. It was observed during the field visit, however, that not one of these women is working as a tailor on a commercial basis. The organization also dispensed electrical training to 27 men for three months and distributed electrical toolkits to each of them at the end of the course. In 2008, the Agency for Assistance and Development of Afghanistan (AADA) trained two men in animal husbandry. The organization paid 4,000 Afs to each of the men every month and gave them medicine and two cows for producing calves. But the cows died from some disease, and the people of Koprook did not buy any medicine from them because the price was higher than that in the Bamyan bazaar.

Five or six years ago, 256 families were provided with solar panels with batteries to generate electricity under the National Solidarity Programme (NSP). In 2011/12, the NSP conducted a two-month training course for six people in agriculture and six in animal husbandry. In 2012, the Dutch Committee for Afghanistan (DCA) sent one person to Parwan province to be trained in animal husbandry on a six-month course. The person was selected by the CDC of the village. When he comes back, he is supposed to open a private clinic with the help of the DCA and DAIL. The Aga Khan Foundation (AKF) provided training to farmers on livestock from 2003 until last year, when the private sector started to provide these services.

Agricultural veterinary inputs and advice are available in Bamyan city. There are a few veterinarians in the city market who sell medicine and vaccines. They also have a mini diagnostic laboratory. If they fail to diagnose the disease, they send a sample to the Government Veterinary Department in Kabul and have it diagnosed free of charge. But according to one of the veterinarian retailers, the farmers' awareness level is very low. They wrongly believe that one medicine can work for all diseases. Whenever an animal is ill, they use the same medicine they have at home. Livestock farmers from Koprook village come to him with or without their animals. He prescribes medicine after diagnosing the animals - or on the basis of the symptoms described by the farmer. Sometimes farmers also bring him the body parts of a dead animal to be tested and to get the corresponding prescription. Every season, he goes to the village to vaccinate around 1,500 sheep. The AKF and DCA have also conducted some training courses for these veterinarian retailers.

There are a few agricultural input shops in Bamyan city, but only a few people from Koprook go to them to buy their goods.

Training/BDS provided by organizations based in Bamyan

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few Departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training), and Industry and Export Promotion.
Aga Khan Development Network (AKDN)	The AKDN is a group of development agencies with mandates that include the environment, health, education, architecture, culture, microfinance, rural development, disaster reduction, promotion of private-sector enterprise and the revitalization of historic cities. Among the agencies, the Aga Khan Fund for Economic Development (AKFED) and the Aga Khan Foundation (AKF), which address rural development, are the two major agencies dealing with training/BDS/livelihood supports. The Afghan Government's National Solidarity Programmeme (NSP) is central to the AKF's rural development activities.
Cooperation Centre for Afghanistan (CCA)	Along with its other activities, the CCA works in vocational training and the creation of BDS provisions. It does not have any vocational training project in Bamyan currently, but has conducted one in Daikundi, when it provided training on office skills, dairy and wool processing, carpet weaving, masonry and agriculture. Its skills training curriculum is accepted and used by MoLSAMD partners including the CCA. In Bamyan, it helped establish private-sector owned and operated potato cold stores.
Department of Agriculture, Irrigation and Livestock (DAIL)	<p>The DAIL has the following ongoing projects:</p> <ul style="list-style-type: none"> • On-Farm Water Management (OFWM) funded by the World Bank • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Horticulture Cooperatives Development Project (HCDP) funded by the Agence Française de Développement (AFD)

Name of the organization/project	Provision of services
	<ul style="list-style-type: none"> • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Animal Husbandry Development Project (AHDP) funded by AFD • Beekeeping Development Project (BDP) funded by AFD • Perennial Horticulture Development Project (PHDP) funded by the EC • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by the EU • Variety and Seed Industry Development Project funded by the EC • Promoting Integrated Pest Management in Afghanistan funded by Norwegian Government • Agriculture Development Fund (ADF) - Agriculture Credit Enhancement Programme
The National Solidarity Programme (NSP)	The NSP was created in 2003 by the MMRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.
UN-Habitat	UN-Habitat provides skills building training and promotes community savings

DEMAND AND SUPPLY OF FINANCIAL SERVICES

It was found that poor financial literacy among households is prevalent in all sites - and Koprook is no exception. The HHs' financial management is very poor, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

As far as financial services are concerned, no microfinance institution (MFI) was observed in the village. One person went to Bamyan city to the Aga Khan Foundation/First MicroFinance Bank – Afghanistan (FMFB-A) to borrow 20,000 Afs. He was asked to present two guarantors who had fixed assets, such as shops or land. He could not manage to comply with these requirements and left. All the villagers buy on credit from the shops in the Band-e-Amir bazaar. In most cases, the price is almost 100 per cent higher – with a 3-4-month payback period.

In 2010, UN-Habitat and the MRRD created a savings group in the community. Sixty households belong to this group, and each member saves 40 Afs per month. At present, the total fund stands at 460,000 Afs (UN-Habitat contributed a grant of 400,000 Afs). After applying to the CDC (apparently the CDC is also part of the savings group), members can take a loan of up to 9,000 Afs. There are also group loans, where three persons can apply for a maximum loan of 50,000 Afs. Details of financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The site falls under the category of “agriculture-based and far from an urban centre”²². As Koprook is an agriculture-based local economy (all HHs earn some income from agriculture), the site provides some niche opportunities to increase production and productivity - and thereby to increase the population’s real income. Furthermore, livestock account for a significant part of the income of the majority of households.

As most of the men find their seasonal means of livelihood in other major cities in Afghanistan, Recommendations 2, 3, 4, 5 and 6 from the main report are very important for this site. The list of service provider organizations identified should serve as a basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
√	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services
	8. Assist the value chain development (VCD) of selected agriculture subsectors
√	9. Assist vulnerable HHs and individuals in being linked to the social protection programmes of the government and donors
√	Other: A. Improve irrigation facilities to promote agricultural growth B. Improve access to veterinary services to reduce the high mortality of livestock and also to promote better animal husbandry practices

1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the site’s poor financial management, lack of savings culture and prevalence of over-indebtedness. The ILO’s financial education

²² The site typology is discussed in the main report

package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: Access to formal education is relatively easy as there is a secondary school in the community and a high school at the nearby Band-e-Amir bazaar. However, career and entrepreneurial education could be introduced at the secondary-school level. This would have a tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services

APPLICABLE: As 80 per cent of the men from the site migrate seasonally to major urban centres in Afghanistan for daily wage-based work, access to savings accounts and low-cost and reliable remittances services could help the migrants better manage their savings and ensure that their money is transferred risk-free to their families. Although Recommendation 1 could effectively help develop the savings culture, a system providing access to savings accounts and low-cost and reliable remittances services should be in place at both the respective urban centre and at the site.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers' and workers' organizations, including the Afghan Builders' Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the poor working conditions in general; no or unfairly reduced payment;³ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and

³ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: Although the current number of informal workers from the site employed in urban centres is low, this type of employment should be further encouraged. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: Although only a few people from the community own small businesses in Band-e-Amir – and there are none in any other urban centres - urban markets provide ample opportunities for people to start and improve MSEs. This does not apply to the community itself, where there is limited opportunity for growth.

The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: Although the target HHs have many family members working in Pakistan and the Islamic Republic of Iran, this goes beyond this site-specific Recommendation.

8. Assist the value chain development (VCD) of selected agriculture subsectors

NOT APPLICABLE: Although the economy is agriculture-based and all the families are dependent on agriculture, subsistence-level farming provides limited opportunities for a VCD programme. However, an improved savings culture, in addition to increased income resulting from other Recommendations and

better performing irrigation facilities, could lead to commercial agriculture in the future. Only then could a value chain development programme be considered (See Recommendation A under “Other” below).

9. Assist vulnerable HHs and individuals in being linked to the social protection programmes of the government and donors

APPLICABLE: Supporting people with physical or mental disabilities in the community – although their number is small - is important to ensure that livelihood development is inclusive and fair, particularly when they have no jobs or external support. A first consideration would be to link them to MoLSAMD’s public cash transfer programme of benefits for the Families of Martyrs & Disabled. To enhance this support, they should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.

OTHER:

A. Improve irrigation facilities and help farmers’ productive investment through enhanced HH financial management to promote agricultural growth

At present, the agriculture in the village is at subsistence level. Production volumes are inadequate to generate a marketable surplus. The lack of any proper and constant irrigation facilities prevents the farmers from engaging in any commercial agricultural production to increase their income. A first step towards introducing commercial agriculture would be to ensure that irrigation facilities are in place. This could be promoted either in the form of cash and food for work schemes under the UNHCR-led project, and/or coordinated interventions through other programmes and initiatives on irrigation. Experts could be involved to see to it that access to water is secured from a technological standpoint - and within the socio-political context - and that there are maintenance mechanisms for the irrigation facilities in the community, which ensure that they are sustainable.

Second, improved household financial management would also enable the farmers to invest in required inputs such as fertilizers to increase productivity. At the moment, they use little or no fertilizers because of a lack of funds, and this results in a low yield. But providing free/subsidized seeds and fertilizers through time-bound projects is not the solution. Capital accumulation through agriculture is a long process involving many financial risks – both for agriculture and for HHs. Financial education, if properly informed and structured, could help HHs better manage these risks and ensure that farming households benefit from the positive cycle of savings-investment-profit.

B. Improve access to veterinary services to reduce the high mortality of livestock and also to promote better animal husbandry practices

Although livestock are a very important source of income in the site (90 per cent of households have animals), they have a high mortality rate. This may be attributed mainly to the people’s inadequate knowledge of ways to treat animals and to the distance from Bamyan city (where veterinary services are available). While tapping DAIL relevant projects might address this problem, it may not be sustainable -

given DAIL's heavy reliance on project funds to mobilize their extension network beyond urban centres. A more sustainable approach would be to work with private veterinary service providers in Bamyan city, and let DAIL and other projects continue providing their services as a supplementary measure. Carrying a diseased animal to the city is troublesome and also expensive. However, for a veterinary service provider, visiting a distant place for only one or a few animals is not feasible. A periodic visit to the village by private company representatives dealing with livestock medicines/vaccines could be an option. The project could negotiate with private companies to extend their services to the villages. As many other reintegration sites have a significant number of livestock, a large private company with a good coverage could also benefit by tapping this market - leading to a win-win situation for both the companies and the project. Nonetheless, it is important to involve the expert of the BDS market development approach in negotiations with the private sector, in order to strengthen the provisions of the veterinary service in a commercially sustainable manner, while avoiding exploitative or inequitable situations. Should the distance from the city prevent the private vet service from being provided to the community, ideas such as training para-vets in the community could also be pursued.

KURJI, FARAH



Employment patterns

Returnee/IDP community:¹

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
10%	5%	20%	0%	<1%	0%	80%	7%	1%	0%

Base: 900 HHs (400 returnees and 500 IDPs)

INTRODUCTION

Kurji Township is a land allocation scheme (LAS) settlement located around 10 km east of Farah City. The local name of the township is Shahrak Mahajerin. It is surrounded by other townships and villages - to the north by Farah Kohi Kurji village; to the south by Kurji village; to the west by Shahrak Mohalemin (Teacher's Township); and to the east by the vast desert of Farah. Although the access road to the main asphalted road is in poor condition, people usually find various means of transport to go to the city, such as motorcycles or three-wheelers (zarang). The trip takes 25-30 minutes and costs 10 Afs. There are no minivans or buses in service, but given the size of the site and the surrounding villages and townships, three-wheelers and motorcycles are available most of the time. Some people also commute to the city from the site on their own bicycles.

According to the CDC members, around 900 families (both returnees and IDPs) are living at the site. A further 800 families live in neighbouring villages. Fifty per cent of the total population are Pashtuns, and the rest are from different ethnic groups. People started settling here in 2003 when MoRR distributed 500 square metres of land to each family for 7,500 Afs. A total of 3,000 plots have so far been allocated, but only around 900 households have built houses with external assistance. Most of the returnees and IDPs living in the village returned from neighbouring countries or IDP settlements in provinces such as Herat, Badghis, Faryab, Ghor, Helmand, and Nemroz.

¹Information based on interviews with the Community Development Council (CDC) executives at the inception meeting, and on further follow-up site visits. Given that HHs sometimes have multiple incomes – as there are often several income earners in one family – the total does not come to 100 per cent.

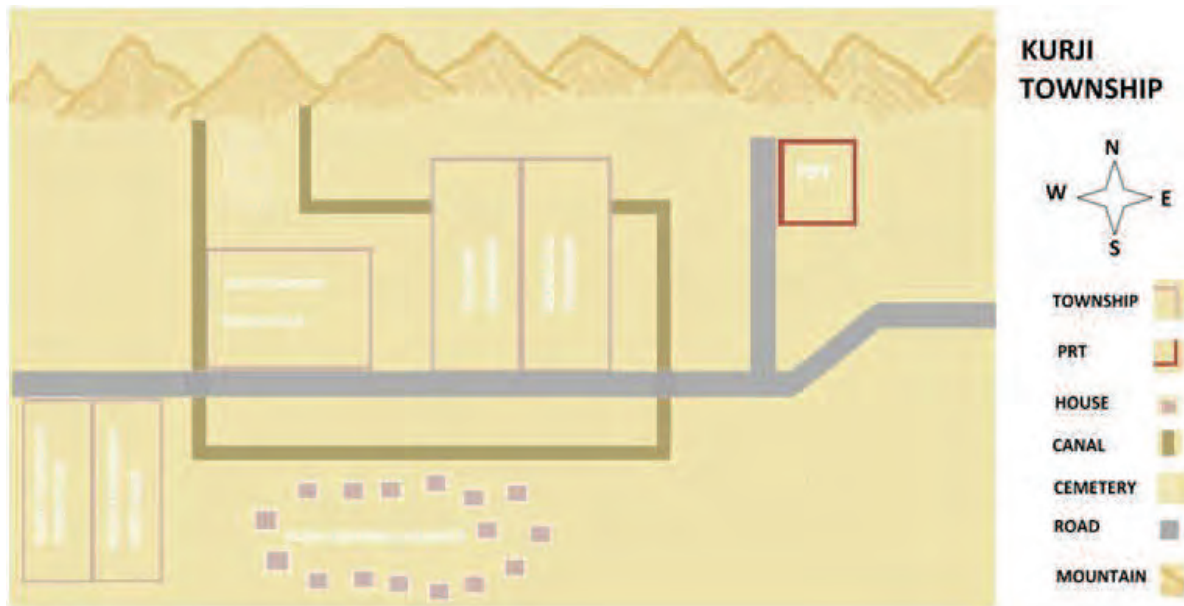


Figure 1: Physical layout of Kurji Township

Disability

The number of people with disabilities – 140 - is significantly higher than that in many other reintegration sites. Most of the people were disabled either during the war - or after the war by land mines. Some were involved in road accidents, and a few others had occupational accidents. Eighteen people are partially disabled on account of chronic back pain, which started when they were physically assaulted by the Iranian law enforcement agency during their exile. Most of the disabled people are unemployed, and only a few have trade-based jobs that require limited physical strength. One disabled person from the site is working in Farah City, selling used mobile phone sets. No one is getting any allowance or stipend from the Government.

LOCAL LABOUR MAPPING

Agriculture

As Kurji is a LAS, the residents do not have any agricultural land. However, around 10 per cent of people from the site work as agricultural labourers in the surrounding villages.

Figure 2 shows the crop calendar of Farah province. It may be observed that there are two cropping seasons in one agricultural calendar year, which provide agricultural wage-labour opportunities for only two or three months.

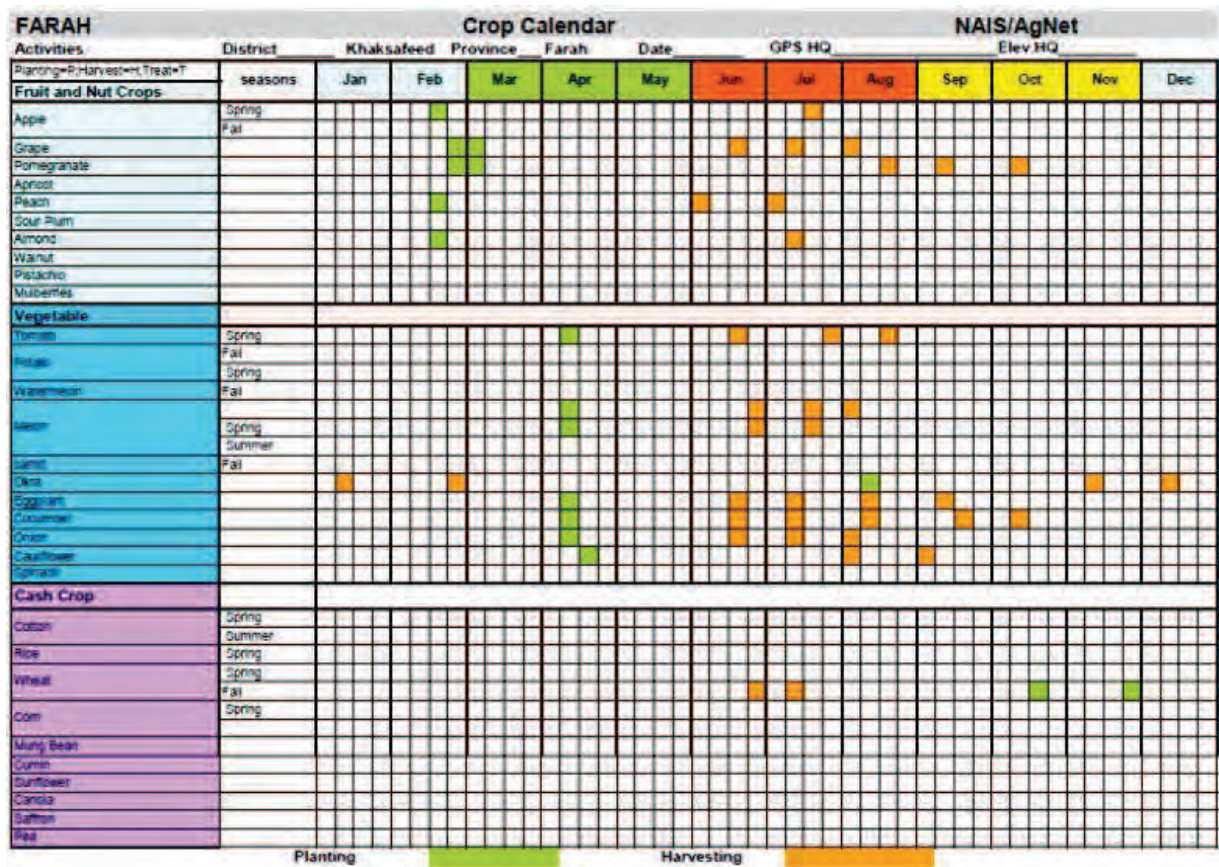


Figure 2: Crop calendar of Farah province (source: USDA, 2008)

Livestock

Only around 10 per cent of households have livestock, and the herd size is generally very small: one milking cow, a few goats and several backyard poultry birds. The animals are mostly reared for household consumption and considered as savings that might be used as liquidity in a crisis.

Wage labour

As the site is a newly established Township, there are significant daily wage-labour opportunities in infrastructural development and construction, such as the building of houses, roads, culverts and protection walls. Around 20 per cent of the HHs are involved in daily wage-based work in the community. The average wage per day ranges from 250 to 300 Afs.

Informal workers

No one in the community was found to be involved in any skills- based work.

Small business

There are a few grocery shops in the community. No other small businesses were found.

Formal job

No one from the site is involved in any kind of formal job.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Wage labour

Eighty per cent of the households depend on daily wage labour outside the community. Most of the families that returned from the Islamic Republic of Iran and Pakistan and settled in Kurji Township sent their family member/s back to these same countries to work. At present, 200 people from the site are working as daily wage labourers in the Islamic Republic of Iran. The statistics of people working in Pakistan are unknown, but there cannot be less than 50. Approximately 100-150 people go to Farah city every day to find a job. However, finding a daily job is rare and people work on average two or three days a week. The average wage in the city is 300 Afs.

Informal workers

Around 70 people from the community are employed as skilled workers in Farah city.

Small businesses

Some people from the community run transport businesses. Two people have three-wheelers, and a few more have motorcycles, with which they transport people from the community and surrounding areas to the city. Two people in the community have mini-trucks. They work inside the community and also in Farah city. A number of residents have small trading or retail businesses in the city, and they sell fruits and vegetable or second-hand mobile phones.

Formal jobs

No one in the LAS has a formal job outside the community.

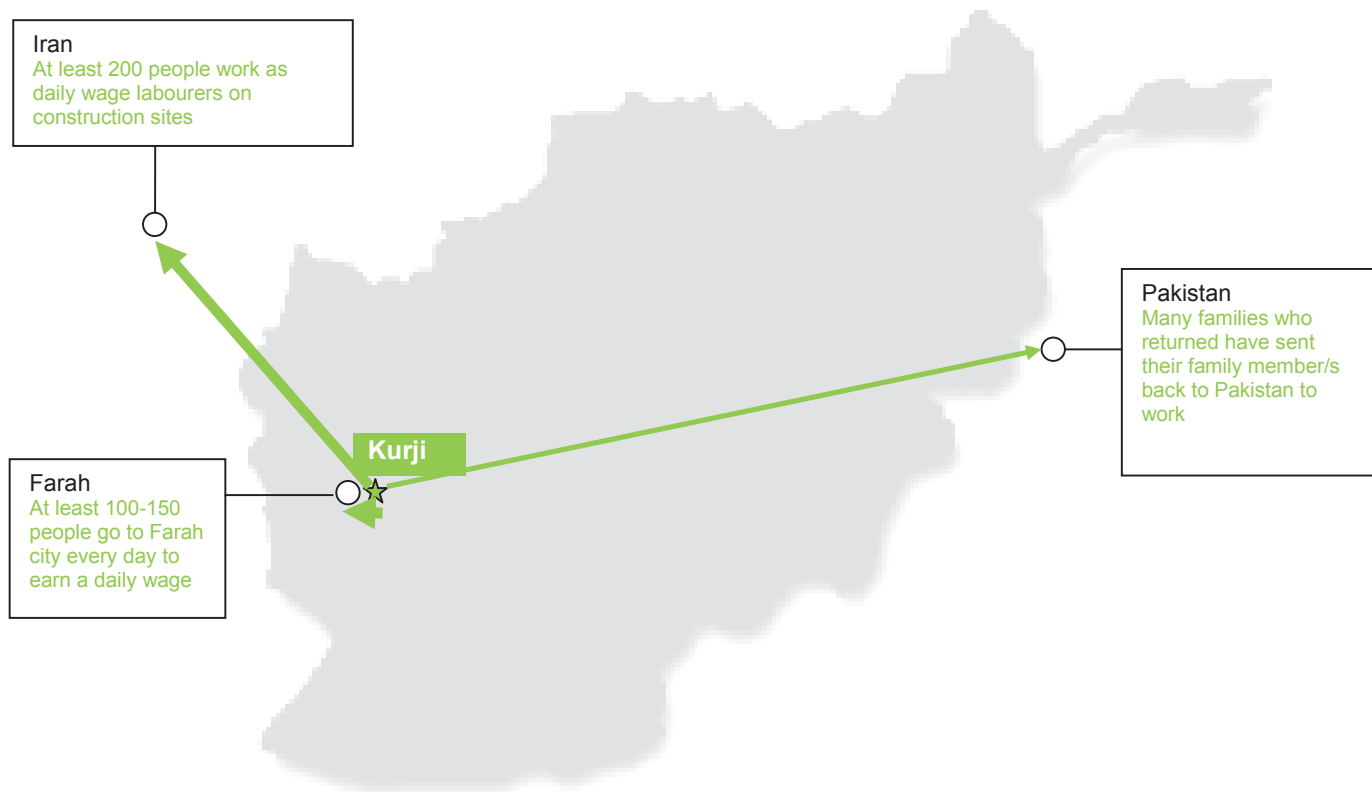


Figure 3: Labour and business mobility of the people from Kurji Township

MOBILITY MAPPING OF EDUCATION/TRAINING

Kurji Township has one primary school, but only for boys. The school does not have a permanent structure and the pupils study under tents. Around 200 boys are currently studying in 1st and 2nd grades at this school. A further 200 boys go to Farah city to study in secondary and high schools. Some of them study in private schools, and the others in government schools. Last year six boys from the community finished high school, but no one went on to higher education. As yet, none of them have found a formal job.

One NGO, Engineering and Rehabilitation Services for Afghanistan (ERSA), has been conducting a three-month course for 50 women and 50 men on public awareness. Ninety-five per cent of the training programme has been completed, and 150 women and 150 men have already been trained in three batches. They have been taught about child-care, women's rights, children rights, the environment and hygiene. A few boys go to Farah city to study English. But no one is currently attending a vocational course.

MAPPING OF AVAILABLE TRAINING AND BDS

Training provided in the community

No organization has yet provided any skills-based or livelihood-based training in the community.

Training/BDS provided by organizations based in Farah

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
Afghanistan Development Association (ADA)	<p>Agriculture and Livestock</p> <ul style="list-style-type: none"> - Agriculture and forestry - Livestock and poultry - Small irrigation <p>Economic Recovery and Capacity Building</p> <ul style="list-style-type: none"> - Knowledge and skills - Civic education - Access and market - Institutional development <p>Cross-Cutting Activities (gender, environment, good governance and advocacy, peace building, conflict resolution, human rights, disaster management, humanitarian assistance and emergency activities)</p>
National Solidarity Programme (Provincial Management Unit) (NSP/PMU)	The NSP was created in 2003 by the MMRR to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.
Coordination of Humanitarian Assistance (CHA)	CHA provides emergency aid for war victims to assist with their rehabilitation in rural and urban life.
Department of Agriculture, Irrigation and Livestock (DAIL)	<p>DAIL projects in the province include:</p> <ul style="list-style-type: none"> • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Support to Agriculture and Rural Development (SARD) funded by the Italian Corporation • Animal Husbandry Development Project (AHDP) funded by AFD • Beekeeping Development Project (BDP) funded by AFD • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by the EU • Variety and Seed Industry Development Project (FAO) funded by the EC • Agriculture Development Fund (ADF) – Agriculture Credit Enhancement

Name of the organization/project	Provision of services
	Programme (ACE) funded by USAID
Pishrood Agriculture School of Farah (State-owned TVET school, under ASDP)	Formal T-VET education, 137 students enrolled in 2011-12 academic year
Qala Shah Agriculture School of Farah (State-owned TVET school, under ASDP)	Formal T-VET education, 138 students enrolled in 2011-12 academic year
Anar Dara Agriculture school of Farah (State-owned TVET school, under ASDP)	Formal T-VET education, 142 students enrolled in 2011-12 academic year
Farah Agriculture Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 277 students enrolled in 2011-12 academic year
Farah Technical school (State-owned TVET school, under ASDP)	Formal T-VET education, 301 students enrolled in 2011-12 academic year

DEMAND AND SUPPLY OF FINANCIAL SERVICES

Poor financial literacy among households is prevalent in all the sites. Kurji is no exception. The households' financial management is inadequate, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

Like many other sites, people depend on their friends and family to borrow money whenever they need it. People receive money from their relatives working outside the country through *Hawala* in Farah City. Details of financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The site falls under the category of "limited agriculture and near an urban centre"²². As most of the men from the community find their means of livelihood by commuting daily to Farah city, Recommendations 2, 4, 5 and 6 from the main report are very important for this site. The long list of service provider organizations identified should be the basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and

²² The site typology is discussed in the main report

	entrepreneurial education
	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services
	8. Assist the value-chain development (VCD) of selected agricultural subsectors
√	9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the site's poor financial management, lack of savings culture and prevalence of over-indebtedness. The ILO's financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: There is a temporary educational facility for primary schooling under tents - but only for boys. Efforts should be made to establish at least primary- and secondary-level schools in the community for both boys and girls. However, access to career and entrepreneurial education could be introduced in the existing schools in Farah city, where the boys from the community study. This would have a tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services

NOT APPLICABLE: Due to the fact that many members of the community commute daily to Farah city, Recommendation 1 could effectively cover the savings component of this Recommendation, but the remittances element is not relevant. Serving the needs of migrant workers in other urban centres goes beyond this site-specific Recommendation.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers' and workers' organizations, including the Afghan Builders Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the poor working conditions in general; no or unfairly reduced payment;³ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: Although only a small percentage of the community households relies on urban informal jobs, this type of employment should be further encouraged. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: While only a few people from the community run their businesses in Farah city, urban markets provide ample opportunities to start and improve MSEs. This does not apply to the community itself as there is limited opportunity for growth. Furthermore, growing urban MSEs can potentially absorb a greater share of the labour force in the future.

³ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: While the target HHs have many family members working in Pakistan and Iran, this goes beyond this site-specific Recommendation.

8. Assist the value-chain development (VCD) of selected agricultural subsectors

NOT APPLICABLE: This Recommendation is not feasible due to the limited agricultural activities in and around the community.

9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

APPLICABLE: A significant number of households in the community have family members with disabilities, but no one receives any support from the Government or development organizations. It is important to support people with physical or mental disabilities in the community to ensure that livelihood development is inclusive and fair, particularly bearing in mind that most of them are without a job and have no external support. A first consideration would be to link them to MoLSAMD's public cash transfer programme of benefits for the Families of Martyrs & Disabled. In addition, families with EVI members should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.



QIZLI SAI, KUNDUZ

Employment patterns

Table 1: Returnee/IDP community¹

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
80%	50%	5%	1%	1%	1%	90%	10%	5%	15%

Base: 450 HHs (225 returnees and 225 returned IDPs)

INTRODUCTION

Qizli Sai village is located on a hillside, about 31 km from Kunduz city and only 6.5 km from the Ali Abad district and Ali Abad bazaar. Several taxis (sedans) and mini-vans (with six to eight seats) provide transport between the Ali Abad district centre and Kunduz city, which takes 30 minutes and costs 50 Afs for a one-way ride. People from the village usually go to Ali Abad by their own means – on donkey, or by motorcycle, car, bicycle or three-wheeler [zarang], which takes five to 25 minutes; or they walk, which takes 25 minutes.² According to the village elders, the village was completely abandoned during the Russian invasion and later during the Mujahideen’s war, and not a single family remained in the village. About 50 per cent of the population left for Pakistan and the Islamic Republic of Iran, and the remaining 50 per cent were displaced to the surrounding districts and Kunduz city.

¹ Information based on interviews with the Community Development Council (CDC) executives at the inception meeting, and also on further follow-up site visits. Given that many HHs have multiple incomes – as there are often several income earners in one family – the total does not come to 100 per cent.

² The site’s biggest problem was always crossing the river, which runs between the village (situated on the hillside) and the main road. This was always a major issue. In the past, the villagers used small boats to cross by pulling on a rope tied to both sides of the river. No car could pass the river. But this problem was solved two years ago when the Aga Khan Foundation built a bridge.



Figure 1: Satellite image of the Qizli Sai site

According to the local people, around 450 families live in Qizil Sai site at the moment (according to UNHCR records, 419 families). Because the entire village was abandoned and the inhabitants subsequently returned to the same place, there is no distinct returnee or host community as such³. The communities are divided into ethnic groups - Pashtuns and Uzbek, and there is an Uzbek CDC and a Pashtun CDC. However, there is also a community of Pashtuns in the Uzbek CDC.

These two communities have lived in the village together for a long time and both started migrating in 1979 after the Russian invasion. They migrated to different countries, mostly Pakistan and the Islamic Republic of Iran; some of them went to Kuwait and Turkey, and one woman even went to the United States with her children. Most of the people started coming back to Afghanistan after 1992 when the Taliban took over the control of the country. People are still returning to the village.

Although both the communities maintain that they have good relations, there are signs that this is not always the case. Some Pashtun families claim that when their children go to school, other children beat them up and there is nothing they can do to stop them.

Disability

In both the communities, there is a high level of people with disabilities - 15 in the Uzbek community and 20 in the Pashtun community. Fifty per cent were disabled during the war, and around 25 per cent have been disabled since birth. Only one person receives support from MoLSMD. In addition, DoRR and UNHCR have helped a few people by providing coal, blankets, foodstuffs and livestock (sheep).



Figure 2: Physical layout of Qizli Sai village

³ According to UNHCR, Pashtuns are “returnees” and Uzbeks are the local community.

LOCAL LABOUR MAPPING

Agriculture

In Kunduz (which includes this community), agriculture is a year-round activity for those who own land and cultivate it. Wage labourers also find agricultural wage-based work during the planting and harvesting seasons. Figure 3 shows the versatility of crops grown in Khanabad, Kunduz province.

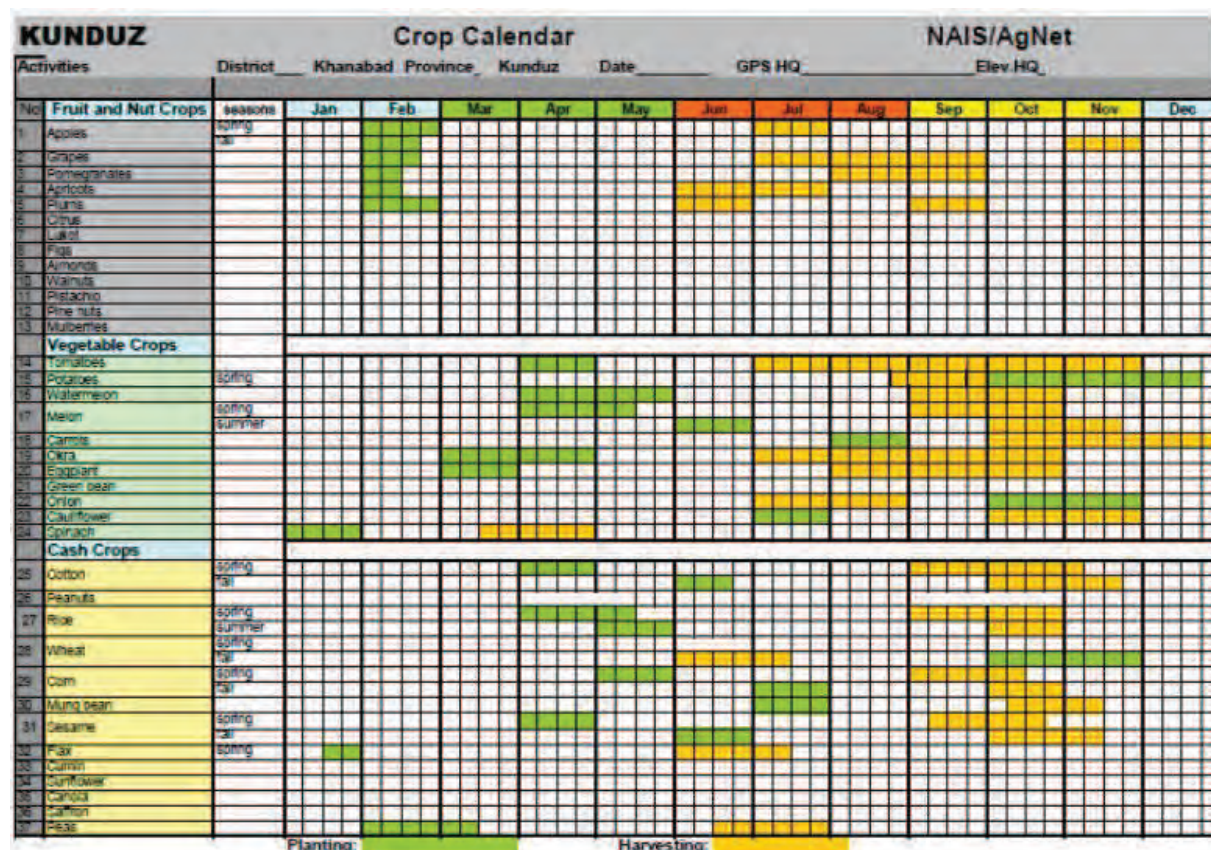


Figure 3: Crop calendar in a district adjacent to Qizli Sai - Khanabad, Kunduz province (source: USDA 2008)

The major occupation in the site is agriculture. The majority of the households in both the communities have agricultural land but are not willing to disclose the extent of this.⁴ Among those who have agricultural land, around 90 per cent have rain-fed land, whereas 70 per cent have irrigated land (obviously, there is some overlapping, with people who have both types of land). The average plot of non-irrigated land is 20 *jerib*, while the average plot of irrigated land is much smaller – two to three *jerib*.

⁴ According to the HHs, around 150 out of 450 families have agricultural land in the village, while others are sharecroppers or agricultural wage labourers - but this could be under-reporting.

Although wheat is the major crop, it is mostly grown at subsistence level. In only a few cases do people sell wheat seeds to other farmers in the village or at the Ali Abad bazaar. Other products include (in descending order of volume): cotton, the local oil plant (*zighir*), barley, rice, mung beans, corn, millet (*arzan*), chickpeas, sesame, melons (*kharbuza*) and watermelons (*tarbuza*). Wheat, sesame and *zighir* are the three major crops that people often grow in excess of their needs for home consumption, as they can be stored and sold when required. Farmers cultivate wheat, *zighir*, melons and watermelons on rain-fed land; while on irrigated land, they cultivate wheat, vegetables, corn, barley, sesame, etc. Wheat, chickpeas, barley and cotton are cultivated on both irrigated and rain-fed land. Pistachios collected from the mountains, which are naturally grown, also generate a significant income for many households.

Most of the people from both the returnee and host communities are farmers, either working on their own land or sharecropping. Some of them are agricultural wage labourers and receive agricultural produce instead of money. As the crop calendar shows, farmers (including agricultural wage labourers) are actively engaged in agriculture for six to nine months a year, depending on the crops grown in the village. Agricultural production has been decreasing significantly during the past three to four years because of the drought and lack of water.

Livestock

Livestock is a good complementary source of income for at least 50 per cent of households. Most of the families have at least one milking cow for home consumption, and a few have oxen for agricultural work. Sheep and goats are raised for commercial purposes. There are at least 10-15 households who have a large herd of 50-60 sheep and goats, which they raise for commercial purposes. In the majority of cases, livestock are considered as savings in kind for the families. Indeed, most of families raised their funds for going into exile by selling their livestock.

Wage labour

Wage labour opportunities in the community are minimal. After NSP started working in the community (together with the arrival of a few NGOs), some people found daily work in construction activities (300 Afs per day) linked to these organizations.

Informal workers

A handful of women work as tailors, but they are based at home. They take orders from people in the community and make clothes.

Small businesses

There are four small grocery shops in the village, which mostly sell small items for children and daily necessities.

Formal jobs

There are two teachers from the village teaching at the local primary school.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Wage labour

According to the CDC executives, members of 90 per cent of HHs work outside the village as wage labourers in Baghlan, Kunduz and Kabul, and are paid 200-300 Afs per day. Around 20 people work in Pakistan, the Islamic Republic of Iran and Kuwait. A few people work in poultry farms in the Islamic Republic of Iran or Pakistan. People usually move seasonally within the country when there is less agricultural work - mostly in winter, but intermittently. When they work in the Islamic Republic of Iran, however, this tends to be on a longer-term basis.

The households with family member/s working outside the country are in a better economic situation, although it is reported that the working conditions in other countries are not good. The Pakistan Government does not allow Afghans to work, and inflation is high and the currency exchange rate very low in the Islamic Republic of Iran; consequently, many people are returning to Afghanistan.

Informal workers

Around 10 per cent of the people from the community work in Kunduz city, in other provinces, or in the Islamic Republic of Iran and Pakistan in skills-based jobs such as carpet-weaving, masonry, house painting, carpentry, car repairs and welding.

Small businesses

In Kunduz city, around 20 people from the village run small businesses such as shops, restaurants, livestock trading and the selling of fruits and vegetables.

Formal jobs

Eighty people from the community work in the Afghan Army and Police. A number of others work in private companies as security guards.

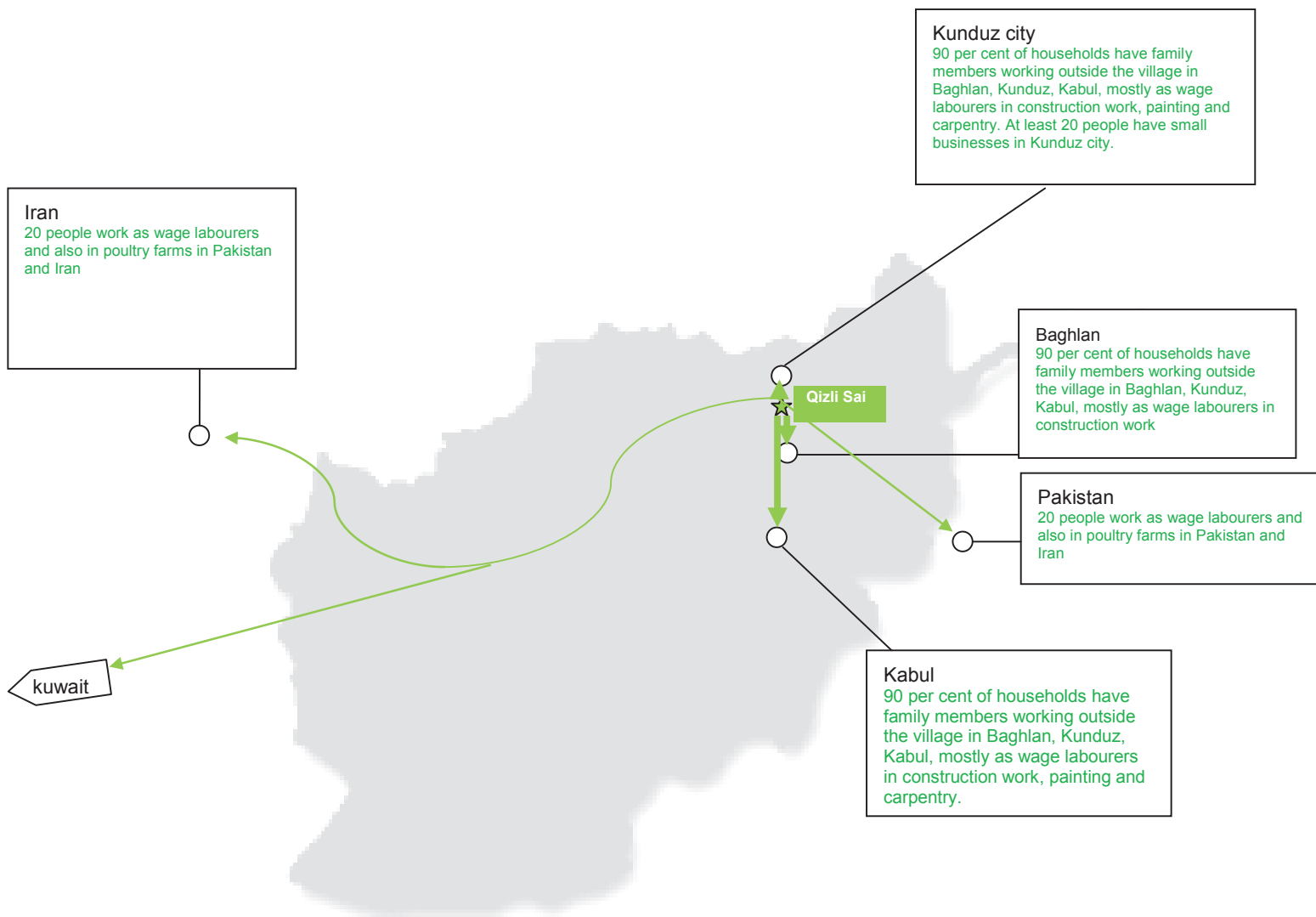


Figure 4: Labour and business mobility of the people from Qizli Sai

MOBILITY MAPPING OF EDUCATION/TRAINING

There is no permanent school in the village. Pupils study under tents for which the Ministry of Education has provided some furniture. The school provides education up to 8th grade, and afterwards pupils can study further in the Ali Abad district. Around 90 per cent of the village children go to school, and each family has two or three children. From the Uzbek community, around 180 girls and 200 boys attend school, and 25 boys are attending the high school in Ali Abad. From the Pashtun community, around 40 boys and girls are studying at the same community school, but no one is currently studying in the Ali Abad high school in the district centre. No girls were reported to be studying at the high school in Ali Abad. The children of some families are attending high school in Pakistan. UNHCR has recently started the construction of a new school in the village.

There are 1,401 students (all boys) attending the Ali Abad high school. As mentioned above, there are 25 pupils from the Qizli Sai site attending this school, all from the Uzbek community. Last year 52 students graduated from 12th grade. Out of these pupils, 20 moved on to higher education (university and institutions), and they are studying in Kunduz province. Four of them are studying in teachers' training institutes (a two-year course) and simultaneously teaching in schools. Ten of them have joined the Afghan Police or Army. Five of them joined mine-clearance organizations (NGOs) and road construction companies (private sector). The rest of the graduates went back to agriculture or daily wage-based jobs, or started small businesses.

MAPPING OF AVAILABLE TRAINING AND BDS

Training provided in the community

In the past, there were few development activities in the village, given that crossing the river to get to the village was very difficult. After the bridge was built, DoRR came to the village and started the NSP programme. UNHCR started its activities in the village very recently, through its Implementing Partners - Mediotic, ACTED and Shafagh. UNHCR has distributed 40 shelters to the people in this village, dividing them between the Pashtun (15) and Uzbek (25) communities. Mediotic is building one school; work has already begun and the foundations have been laid. Their other ongoing projects include a 2 km road and a 250 m retaining wall. They will also conduct a training course on social awareness in the near future. In addition, they are building a community centre for training and other social gatherings. Shafagh has distributed 450 solar cells to households so that they can have electricity. ACTED is responsible for digging three wells, of which two were bored to a depth of about 30 metres on an experimental basis – but they were not successful. Further exploratory work for finding suitable places is continuing.

Training/BDS provided by organizations based in Kunduz

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few Departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
Afghanistan Development Association (ADA) http://www.ada.org.af/	Agriculture and Livestock <ul style="list-style-type: none"> - Agriculture and forestry - Livestock and poultry - Small irrigation Economic Recovery and Capacity Building <ul style="list-style-type: none"> - Knowledge and skills - Civic education - Access and market

	<p>- Institutional development</p> <p>Cross-Cutting Activities (gender, environment, good governance and advocacy, peace building, conflict resolution, human rights, disaster management, humanitarian assistance and emergency activities)</p>
Agency for Technical Cooperation and Development (ACTED)	ACTED's programme has six objectives: human, social, natural, financial, political and physical capital development. Its focus is on human capital development. It helps increase employment, improve resource management, increase yields and incomes, reduce the incidence of disease and increase literacy. It provides vocational training in 25 trades, as well as in literacy, hygiene, governance, natural resources and physical infrastructure management, agriculture and livestock, small business development and computer skills.
Department of Agriculture, Irrigation & Livestock (DAIL)	<p>DAIL has the following ongoing projects:</p> <ul style="list-style-type: none"> • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Rural Microfinance and Livestock Support Programme (RMLSP) funded by IFAS • North and North-East Agricultural Development Support Programme (NEADSP) funded by AFD • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Agriculture Support for Peace and Reintegration Programme (ASPRP) • Animal Husbandry Development Project (AHDP) funded by AFD • Beekeeping Development Project (BDP) funded by AFD • Perennial Horticulture Development Project PHDP) funded by the EC • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Incentives Driving Economic Alternatives - North, East and West (IDEA-NEW) • Strengthening Agricultural Economics, Market Information and Statistics Services funded by the EU • Variety and Seed Industry Development Project funded by the EC • Seed and Fertilizer and Metallic Silo Distribution funded by JICA • Project for Rice-Based Agriculture Development in Afghanistan (RIPA) funded by JICA • Agriculture Development Fund (ADF) - Agriculture Credit Enhancement Programme funded by USAID
Education and Training Centre for Poor Women and Girls of Afghanistan (ECW)	<p>ECW conducts vocational training courses for community people in many of the country's north-eastern, south-eastern and central provinces. The courses consists of the following components:</p> <ul style="list-style-type: none"> • Carpentry • Carpet-weaving • Shawl-Weaving • Crotchet-weaving • Food-processing • Tailoring • Embroidery

	<ul style="list-style-type: none"> • Computer training <p>The provinces covered in the north-eastern, northern, south-eastern and southern provinces consist of <i>Kunduz, Takhar, Baghlan, Badakhshan, Panjsher, Kapisa, Parwan, Bamyan, Kunar, Laghman, Nangarhar and Lugar</i>. A series of manuals have also been developed for each of the relevant fields to help the trainees learn by themselves after graduation from the vocational training courses.</p>
Food and Agriculture Organization of the United Nations (FAO)	<p>The FAO's agricultural projects in Kunduz include:</p> <ul style="list-style-type: none"> - Variety and Seed Industry Development Project - Development of Integrated Dairy Schemes (IDS) in Afghanistan - Emergency Certified Wheat Seed and Fertilizer Distribution Programme - Support to Household, Food Security, Nutrition and Livelihoods in Afghanistan
Ghazni Rural Support Programme (GRSP)	GRSP works in the following areas: agriculture / animal husbandry • irrigation • income generation • emergency relief • education/ training/ community development • National Solidarity Programme (NSP)
Kunduz Rehabilitation Agency (KRA)	KRA is involved in agricultural, commercial and industrial projects, oil delivery, secondary road reconstructions, etc.
Mercy Corps (MC)	The MC works to: increase agricultural production through farmer training and the provision of essential inputs; improve agriculture-related infrastructure such as irrigation channels and feeder roads; provide value-chain inputs and create links to markets for agricultural products; and to support non-farm rural enterprises. To create the circumstances in which local livelihoods thrive, Mercy Corps helps women start small businesses using skills such as weaving, carpentry and tailoring, and teaches farmers to grow and sell fair-trade fruits, nuts and vegetables.
National Solidarity Programme (Provincial Management Unit) (NSP/PMU)	The NSP was created in 2003 by the MRRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.
German Agro Action (GAA)	The GAA has agricultural projects in such areas as farmers' support, drinking and irrigation water, food storage construction, etc.
GIZ	GIZ is involved in infrastructural projects (city and highway roads build up), capacity building, commerce and industry, educational projects (building primary and high school facilities), teachers' training, community development, and drinking water projects.
BRAC	BRAC has farm building and agricultural projects.
Children Fund Afghanistan (CFA)	CFA is involved in agricultural, environmental (flood and avalanche protection), and drinking water projects.
International Centre for Agricultural Research (ICARDA)	ICARDA is involved in agricultural projects
Amam Sahib Agriculture High School of Kunduz (State-owned TVET school, under ASDP)	Formal T-VET education. 75 students are enrolled in current academic year.

Kunduz Agriculture School (State-owned TVET school, under ASDP)	Formal TVET education. 150 students are enrolled in the current academic year.
Kunduz Commerce High School for females (State-owned TVET school, under ASDP)	Formal T-VET education. 75 students are enrolled in current academic year.
Kunduz Management and Accounting Institute (State-owned TVET school, under ASDP)	Formal T-VET education. 661 students are enrolled in current academic year.

DEMAND AND SUPPLY OF FINANCIAL SERVICES

It was found that poor financial literacy among households is prevalent in all sites - and Qizli Sai is no exception. The HHs' financial management is very poor, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

In this village, like most other communities, there is a heavy reliance on interest-free lending/borrowing between relatives and friends. Buying on credit from shops is also very common. What differentiates Qizli Sai from many other sites is that the Aga Khan Fund for Economic Development (AKFED) financial services are very active at this site and some people have received some loans from them. For details, please refer to the financial services provisions discussed in the main assessment report.

SUGGESTED INTERVENTIONS

The site falls under the category of "agriculture-based and near an urban centre"⁵⁵. As the family members of 90 per cent of households work outside the community in major urban centres or abroad, Recommendations 2, 3, 4, 5 and 6 from the main report are very important for this site. Other important Recommendations specific to this site are related to agriculture and livestock, from which 80 per cent and 50 per cent of HHs, respectively, earn some income. The long list of service provider organizations identified should be the basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
√	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as well as to low-cost and reliable remittances services

⁵⁵ The site typology is discussed in the main report

√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services
	8. Assist the value-chain development (VCD) of selected agricultural subsectors
√	9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors
√	Other: A. Improve irrigation facilities and help farmers' productive investment through enhanced HH financial management to promote agricultural growth B. Improve access to veterinary services to reduce the high mortality of livestock and to promote better animal husbandry practices

1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the site's poor financial management, lack of savings culture and prevalence of over-indebtedness in the Northern Region (which was observed among the population in this site). The ILO's financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: At present, there is no permanent school structure in the community and UNHCR is building one. The community school provides schooling facilities up to 8th grade, and afterwards pupils go to Ali Abad, 6.5 km away. As a result, the number of students from the site drops significantly after 8th grade, and girls give up their schooling. Efforts could be made to assess the viability of establishing a high school in the community, or in the vicinity, to promote education further. However, access to career and entrepreneurial education could be introduced at secondary-school level. That would have a tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as well as to low-cost and reliable remittances services

APPLICABLE: As 90 per cent of the men from the site migrate seasonally to major urban centres in Afghanistan for daily wage-based work, access to savings accounts and low-cost and reliable remittances services could help the migrants better manage their savings and ensure that their money is transferred risk-free to their families. Although Recommendation 1 could effectively help develop the savings culture, a system providing access to savings accounts and low-cost and reliable remittances services should be in place in both the respective urban centre and at the site.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers' and workers' organizations, including the Afghan Builders Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the poor working conditions in general; no or unfairly reduced payment;⁶ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: Given that a significant share of the community HHs rely on urban informal jobs, this type of employment should be further encouraged. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

⁶ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

APPLICABLE: Although only a few people from the community have small businesses in Kunduz city, consumer growth in the urban centres, and consequently Kunduz market, provides ample opportunities to start and improve MSEs. This does not apply to the community itself, as there is limited opportunity for growth.

The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: While the target HHs have many family members working in Pakistan and the Islamic Republic of Iran, this goes beyond this site-specific Recommendation.

8. Assist the value-chain development (VCD) of selected agricultural subsectors

NOT APPLICABLE: Although the majority of the households remain actively involved in agriculture throughout the year, the quick value-chain scoping exercise undertaken did not identify any specific comparative advantage of any crop that could justify a VCD intervention. A more comprehensive review of agricultural value-chain competitiveness might have to be carried out before considering such a step. Furthermore, erratic irrigation facilities very often pose threats to agriculture. Any attempt to boost agriculture in the site on a sustainable basis and in a commercially viable manner, presupposes the introduction of irrigation facilities (See Recommendation A under "Other" below).

9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

APPLICABLE: A significant number of people the community have disabilities. It is important to support people with physical or mental disabilities to ensure that livelihood development is inclusive and fair, particularly when they are all without a job and have no external support. A first consideration would be to link them to MoLSAMD's public cash transfer programme of benefits for the Families of Martyrs & Disabled. Furthermore, they should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.

OTHER:

A. Improve irrigation facilities and help farmers' productive investment through enhanced HH financial management to promote agricultural growth

The lack of proper and constant irrigation facilities in the village puts considerable constraints on agriculture, from which 80 per cent of HHs earn some income. In order to foster agricultural growth, it is vital, first and foremost, to provide farmers with access to irrigation facilities. Second, improved household financial management would enable the farmers to invest in required inputs such as fertilizers to increase their productivity.

It is obvious that owners of irrigated land have a clear comparative advantage over those who have only rain-fed land. Due to the drought of the past few years, the yields in rain-fed have declined significantly and put people in a vulnerable situation. Hence, improving the access to irrigation could change the lives of many households. Efforts could be made to improve the irrigation facilities to increase productivity in the village, either in the form of cash and food for work schemes under the UNHCR-led project, and/or coordinated intervention through other programmes and initiatives on irrigation. Experts could be involved to ensure that water is secured from a technological standpoint – and within the socio-political context – and that there are maintenance mechanisms for the irrigation facilities in the communities, which ensure that they are sustainable..

The case studies clearly show that people returning from exile started putting all their efforts into agricultural land, which brought stability to their lives. As a result of this, a fair number of families accumulated capital to increase the size of their land or herd of livestock, or to start new businesses in the city. Given that HHs need several years to accumulate savings and invest in inputs, as well as to diversify their sources of income, financial education could increase the chances of otherwise over-indebted families to manage properly the productive cycle for their upward mobility.

B. Improve access to veterinary services to reduce the high mortality of livestock and to promote better animal husbandry practices

Although livestock are a very important source of income in the site (50 per cent of households have some income from livestock), they have a high mortality rate. This may be attributed mainly to the people's inadequate knowledge of ways to treat animals and to the fact that they carry the sick animals to the nearest bazaar or city. While tapping DAIL relevant projects might address this problem, it may not be sustainable - given DAIL's heavy reliance on project funds to mobilize their extension network beyond urban centres. A more sustainable approach would be to work with private veterinary service providers in Kunduz city, and to let DAIL and other projects continue providing their services as a supplementary measure. Carrying a diseased animal to the city is troublesome and also expensive. However, for a veterinary service provider, visiting a distant place for only one or a few animals is not feasible. A periodic visit to the village by private company representatives dealing with livestock medicines/vaccines could be an option. The project could negotiate with private companies to extend their services to the villages. As many other reintegration sites have a significant number of livestock, a large private company with a good coverage could also benefit by tapping this market - leading to a win-win situation for both the companies and the project. Nonetheless, it is important to involve the expert of the BDS market development approach in negotiations with the private sector, in order to strengthen

the provisions of the veterinary service in a commercially sustainable manner, while avoiding exploitative or inequitable situations.



SARACHA, NANGARHAR

Employment patterns

Inside the community ¹						Outside the community ²			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
60%	30%	10%	5%	10%	10%	60%	15%	5%	1%

Base: 6,000 HHs

INTRODUCTION

Saracha village is located 10 km east of Jalalabad city in Behsud district, and the Jalalabad-Tokhram highway passes through the village. There are various forms of public transport from the village to the city, such as taxis (sedans), three-wheelers (zarang), manual three-wheelers (rickshaws) and minivans. The fare ranges from 10 to 25 Afs per person, and it takes less than 30 minutes to reach the city, whatever mode of transport is used.

¹ Information based on interviews with the Community Development Council (CDC) executives at the inception meeting, and also on further follow-up site visits. Given that many HHs have multiple incomes – as there are often several income earners in one family – the total does not come to 100 per cent.

² Ibid.



Figure 1: Satellite image of the Saracha site

The village is divided into three sub-villages: Ali Khan, Araban and Naghlu. During the civil conflict, Saracha was the scene of fighting between Afghan forces loyal to the Government and opposition groups, and almost the entire population left for Pakistan, the Islamic Republic of Iran and other countries, as well as to other places within the country. At the beginning of 1992, people started coming back to their village. Since 2002, 1,847 families have returned to the village with UNHCR assistance. This is one of the high return villages in Behsud district. Some of the families are still living in Pakistan, the Islamic Republic of Iran and Jalalabad city. Most of the families in exile were in Nasirbagh, an Afghan

refugee camp in Peshawar, Pakistan, for at least five years. At present, there are around 6,000 families in Saracha. There is no host community as 99 per cent of the people left the village at some stage during the civil war.



Figure 2: Physical layout of Saracha village

Disability

Around 10-15 people in the community are reported to have physical disabilities resulting from the war. Three people have a mental disability. Most of these people are not working and are supported by family members or relatives. Only one person was reported to be selling mobile phone pre-paid cards in Jalalabad city. No one receives any form of assistance from the Government.

LOCAL LABOUR MAPPING

Agriculture:

Nangarhar, being ‘the food basket’ of Afghanistan, has favourable agro-climatic conditions that allow for year-round agriculture. Saracha village is no exception. Agriculture is the major means of livelihood for most of the households; around 4,000 out of 6,000 households have their own agricultural land. The remaining 2,000 families are also involved in agriculture as sharecroppers or wage labourers. The average land holding is one *jerib*, and some people have up to 12 *jerib* of land. Wheat, maize, barley and vegetables are the major crops. Vegetables are becoming an increasingly popular crop among the farmers. The main vegetables grown in the village include cauliflowers, okra, carrots, turnips, spinach, potatoes, tomatoes and onions. All the land in the village is irrigated and hence there are three crop cycles a year. Figure 3 shows the cropping intensity in Nangarhar. Three agricultural seasons - spring, summer and autumn - can be clearly observed.

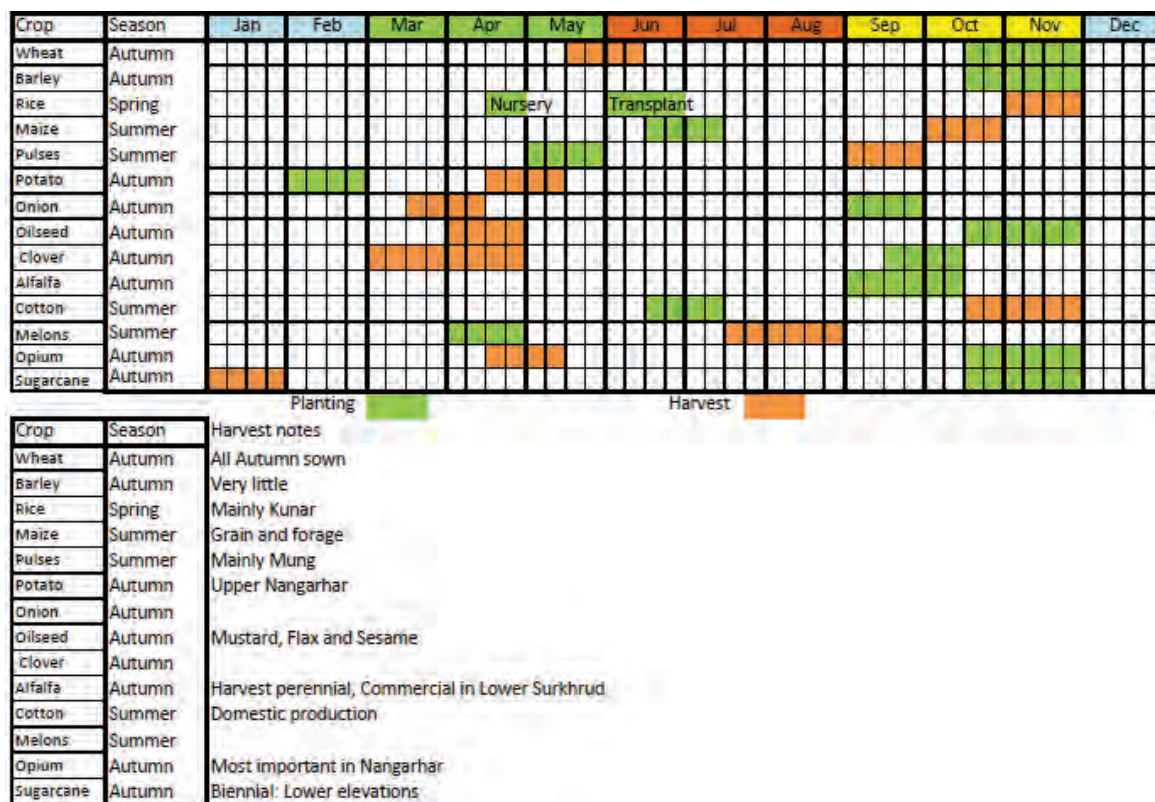


Figure 3: Crop calendar in Nangarhar province (source: USDA, 2008)

Vegetables are mostly grown as a cash crop and on a commercial basis due to the high market demand. As a general rule, small traders come to the village from the city and buy from different farmers. Occasionally farmers group together their products, rent a truck, and take them to the Kabul wholesale market to increase their profit margin. In fact, it is becoming increasingly common for farmers to take their vegetables to the Jalalabad city market themselves.

Livestock

The large-scale rearing of livestock is not widespread as there is no grazing land as such; only five families (Kuchi) have a large herd of around 300-400 animals. These people move from one region to another and stay in the village during the winter. But at least 1,000 families have one or two milking cows for home consumption. Raising sheep in small numbers (20 to 50) is also a supplementary source of income for around 30 per cent of the households.

Wage labour

About 10 per cent of people in the community are engaged in daily wage-based work, mostly in construction projects run by various NGOs. Wage labourers are also involved in individual house building activities, as well as in collecting sand and stones from the riverbeds.

Informal workers

About 12 people work in a confectionary factory in the village as informal workers. Some others work in various small businesses such as bakeries, sweet shops and tailoring shops.

Small businesses

Ten to fifteen households in the village run small businesses such as bakeries, grocery shops, the above-mentioned small confectionary factory, sweet shops, tailoring shops and shoe shops, or are involved in livestock trading.

Formal jobs

In the community, formal jobs are mostly limited to school teaching. Only a few people work with some NGOs.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Wage labour

Many of the households seem to consider daily wage labour in the major urban centres as a secondary income option. Young people from households who additional male members at home to work in the fields (60-70 per cent of HHs), migrate seasonally for daily wage-based labour, mostly in the summer. They leave the village for four to five months. A simple unskilled labourer earns 300 Afs per day, whereas a skilled labourer - such as a mason - can earn 400- 600 Afs per day. Working hours are typically eight to nine hours a day. The households referred to above have at least one young family member working in Kabul as a daily wage labourer, mostly on construction sites. They opt for Kabul on account of the wages. They can earn around 400 Afs per day in Kabul, whereas they earn only about 300 Afs in Jalalabad or in the village. Some families previously sent their sons to the Islamic Republic of Iran to work, but the Government of Iran has deported many of them during the past three years. These days, young people are increasingly going to Pakistan and other provinces because of the scarcity of work in Kabul. However, Kabul is the preferred destination for people who work in brick kilns during the summer. Other major destinations for daily wage-based labourers are Kunar, Kandahar and Paktia.

Informal workers

The family members of about 15 per cent of HHs work in Jalalabad city or in other provinces such as Mazar-e-Sharif, Baghlan, Parwan, Kunduz, Kandahar and Herat, in various occupations. They may work in brick kilns or car repair shops, or as carpenters or drivers. Those working in other provinces are usually permanent migrants who come home every one or two months to see their family members and give them money.

Small businesses

Around 30-40 people work in Jalalabad city as fruit and vegetable street vendors, while a further 10 to 20 run small businesses such as carpentry workshops, grocery shops, etc. A few people are also involved in fruit and vegetable trading in Pakistan (Peshawar).

Formal jobs

Two per cent of the people in the community work in the Government sector in various ministries, while one per cent work in the Afghan Army and Police, mostly in Jalalabad, Kabul, Kunar and Laghman. They return home once a month to see their families.

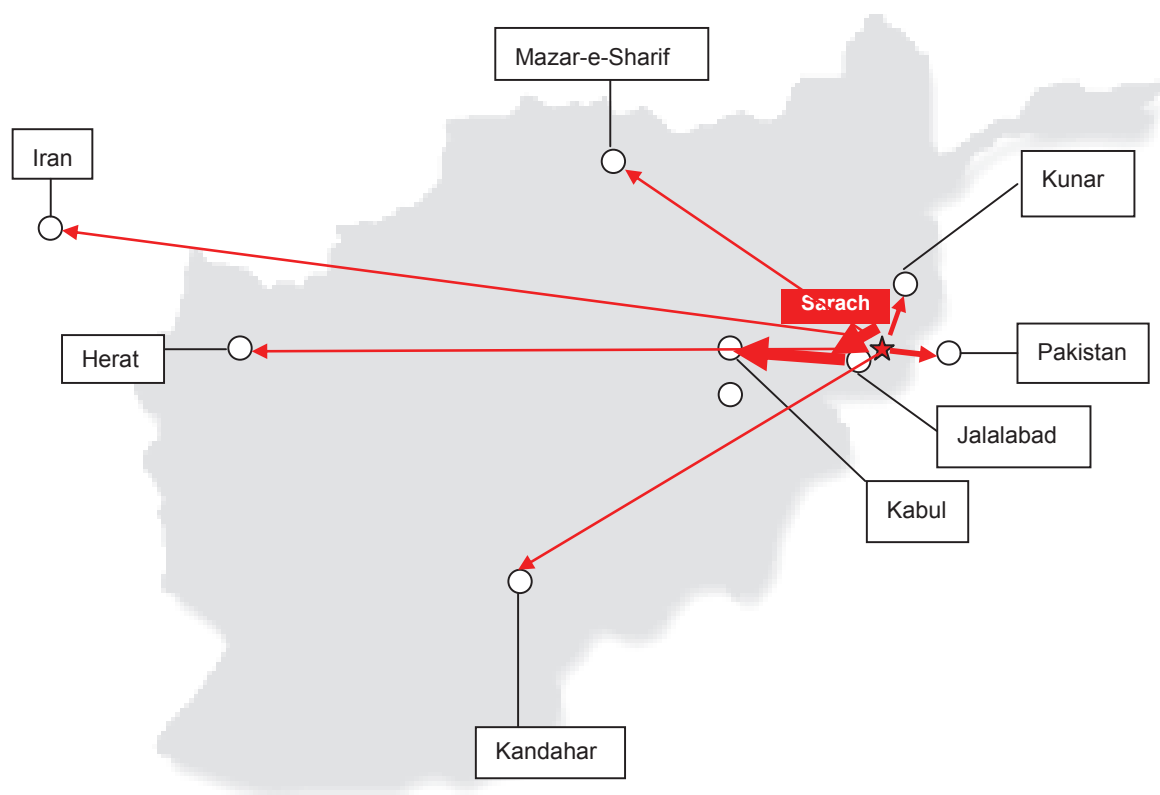


Figure 4: Labour and business mobility of the people from Saracha village

MOBILITY MAPPING OF EDUCATION/TRAINING

There are five schools in Saracha village - two high schools and three secondary schools. Around 2,500 pupils attend these schools – 1,700 boys and 800 girls. Every year 120 pupils graduate from the schools (40 to 50 girls and 60 to 70 boys).

After completing high school, only two per cent of the graduates go on to higher studies in Jalalabad, Kabul, or Khost. Three per cent of high-school graduates join the Afghan Army and Police. Around 10 per cent become teachers in various schools. Approximately 20 per cent start their own small businesses in the community or in the city. Thirty per cent return to agricultural work in their fields – and the others do not do any specific jobs. They either start small businesses or go back to agriculture.

There are three education centres for learning English and computer sciences in the village. The computer center was established with the aid of UNHCR and, at present, more than 100 students are studying computer sciences in four shifts. For higher education, the students from this village need to go to big cities such as Kabul, Herat, Mazar-e-Sharif and Khost. Five per cent of the students who have completed high school in the village are pursuing higher studies in Jalalabad, Kabul and Khost, even for a university degree.

MAPPING OF AVAILABLE TRAINING AND BDS

Training/livelihood supports provided in the community

In 2011, UNHCR conducted a training course on pickle making, which was attended by 50 women. It also provided training on beekeeping to 150 people (100 men and 50 women), and distributed beekeeping toolboxes afterwards. It also promoted compost fertilizer production by establishing six pits. In addition, it distributed 3,150 poultry birds to vulnerable families.

Training/livelihood supports provided by organizations based in Jalalabad

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few Departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
Afghanistan Development Association (ADA) http://www.ada.org.af/	<p>Agriculture and Livestock</p> <ul style="list-style-type: none"> - Agriculture and forestry - Livestock and poultry - Small irrigation <p>Economic Recovery and Capacity Building</p> <ul style="list-style-type: none"> - Knowledge and skills - Civic education - Access and market - Institutional development <p>Cross-Cutting Activities (gender, environment, good governance and advocacy,</p>

Name of the organization/project	Provision of services
	peace building, conflict resolution, human rights, disaster management, humanitarian assistance and emergency activities)
Food and Agriculture Organization of the United Nations (FAO)	FAO projects include: <ul style="list-style-type: none"> - Variety and Seed Industry Development Project - Development of Integrated Dairy Schemes (IDS) in Afghanistan - Emergency Certified Wheat Seed and Fertilizer Distribution Programme - Support to Household, Food Security, Nutrition and Livelihoods in Afghanistan
German Agro Action (GAA)	The GAA has agricultural projects in such areas as farmers' support, drinking water and irrigation, food storage and construction, etc.
National Solidarity Programme (Provincial Management Unit) (NSP/PMU)	The NSP was created in 2003 by the MRRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.
CFA (Children Fund Afghanistan)	The CFA is involved in agricultural, environmental (flood and avalanche protection) and drinking water projects.
Danish Committee for Aid to Afghan Refugee (DACAAR)	DACAAR works in rural areas and aims at improving rural livelihoods through sustainable activities that engage Afghan communities to be agents of their own development process.
BRAC	BRAC has farm building and agricultural projects.
Sanayee Development Organization (SDO)	SDO works in various fields such as peace building, education, community health, community development, and capacity building.
International Foundation of hope (IFHope)	IFHope works with local leadership to develop agriculture-related projects that will meet the needs of that community to become self-sustaining.
Noor Educational & Capacity Development Organization	NEC endeavors to assist Afghan women and children by building their capacities to enhance their economic and social well-being in a sustainable and equitable manner..
Relief International (RI)	RI provides vocational training, offers microfinance opportunities, and develops promising value chains.
Swedish Committee for Afghanistan (SCA)	SCA works in the areas of education, health, support for people with disabilities and rural development.
Department of Agriculture, Irrigation and Livestock (DAIL)	DAIL has the following ongoing projects: <ul style="list-style-type: none"> • On-Farm Water Management (OFWM) funded by the World Bank • Rural Business Support Project (RBSP) funded by ADB • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Rural Microfinance and Livestock Support Programme (RMLSP) funded by IFAD • Integrated Dairy Scheme Project (IDSP) funded by FAO • Nangarhar Valley Development Authority (NVDA) funded by ADB • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Animal Husbandry Development Project (AHDP) funded by AFD

Name of the organization/project	Provision of services
	<ul style="list-style-type: none"> • Beekeeping Development Project (BDP) funded by AFD • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Commercial Horticulture and Agriculture Marketing Programme (CHAMP) funded by USAID • Incentives Driving Economic Alternatives - North, East and West (IDEA-NEW) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by the EU • Variety and Seed Industry Development Project funded by the EC • Development of Integrated Dairy Schemes in Nangarhar funded by IFAD • Seed and Fertilizer and Metallic Silo Distribution funded by JICA • Agriculture Development Fund (ADF)- Agriculture Credit Enhancement Programme funded by USAID
Nangarhar Agriculture and Veterinary School (State-owned TVET school, under ASDP)	Formal T-VET education, 310 students enrolled in 2011-12 academic year.
Nangarhar Mechanical School (State-owned TVET school, under ASDP)	Formal T-VET education, 557 students enrolled in 2011-12 academic year.
Sulh and Azadi School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 832 students enrolled in 2011-12 academic year.
Khogyani Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 30 students enrolled in 2011-12 academic year.
Rodaat Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 60 students enrolled in 2011-12 academic year.
Behsood Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 62 students enrolled in 2011-12 academic year.
Kama Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 105 students enrolled in 2011-12 academic year.
Surkhrod Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 108 students enrolled in 2011-12 academic year.

DEMAND AND SUPPLY OF FINANCIAL SERVICES

Poor financial literacy among households is prevalent in all the sites. However, at aggregate level, the sites in the Eastern Region tend to be less over-indebted and have a better savings culture than other regions (please see the main report). But a significant number of households in Saracha still have poor

financial management, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

There are no formal financial institutions in the village. People mostly get loans from friends and families, and also from shopkeepers. Buying on credit from shops is commonplace. People did not show any interest in contracting loans from an organization if it was interest-based. Details of financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The site falls under the category of “agriculture-based and near an urban centre”³. As the family members of 60 per cent of the households work outside the community in Jalalabad, in other major urban centres, or outside the country, and commercial agriculture is carried out on a large scale, Recommendations 2, 3, 4, 5, 6 and 8 from the main report are very important for this site. The long list of service provider organizations identified should be the basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
√	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as well as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services
√	8. Assist the value-chain development (VCD) of selected agricultural subsectors
√	9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors
√	Other: A. Improve access to veterinary services to reduce the high mortality of livestock animals and to promote better animal husbandry practices B. Assist livestock farmers in forming groups to supply milk to the processing centre in Jalalabad

³ The site typology is discussed in the main report

city, as envisaged by the FAO

1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the site’s poor financial management, lack of savings culture and prevalence of over-indebtedness. The ILO’s financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: While access to formal education is relatively easy due because of the site’s vicinity to an urban centre, career and entrepreneurial education could be introduced at secondary-school level. This would have a tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as well as to low-cost and reliable remittances services

APPLICABLE: Sixty per cent of the men from the site work outside the community as daily wage-based labourers by commuting to Jalalabad city every day. They also migrate in the summer to other major urban centres, as well as to Pakistan, on a seasonal basis. Remittances services may not be required for those commuting to Jalalabad on a daily basis. However, access to savings accounts and low-cost and reliable remittances services could help the migrants in other urban centres better manage their savings and ensure that their money is transferred risk-free to their families. Although Recommendation 1 could effectively help develop the savings culture, a system providing access to savings accounts and low-cost and reliable remittances services has to be in place in both the respective urban centre and at the site.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers’ and workers’ organizations, including the Afghan Builders’ Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the

poor working conditions in general; no or unfairly reduced payment;⁴ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: A significant proportion of community HHs rely on urban informal jobs due to the close proximity of Jalalabad, and this type of employment should be further encouraged. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: Although only a few people from the community have small businesses in Jalalabad, the vibrant Jalalabad market provides ample opportunities to start and improve MSEs. This does not apply to the community itself, as there is limited opportunity for growth. Furthermore, growing urban MSEs can potentially absorb a greater share of the labour force in the future.

The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan

⁴ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: While the target HHs have many family members working in Pakistan and the Islamic Republic of Iran, this goes beyond this site-specific Recommendation.

8. Assist the value-chain development (VCD) of selected agricultural subsectors

APPLICABLE: Saracha has a distinct comparative advantage over many other reintegration sites. Not only does it have favourable agro-climatic conditions for year-round agricultural activities, but it is also close to a major urban centre, Jalalabad. There is considerable growth potential for agricultural activities – particularly vegetables – in the future, which would have a positive impact on commodity trading. Wheat and vegetables emerge as the two most important value chains in the region (see the main report), and a value-chain approach could be adopted to boost their production. As yet, the high demand for these products has not been met, and increased production could result in a higher income for the farmers.

At present, farmers use their own retained wheat seeds year after year, which results in a lower yield. Meanwhile, vegetables are becoming an increasingly popular crop in the village due to their high economic return. Like any other agricultural crop, the price of vegetables varies – it is high at the beginning of the season, low during peak harvests, and high again at the end of the season. For example, the wholesale price of okra at the beginning of the harvest is 25-27 Afs per kg; mid-season, the price goes down to 5-7 Afs per kg, and it rises again at the end of the season to 20-25 Afs per kg. Extending vegetable production by planting early and late varieties of the crop could increase income and work opportunities for the people in the community. Activities should be undertaken at input, production and output levels. Working with private seed companies to promote such varieties could help in this respect. Furthermore, there could be collaboration with seed and other agricultural input companies to promote better quality inputs (seeds, crop protection materials, fertilizers, etc) and to improve technical know-how on their effective use. There should be a partnership with private input companies, with a view to improving production practices at farm level – as they could be supported to do their promotion through “farmers’ field schools”, demonstration plots and promotional campaigns.

In addition, group marketing should be encouraged as it has significant advantages. It gives the farmers a higher bargaining power, provides them with access to large buyers and reduces transaction costs. At present, farmers sometimes group together to sell their vegetables in Jalalabad and Kabul. Efforts should be made to capitalize on this mechanism and promote it further. Activities should be undertaken to help farmers form groups to aggregate their products and negotiate with large buyers in Kabul city. The wholesale price difference for vegetables in Jalalabad and Kabul is significant, but individual farmers

with their limited quantities cannot profit from this benefit. Efforts could be made to link such groups with Kabul wholesalers and nurture this linkage by ensuring an information flow between the farmers' groups and wholesalers; this information would concern not only the product price but also the quality requirements and the products in high demand. Support services such as transportation and packaging should also be strengthened to reduce wastage and transaction costs. There are a good number of relevant projects under DAIL and the FAO, whose services could be used to achieve a greater impact. However, value-chain development experts must be involved in this process to ensure long-term sustainability.

Any interruption to the water supply is a threat to agricultural growth as a whole. Efforts could be made to improve the irrigation facilities to increase productivity in the village, either in the form of cash and food for work schemes under the UNHCR-led project, and/or coordinated intervention through other programmes and initiatives on irrigation. Experts could be involved to ensure that water is secured from a technological standpoint – and within the socio-political context – and that there are maintenance mechanisms for the irrigation facilities in the communities, which ensure that they are sustainable.

9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

APPLICABLE: Although there are not many vulnerable HHs and individuals in the village, it is important to ensure that livelihood development is inclusive and fair, particularly bearing in mind that they are all without a job and have no external support. A first consideration would be to link them to MoLSAMD's public cash transfer programme of benefits for the Families of Martyrs & Disabled. Furthermore, they should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, these would reduce their vulnerability.

OTHER

A. Improve access to veterinary services to reduce the high mortality of livestock animals and to promote better animal husbandry practices

Although livestock are a very important source of income in the site, they have a high mortality rate. This may be attributed mainly to the people's inadequate knowledge of ways to treat animals and to the distance from Jalalabad city (where veterinary services are available). While tapping DAIL relevant projects might address this problem, it may not be sustainable - given DAIL's heavy reliance on project funds to mobilize their extension network beyond urban centres. A more sustainable approach would be to work with private veterinary service providers in Jalalabad city, and let DAIL and other projects continue providing their services as a supplementary measure. Carrying a diseased animal to the city is troublesome and also expensive. However, for a veterinary service provider, visiting a distant place for only one or a few animals is not feasible. A periodic visit to the village by private company representatives dealing with livestock medicines/vaccines could be an option. The project could

negotiate with private companies to extend their services to the villages. As many other reintegration sites have a significant number of livestock, a large private company with a good coverage could also benefit by tapping this market - leading to a win-win situation for both the companies and the project. Nonetheless, it is important to involve the expert of the BDS market development approach in negotiations with the private sector, in order to strengthen the provisions of the veterinary service in a commercially sustainable manner, while avoiding exploitative or inequitable situations.

B. Assist livestock farmers in forming groups to supply milk to the milk-processing centre in Jalalabad city, as envisaged by the FAO

NOT APPLICABLE: Although about 30 per cent of the HHs (around 1,800 out of 6,000) have livestock, only some 1,000 have cows – and the majority of them have one or two cows for their home consumption of milk. While the FAO “Integrated Dairy Scheme Project” to establish a processing plant in the city might look promising, the idea of organizing the 1,000 HHs into a dairy producer group/cooperative might not look that attractive a proposal. Unless the target HHs have extra land and capital to invest in establishing a commercially viable stall-fed system with high yield varieties, selling milk to the processing factory would provide only marginal returns - and diverting milk that is consumed by family for commercial purposes would have a negative nutritious and financial impact on the family. The net benefit would therefore be even smaller.

On the buyer’s side, it would be costly and risky to collect milk from thousands of HHs whose production is minuscule, uncontrolled and unreliable (cows do not produce milk all the time). Whenever there is an urban demand for dairy products, it is usually met by fairly large-sized farms – which are preferred by milk plants because collection costs are low and the supply is reliable. Should there be any extra demand, the middlemen (e.g., the milkmen on bicycle/motorcycle) would emerge to fill the gap, and some HHs who can supply them will do so. There is little need to run a project to promote that.

A market-based development, as mentioned above, is far less costly than establishing and running a cooperative, and far more flexible to changing demand. The success of the cooperative model, such as the Anand model in India, occurred in a context in which rural small-scale farmers rearing a few cows dominated the market. This situation is not guaranteed to succeed in the Jalalabad dairy market of today.

If and when the growing dairy demand in Jalalabad and Kabul - and initial investments such as those by the FAO – give rise to the development of growth-oriented dairy farmers in and around Saracha, interventions could be considered to optimize their economic and employment benefits, while minimizing their environmental impact (including the treatment of cow dung). The present situation appears premature for such actions.

For the time being, the recommendation is to “leave it to the market” and focus on mitigating the risk of disease. This idea could be revisited later in the event of demand-led growth and signs that there are opportunities in this area.



SHASHPOOL, BAMYAN

Employment patterns

Returnee community¹

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
10%	4%	30%	85%	3%	2%	65%	8%	<1%	4%

Base: 167 HHs (around 120 returnees and remaining IDPs)

Host community 1: Topchi

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
90%	30%	10%	10%	2%	3%	40%	7%	2%	2%

Base: 208 HHs (around 8-10 returnees and 198-200 returned IDPs)

Host community 2: Jerestoghai

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
100%	100%	10%	0%	0%	0%	40%	0%	0%	0%

Base: 64 HHs (around 5-7 returnees and 57-59 returned IDPs)

INTRODUCTION

The Shashpool **returnee community** is located approximately 13 km east of Bamyan town, along the main Bamyan-Kabul road. The site starts at the road and extends back towards the mountains, which form a natural boundary. A minibus service connects Shashpool with Bamyan city, which takes 20

¹ Information based on interviews with the Community Development Council (CDC) executives at the inception meeting, and also on further follow-up site visits. As many households have multiple incomes – and there are often several income earners in one family – the total does not come to 100 per cent.

minutes and costs 30 Afs for a one-way trip. People also travel by minivans (accommodating 8-10 people) or on their own motorcycles. The site was established in 2004 when people started returning from the Islamic Republic of Iran or Pakistan. According to local people and the CDC executives, around 167 families are currently living in this site (UNHCR records 147 families, but 20 families arrived after these data were collected). Shashpool is populated mainly by Hazaras. There are two host communities adjacent to the **returnee community, Topchi and Jerestoghai.**

The map below, extracted from Google Earth, shows the location of the site.

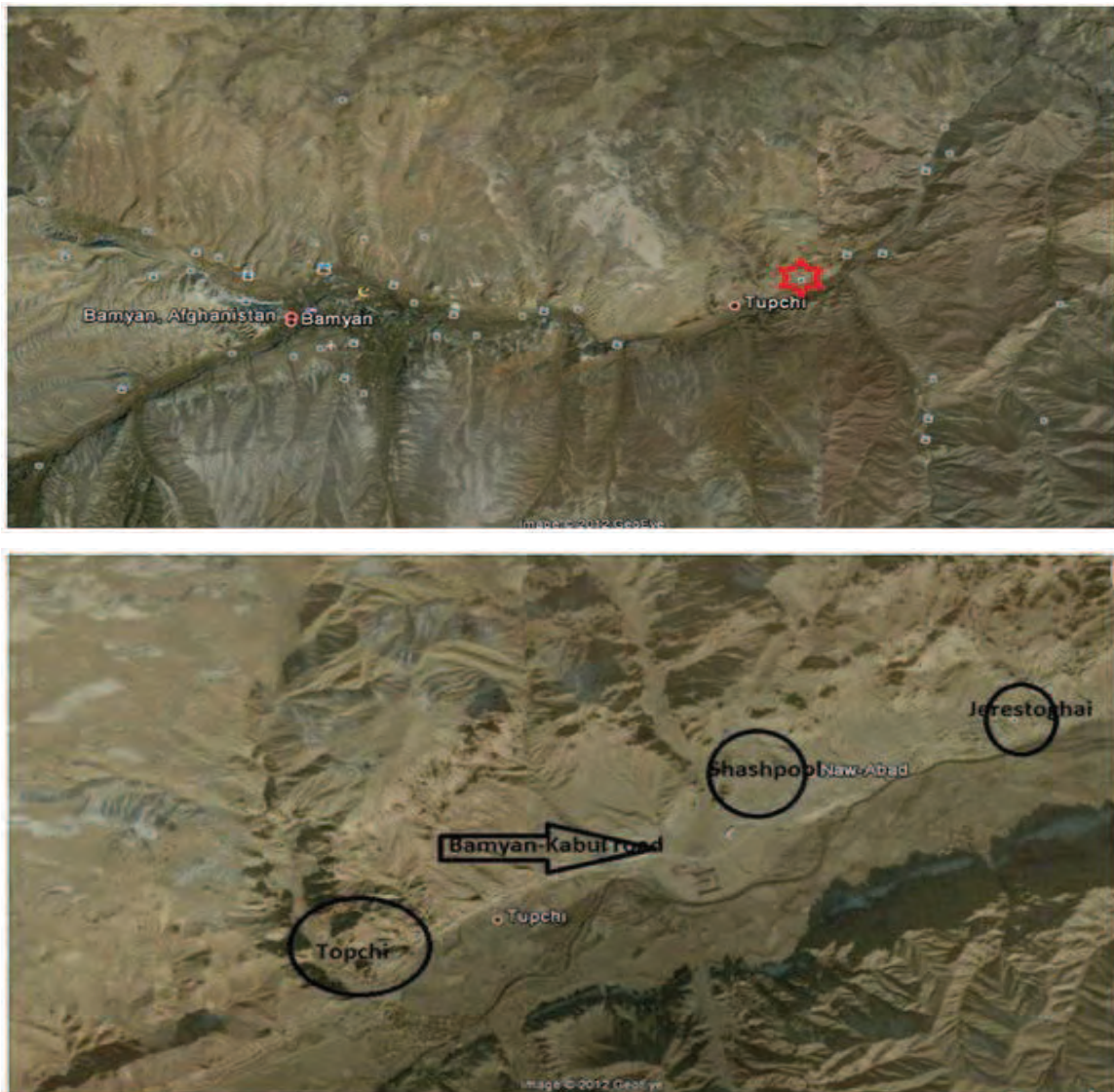


Figure 1: Satellite image of the Shashpool returnee and host community sites

During the Mujahidin war in 1996 and 1997, Tajiks from the **Topchi** community migrated to other cities in Afghanistan such as Kunduz, Mazar-e-Sharif, Baghlan, Parwan and Kabul. When the Taliban captured

Bamyan in 1998, the Hazaras migrated from this community to other cities in Afghanistan such as Mazar-e- Sharif, Kunduz, and to other countries such as the Islamic Republic of Iran and Pakistan.

The people from the **Jerestoghai** community fled and were mostly displaced to other cities a little earlier than those in **Topchi** - in 1994 and 1995 during the Mujahidin war. They went to Kunduz, Mazar-e-Sharif, Baghlan and Parwan, the same cities to which the **Topchi** people were displaced later.

After the fall of the Taliban regime in 2002, displaced people started coming back to **Topchi** and **Jerestoghai**. According to the CDC cluster members of **Topchi**, around 208 families are currently living in this host community, of which 70 per cent are Hazara and 30 per cent Tajik. Only four or five Hazara families are still living in the Islamic Republic of Iran, whereas 40 per cent of the Tajik families are still in other cities in Afghanistan. A healthy relationship between the two ethnic groups prevails in the village. On the other hand, according to the **Jerestoghai** CDC cluster members, around 64 families are living in the village, whereas 100 families or so are living in different cities of Afghanistan. All the people in **Jerestoghai** belong to the Hazara ethnic group.

In the early days, there were some disputes over land ownership among the returnee and host communities, and the relationship was not very healthy. However, the situation has improved and people live more or less in peaceful coexistence.

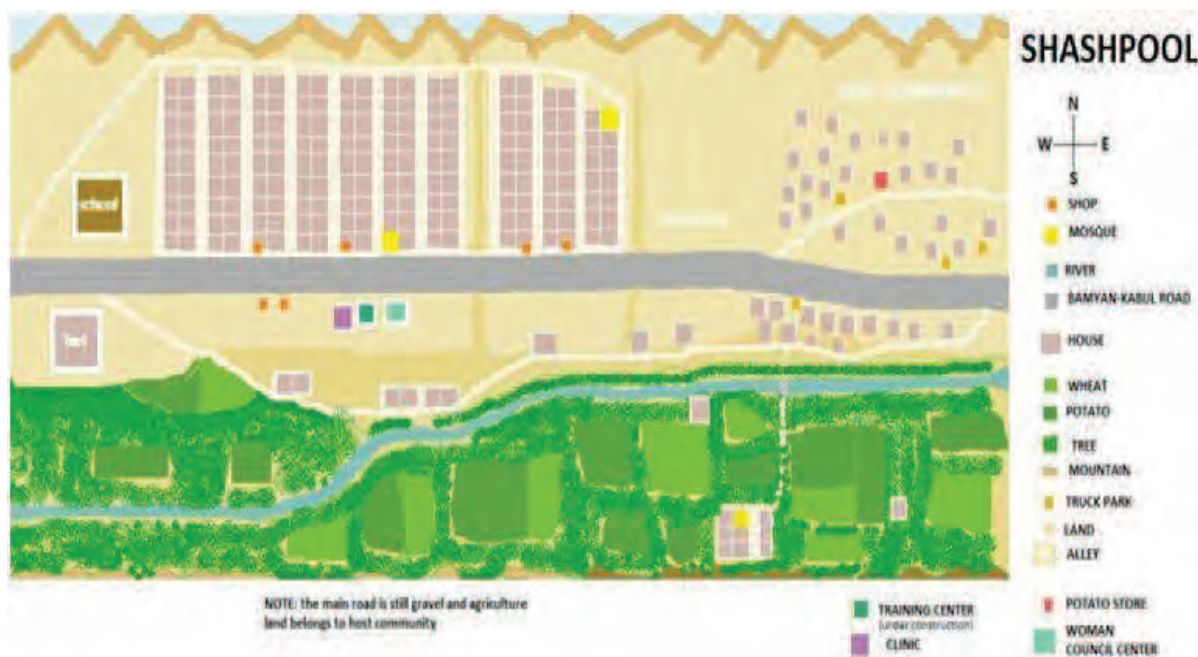


Figure 2: Physical layout of the Shashpool returnee community



Figure 3: Physical layout of the Shashpool host community Topchi

Disability

According to the CDC executives, there are five people in the **returnee community** with physical disabilities resulting from the war. Three of them are receiving a stipend of 6,000 Afs a year from MoLSAMD. There is also a man with a mental disability, who is currently being treated at hospital. Among the people with physical disabilities, three are working in different occupations- two weaving carpets and one working with an NGO in the community.

In the **Topchi** community, around 20 people have physical disabilities resulting from the war. All of them are jobless. Only four or five of them are receiving a stipend of 300 Afs per month from MoLSAMD.

In **Jerestoghai**, nine to ten people have physical disabilities resulting from the war and are unemployed. None of them receives any assistance from the Government or any other organizations.

LOCAL LABOUR MAPPING

Agriculture

The people in the **returnee community** do not own any agricultural land - but agriculture is the major means of livelihood for both the host communities. Because of the harsh winter, there is only one crop cycle in Bamyan. Figure 4 shows the major crops and corresponding agriculture cycles in Yakawlang district, which is representative of Bamyan province as a whole.

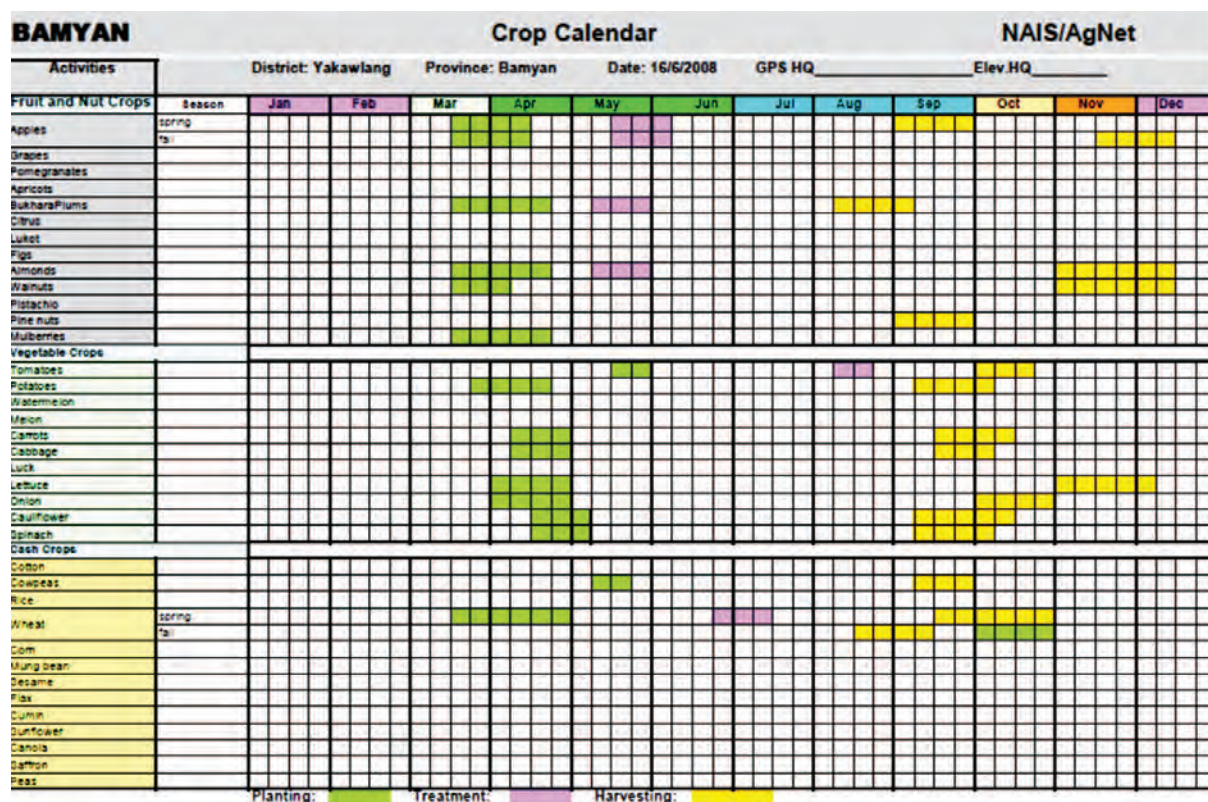


Figure 4: Crop calendar of Yakawlang district in Bamyan province (Source: USDA, 2008)

About 30 people from the *returnee community* are employed as agricultural wage labourers in the host communities during the one-month potato-harvesting season (September-October). They work for around 10 hours a day for an average wage of 300 Afs or 45 kg of potatoes. Only a few people lease land from the host communities to cultivate crops.

In Topchi, 90 per cent of the population is involved in agricultural activities. Farming on leased land and sharecropping are prevalent. Thirty per cent of agricultural land is rain-fed, while 70 per cent is irrigated. These days, people do not grow crops on rain-fed land because of the scarcity of rainfall. Potato is the major crop – accounting for 70 per cent of total cultivation. Other products include wheat, barley, apples and some fodder (reshqa and shabdar) for animals. Farmers sell potatoes and apples, but consume wheat and barley themselves and keep fodder for their own animals. Wheat and barley are planted in October and harvested in July, whereas potatoes are planted in May and harvested in September-October. According to some CDC members, each family harvests around 7,000 kg of potatoes a year, and they sell about 90 per cent of them just after the harvest. From each *jerib* (200 sq metres) of land, they can harvest potatoes worth 30,000-40,000 Afs. The major destinations for potatoes are Kabul, Mazar-e-Sharif, Baghlan and Kunduz. Five people have started growing apples in orchards during the past few years, finding them to be a profitable horticultural crop. They sell apples in Bamyan city. Each one earns annually 200,000 – 300,000 Afs.

In Jerestoghai, cultivation practices are more or less similar. However, all the plots of land here are irrigated. Potatoes are the major crop, accounting for 70 per cent of total cultivation. Other products include wheat, barley, apples and fodder (*reshqa* and *shabdar*). The consumption and selling patterns of the different crops are also similar to those of **Topchi**. Displaced people who have never returned to the community lease their land to local people for farming.

Livestock

In the *returnee community*, only four to five families have three or four sheep, but these are mostly for home consumption and not for commercial purposes.

In Topchi, about 90 families own livestock such as cows, sheep or goats, but mostly for their own consumption. They usually have one or two cows, two or three sheep or a goat. There are only nine to ten families who rear livestock on a commercial basis. On average, they maintain a herd of 25 to 30 sheep and sell eight to nine per year. However, they do not sell any animal products.

Ninety per cent of the families in *Jerestoghai* have livestock, but at subsistence level. In general they have one or two cows and a few poultry birds, which they rear for their own consumption.

Wage labour

The reconstruction of the Bamyan-Kabul road has opened up daily wage labour opportunities for the young people in these villages. Around 20-30 people from the *returnee community* are involved in this type of daily wage-based labour. There is also construction work within the site, supported by different development agencies, which engages around 30 people. The daily wage-based labour opportunities within and around the site exist for six months of the year (from April to October). For the remaining six months there is no work. According to the local people and CDC members, wage labourers work for 10-15 days per month from April to October. The average wage is 300-350 Afs for a 10-hour day.

The people in both **Topchi** and **Jerestoghai** are also involved in similar construction work, with around 10 people in **Jerestoghai** and 30 people in **Topchi** working as daily wage labourers, respectively.

Informal workers

Approximately 80 per cent of the families in the *returnee community* are involved in carpet-weaving. In addition to a few private carpet companies, NGOs such as ARZU distribute carpet-weaving frames and raw materials to the families. ARZU pays 2,000 to 2,400 Afs per square metre for weaving, whereas the private companies pay just under half that amount. It is mostly adult women and young children who work in this trade.

A few households in **Topchi** are also engaged in carpet-weaving. Interestingly, the people in the **Jerestoghai** community are not at all involved in this trade.

Small businesses

In the **returnee community**, there are five small shops selling grocery items and a bicycle repairs shop owned by the inhabitants. In **Topchi**, there are three grocery shops and six wood sellers. There are no similar small businesses in **Jerestoghai**.

Formal jobs

Three people (one male and two females) from the **returnee community** are working as teachers at the Shashpool school. One person is working with an NGO. Six people from **Topchi** are teaching at the same school.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Wage labour

Family members of 65 per cent of the households work as daily wage labourers outside the **returnee community** - the majority in Bamyan city. Around 10-12 people are working in Kabul and Mazar-e-Sharif, but only two in the Islamic Republic of Iran. Those employed in Bamyan city only work on a daily basis from April to October. The average availability of daily wage-based work is 15 days a month.

In **Topchi**, 40 per cent of the households have family members who work as daily wage labourers, but again mostly in Bamyan city. Two people are working in the Islamic Republic of Iran and around four to six in Kabul, Mazar-e-Sharif, Pol-e-Khomri and Kunduz. Approximately 40 per cent of the people from the **Jeretoghai** community also work outside. The majority are working in Bamyan, three to four in the Islamic Republic of Iran and five to six in Kabul, Mazar-e-Sharif and Kunduz. The labourers from these two communities mostly leave after the agricultural harvests.

Informal workers

Two carpenters, one motorcycle mechanic, one electrical mechanic, five to six masons and two drivers from the **returnee community** work in Bamyan city but they do not have any permanent jobs. They work from time to time on a contractual basis.

Five carpenters, four masons and two motor mechanics from **Topchi** work in Bamyan city. No one from **Jerestoghai** works on an informal basis outside the community.

Small businesses

Only one person from the **returnee community** runs an upholstery shop in Bamyan city. A few people from **Topchi** work as fruit street vendors in Bamyan city.

Formal jobs

Two people from the **returnee community** work for the Afghan Police and three for the Afghan Army. In addition, one person works in the Afghan Judiciary Office in Bamyan. Three people from **Topchi** work for the Afghan Police.

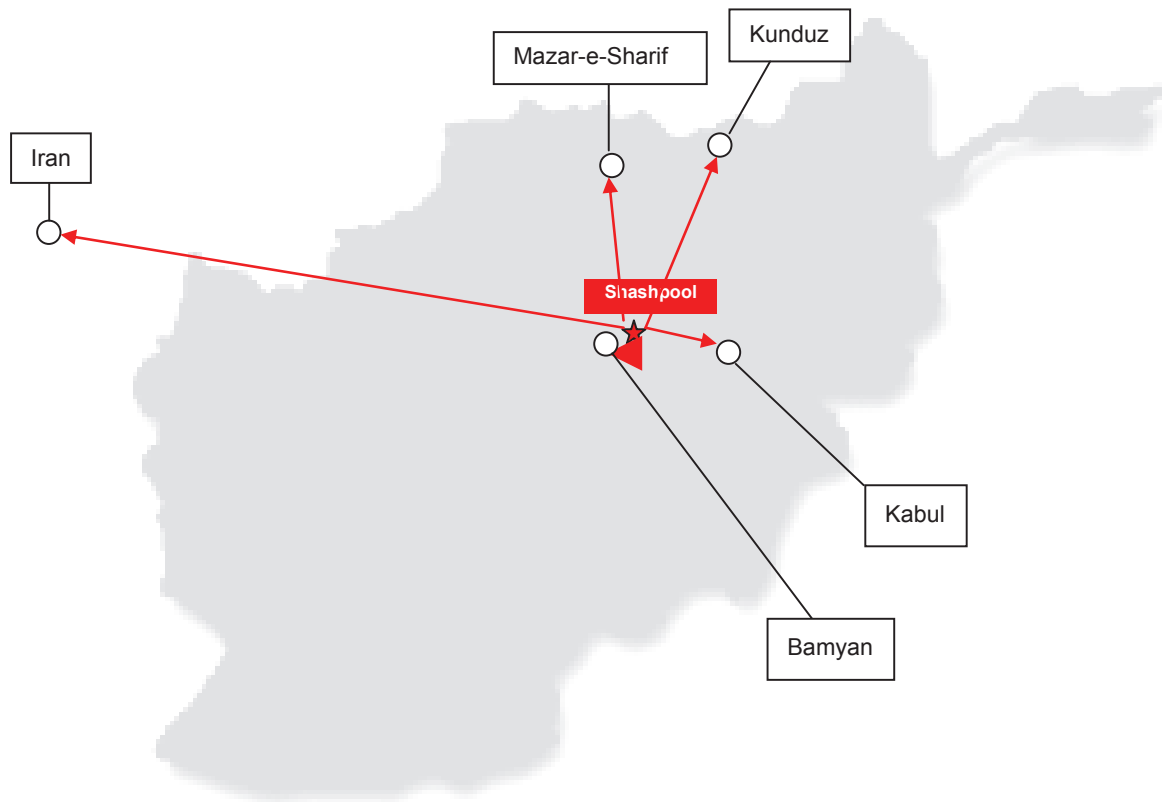


Figure 5: Labour and business mobility of the people from Shashpool

MOBILITY MAPPING OF EDUCATION/TRAINING

There is one school in the **returnee community**, which is attended by pupils from both the **returnee** and **host communities**. Students from other communities also study at this school. The school has 1st to 12th grade facilities for both boys and girls.

According to the Principal of the school, there are around 750 pupils enrolled in the programme (366 boys and 384 girls). The female pupils are all from the **returnee community** and the two host communities (**Topchi** and **Jarastoghai**), but some male pupils come from outside these three communities.

According to the local people, 32 girls and 60 boys from the **returnee community** of Shashpool are at present studying in high school and approximately 150 girls and 90 boys are studying at secondary school level. The CDC executives added that at least two or three children from each family go to school.

The Principal of the school added that 15 pupils (six girls and nine boys) graduated last year. Eight of them passed the entrance examination (Kankor² examination). Seven pupils did not take the examination or failed, of whom two are now working in road construction and the others are unemployed.

According to one of the CDC members from the **returnee community**, six pupils (four girls and two boys) graduated from high school. Among these, three girls passed the entrance examination, of whom two are now studying at Bamyán University in the Education and Training faculty (Taleem wa Tarbeya faculty) and one is enrolled in a teachers' training institute. The fourth girl is teaching at the community school. One of the boys is working in road construction and another has joined the Afghan Army.

One student from the **returnee community** is studying in India and another student in the Islamic Republic of Iran. One student is studying at Faryab University in the Education and Training faculty, and another one at Mazar-e-Sharif University in the Engineering faculty; a further two students are studying in Kabul University in the Sociology Department. However, all these students are male.

One girl and 70 boys from **Topchi** are studying at high school and approximately 90 girls and 100 boys at secondary-school level. According to the local people of the community, eight students (one girl and seven boys) are studying at Kabul and Bamyán Universities. Nine or ten students have graduated from universities, but they are unemployed - and 15 persons have graduated from high school and are also unemployed. Some of them are working as drivers.

² This is a central-level examination administered by the Ministry of Higher Education, on the basis of which a student may be admitted to public universities.

According to the local people of *Jerestaghai*, there is only one boy studying at Takhar University in the Engineering Department, and another is attending Bamyan University in the Education and Training Department (Talem o Tarbeya).

MAPPING OF AVAILABLE TRAINING AND BUSINESS DEVELOPMENT SERVICES (BDS)

Training provided in the community

Returnee community

In 2010-11, the Ministry of Rural Rehabilitation and Development (MRRD) and UN-Habitat conducted a six-month carpet-weaving course for 37 females and distributed weaving frames to each of them at the end. They also conducted a six-month tailoring course for 20 women and gave them sewing machines. Most of the women are using their weaving frames to produce carpets and earn an income. But the sewing machines are either idle or being used by the women to make their own clothes. The project also ran a six-month vocational training course for men on car repairs - but no one was found to be working in this area. It conducted similar training course in **Topchi** - a six-month training course on tailoring for 20 women. It provided sewing machines to each trainee at the end at the end of the course. However, the machines are currently only being used for the sewing of household clothes.

In 2011, Solidarity Afghanistan Belgium (SAB) conducted vocational training sessions for six to nine months, including a bicycle repairs course for men in Bamyan city; it subsequently distributed start-up toolkits worth 7,500 Afs. It also conducted a six-month tailoring and carpet-weaving training course for women in two to three groups, numbering 12 to 25 students in each. At the end of the course, trainees received sewing machines or weaving frames worth 7,500 Afs.

ARZU, established in 2005, has been working to empower women and improve their livelihood through the support of foreign aid. It follows a Fair Trade channel to market the products of the Afghan women taking part in the scheme. It started working with three families in Shashpool and now 30 families are involved. It has conducted literacy and carpet-weaving training courses for women in Shashpool. ARZU provides raw materials to the carpet weavers and gets the finished products in return. It offers 2,700 Afs per square metre, which is much higher than the price paid by the private sector.

The Japanese International Cooperation Agency (JICA) started vocational training courses for young people in November 2012. The training courses will last six months, - and in each cycle the project will train 60 men and 60 women in different skills. At present, 20 men are being trained in solar repairs, 20 in electrical and electronic works and 20 in car repairs. As far as the women are concerned, 20 are attending cookery classes, 20 tailoring classes and 20 are undergoing beauty salon training.

Host community: Topchi

According to interviews with CDC executives and members, few organizations have provided livelihood support/skills training to people in the community. In 2008, UN-Habitat ran two three-month tailoring

courses for 40 women. After graduation, the women were able to sew clothes of their own and of their family members, but they did not earn any income from this skill. In 2010, an organization called “Shuhada” conducted a carpet-weaving course for women and children. The CDC executive said that this organization had trained many women and children in carpet weaving, but that no one is now involved in the trade because weaving is hard and the income from this occupation has declined. In 2011, the Ministry of Rural Rehabilitation and Development (MRRD) distributed beekeeping tools to 20 families, but they did not show any interest afterwards and did not continue the activity. In March 2012, the FAO distributed some saplings of fruit and timber trees. The Rural Business Support Programme (RBSP) provided support to **Topchi** by establishing six potato cold stores in the community. The SAB has also helped to set up 24 commercial fruit orchards in the village.

Host community: Jerestoghai

In 2009, the MRRD and UN-Habitat conducted a six-month training course on car repairs for 25 men in **Jerestoghai**. However, none of them are now working in this occupation and are involved in agriculture. In 2010, the RBSP helped to establish four potato cold stores with a total capacity of 400,000 kg. The CDC mentioned that the farmers store 10 per cent of their harvest as seed potatoes for the next year in these cold stores. The SAB helped set up 12 commercial fruit orchards by providing training to 24 farmers. In addition, people who have livestock need to go to Bamyan city to have their animals treated – and around 10-20 per cent of them die every year from various diseases.

According to CDC members, UN-Habitat conducted a three-month hand stitching (gol dozi) and literacy course for girls in 2010. They trained 14 girls and, at the end of the course, they distributed seven sewing machines to them, one machine for every two girls. However, they are all without a job now.

Training/BDS provided by organizations based in Bamyan city

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few Departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
Aga Khan Development Network (AKDN)	The AKDN is a group of development agencies with mandates that include the environment, health, education, architecture, culture, microfinance, rural development, disaster reduction, promotion of private-sector enterprise and the revitalization of historic cities. Among the agencies, the Aga Khan Fund for Economic Development (AKFED) and the Aga Khan Foundation (AKF), which address rural development, are the two major agencies dealing with training/BDS/livelihood supports. The Afghan Government’s National Solidarity Programme (NSP) is central to the AKF’s rural development activities.
Cooperation Centre for	Along with its other activities, the CCA works in vocational training and the

Name of the organization/project	Provision of services
Afghanistan (CCA)	creation of BDS provisions. It does not have any vocational training projects in Bamyan currently, but has conducted one in Daikundi, when it provided training on office skills, dairy and wool processing, carpet weaving, masonry and agriculture. Its skills training curriculum is accepted and used by MoLSAMD partners including the CCA. In Bamyan, it helped establish private-sector owned and operated potato cold stores.
Department of Agriculture, Irrigation and Livestock (DAIL)	<p>The DAIL has the following ongoing projects:</p> <ul style="list-style-type: none"> • On-Farm Water Management (OFWM) funded by the World Bank • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Horticulture Cooperatives Development Project (HCDP) funded by the Agence Française de Développement (AFD) • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Animal Husbandry Development Project (AHDP) funded by AFD • Beekeeping Development Project (BDP) funded by AFD • Perennial Horticulture Development Project (PHDP) funded by the EC • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by EU • Variety and Seed Industry Development Project funded by EC • Promoting Integrated Pest Management in Afghanistan funded by the Norwegian Government • Agriculture Development Fund (ADF) - Agriculture Credit Enhancement Program, funded by USAID
The National Solidarity Programme (NSP)	The NSP was created in 2003 by the MRRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.
UN-Habitat	UN-Habitat provides skills building training and promotes community savings.

DEMAND AND SUPPLY OF FINANCIAL SERVICES

It was found that poor financial literacy among households is prevalent in all sites - and Shashpool is no exception. The HHs' financial management is very deficient, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

In 2010, the MRRD and UN-Habitat helped create a savings group in the **returnee community** with a grant of 200,000 Afs. Currently, 122 people are part of this savings group, which is divided into 10 smaller groups. Every member has to save 20 Afs each month. Members can take a loan of up to 10,000 Afs for emergency purposes or to buy equipment for their business. There is a small interest for this loan - and the loan, plus interest, has to be paid back within six months to a year in three installments.

There are similar savings groups in **Jerestoghai**. There are eight groups with 64 members, each of which saves 50 Afs per month. The maximum loan is the same amount as that of **the returnee community**. In **Jerestoghai**, people can also access finance by leasing out their land for one to three years.

Topchi village also has similar savings groups. In 2010, the MRRD and UN-Habitat provided a grant of 300,000 Afs in 2010 for this purpose. At present there are 12 small groups with 40 members, each of which saves 20 Afs per month. The maximum loan amount and paying mechanism is similar to that of **the returnee community**. Details of financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The **returnee community** falls under the category of “limited agriculture and near an urban centre”,³ whereas both **Jerestoghai** and **Topchi** are heavily dependent upon agriculture. Niche opportunities to increase the involvement of returnees/IDPs in agriculture should be explored – with a view to improving their reintegration in the host communities. Furthermore, livestock accounts for a significant share of the income of many or all of the households in both the host communities.

As most of the men in the **returnee community** - as well as a significant number from the host communities - find their means of livelihood in Bamyan city, Recommendations 2, 4, 5 and 6 from the main report are very important for this site. The list of service provider organizations identified should serve as a basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better

³³ The site typology is discussed in the main report

	protected and in benefiting from low-cost and reliable remittances services
√	8. Assist the value-chain development (VCD) of selected agricultural subsectors
√	9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors
√	Other: Improve access to veterinary services to reduce the high mortality of livestock and to promote better animal husbandry practices

1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the site’s poor financial management, lack of savings culture and prevalence of over-indebtedness. The ILO’s financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: While access to formal education is relatively easy due to the proximity of the site to an urban centre, career and entrepreneurial education could be introduced at secondary-school level. This would have a tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services

NOT APPLICABLE: Given that most people in the communities commute to Bamyan city daily, Recommendation 1 could cover the savings element of this Recommendation, while the remittances component is not relevant. Serving the needs of migrant workers in other urban centres goes beyond this site-specific Recommendation.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers’ and workers’ organizations, including the Afghan Builders Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the

poor working conditions in general; no or unfairly reduced payment;⁴ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: Given that a fair number of people from the **returnee community** and the **Topchi** host community rely on urban informal jobs - but none from the host community **Jerestoghai** - this type of employment should be further encouraged. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: Although only a few people from the **returnee community** and **Topchi** own small businesses in Bamyan – and there are none owned by people from the host community **Jerestoghai** – the Bamyan market provides a good opportunity for people to start and improve MSEs. This does not apply to the communities themselves, where there is limited opportunity for growth.

The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

⁴ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: While the target HHs have many family members working in the Islamic Republic of Iran, this goes beyond this site-specific recommendation.

8. Assist the value-chain development (VCD) of selected agricultural subsectors

APPLICABLE: This intervention could apply to both the host communities and also benefit people in the **returnee community** who work as agricultural labourers during the harvest. Potatoes are clearly a very important crop for the whole Bamyan province. In **Topchi** and **Jerestoghai**, people grow potatoes mostly as a commercial crop. The price fluctuates by more than 100 per cent between the peak and off-season. Storing potatoes during the harvesting season would therefore enable farmers to earn more by selling during the off-season. According to the people in these villages, the current potato cold storages belong to individuals who were nominated by DAIL. At present, the communities are forced to sell potatoes at a low price during the harvest as they lack the necessary storage facilities. As Bamyan potatoes are very famous throughout Afghanistan, many large traders operate in the city. Establishing more cold stores would, as seen above, enable the local people to make more money by selling potatoes in the off-season. Furthermore, increased income would lead to the expansion of potato production, resulting in more agricultural labour days – provided that account is taken of other factors, such as access to irrigation. From the point of view of sustainability, the project could promote the establishment of potato storage facilities in partnership with private-sector potato traders, whereby farmers could store their potatoes for a fee or come to an arrangement with the investor by sharing the higher margin achieved by selling in the off-season. To promote the concept initially, the project could share the costs incurred by building storage facilities with the private-sector partners. As a secondary option, the project itself could invest in establishing storage facilities for the economic benefit of the target population.

9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

APPLICABLE: Supporting people with physical or mental disabilities in both **the returnee community** and **host communities** – although their number is small - is important to ensure that livelihood development is inclusive and fair, particularly when they have no jobs and external support. A first consideration would be to link them to MoLSAMD's public cash transfer programme of benefits for the Families of Martyrs & Disabled. To enhance this support, they should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.

OTHER:

Improve access to veterinary services to reduce the high mortality of livestock and to promote better animal husbandry practices

This intervention could be aimed at the significant number of households in the host communities (30 per cent in **Topchi** and 100 cent in **Jerestoghai**), which raise livestock. Although they are a very important source of income, livestock in the villages experience a high mortality rate. This may be attributed mainly to the people's inadequate knowledge of ways to treat animals and to the distance from Bamyan city (where veterinary services are available). While tapping DAIL relevant projects might address this problem, it may not be sustainable - given DAIL's heavy reliance on project funds to mobilize their extension network beyond urban centres. A more sustainable approach would be to work with private veterinary service providers in Bamyan city, and let DAIL and other projects continue their services as a supplementary measure. Carrying a diseased animal by someone to the city is troublesome and also expensive. However, for a veterinary service provider, visiting a distant place for only one or a few animals is not feasible. A periodic visit to the village by private company representatives dealing with livestock medicines/vaccines could be an option. The project could negotiate with private companies to extend their services to the villages. As many other reintegration sites have a significant number of livestock animals, a large private company with a good coverage could also benefit by tapping this market - leading to a win-win situation for both the companies and the project. Nonetheless, it is important to involve the expert of the BDS market development approach in negotiations with the private sector, in order to strengthen the provisions of the veterinary service in a commercially sustainable manner, while avoiding exploitative or inequitable situations. Should the distance from the city prevent the private vet service from being provided to the community, ideas such as training para-vets in the community could also be pursued.



SHEIKH MESRI NEW TOWNSHIP, NANGARHAR

Employment patterns

Returnee/IDP community¹

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
1%	1%	10%	2%	<1%	<1%	80%	4%	5%	2%

Base: 2,500 HHs

INTRODUCTION

Sheikh Mesri New Township (SMNT) is a Land Allocation Scheme (LAS), located about 14 km south-west of Jalalabad city. The site is in a barren desert with few opportunities for agriculture or the rearing of livestock. A gravel road connects SMNT to the Jalalabad highway. Means of transport are available on a fairly regular basis, enabling people to commute from the site to the city. People travel by taxi, three-wheelers (zarang), minivans, etc. It takes less than an hour to reach the city from SMNT and costs 20-50 Afs, depending on the means of transportation.

¹ Information based on the interviews with the Community Development Council (CDC) executives at the inception meeting, and also on further follow-up site visits. As HHs have multiple incomes – and there are often several income earners in one family – the total does not come to 100 per cent.



Figure 1: Satellite image of Sheikh Mesri New Township

Around 2,500 families live at the site, of which 72 per cent (1,800 families) are returnees from Pakistan; about 80 per cent of the population are Pashtun. The families living in this community originated from different districts of Nangarhar province, such as neighbouring Char Bagh and the Fatehabad village of Surkh Rod – as well as from some parts of the Chaparhar and Khogyani districts.



Figure 2: Physical layout of Sheikh Mesri New Township

Disability

Around 12 people in the community are recorded as having a disability, only two of whom are currently working as shopkeepers. One of them runs his business in the community and the other in Jalalabad city. It was not reported that anyone was receiving support from the Government.

LOCAL LABOUR MAPPING

Agriculture

About 20-30 families have agricultural land, which is exclusively rain-fed. Consequently, they can only cultivate one crop a year. The main crops are wheat and watermelons, but wheat is grown for household consumption.

Livestock

Approximately 20 families have livestock animals (mostly sheep), and the herd size is very small – four to five animals. As there is hardly any grazing land, they buy fodder from the market. Animals are kept as savings in kind to sell during a period of financial crisis.

Wage labour

As there are very few agricultural and livestock opportunities, most of the people earn their livelihood by working as daily wage labourers. Because of the ongoing infrastructure development projects, which have considerably declined since the site was first developed, around 10 per cent of the households find daily wage-based work in the LAS. The average wage for daily labourers is 250-300 Afs.

Informal workers

Forty to 50 people work in different skills-based occupations in the community – as masons, carpenters, welders, electricians, etc.

Small businesses

There are around 10-15 shops in the community, ranging from grocery shops, welding shops, metal works shops, fruit and vegetable shops, etc.

Formal jobs

Only a few people work as teachers in the community schools.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Wage labour

Eighty per cent of the households depend on income from wage labour. While most of the young people go to Jalalabad city, a significant number of people, around 20 per cent, work as wage labourers in Pakistan, the Islamic Republic of Iran, Saudi Arabia and Kuwait. Those who stay in the country tend to remain in Jalalabad for daily wage-based work such as construction, portering, and loading and unloading goods. However, a fair number of people work in brick kilns in Kabul (Dehsabz), especially during the summer.

Informal workers

Some 100 people work outside the community in the informal sector in other provinces. Thirty people work in Jalalabad in different skills-based occupations, two in Kabul in carpentry, one in Kandahar in welding, one in Baghlan in carpentry, and one in Mazar-e-Sharif in carpentry.

Small businesses

Around five per cent of people in the community work in Jalalabad city and run various small businesses - mostly petty trade. They commute to the city from the site. Typical small businesses include

grocery shops, the selling of vegetables/fruits/shoes in the street or with pushcarts, and driving taxis or three-wheelers.

Formal jobs

Around 50 people from the site work in the Afghan Army and Police.

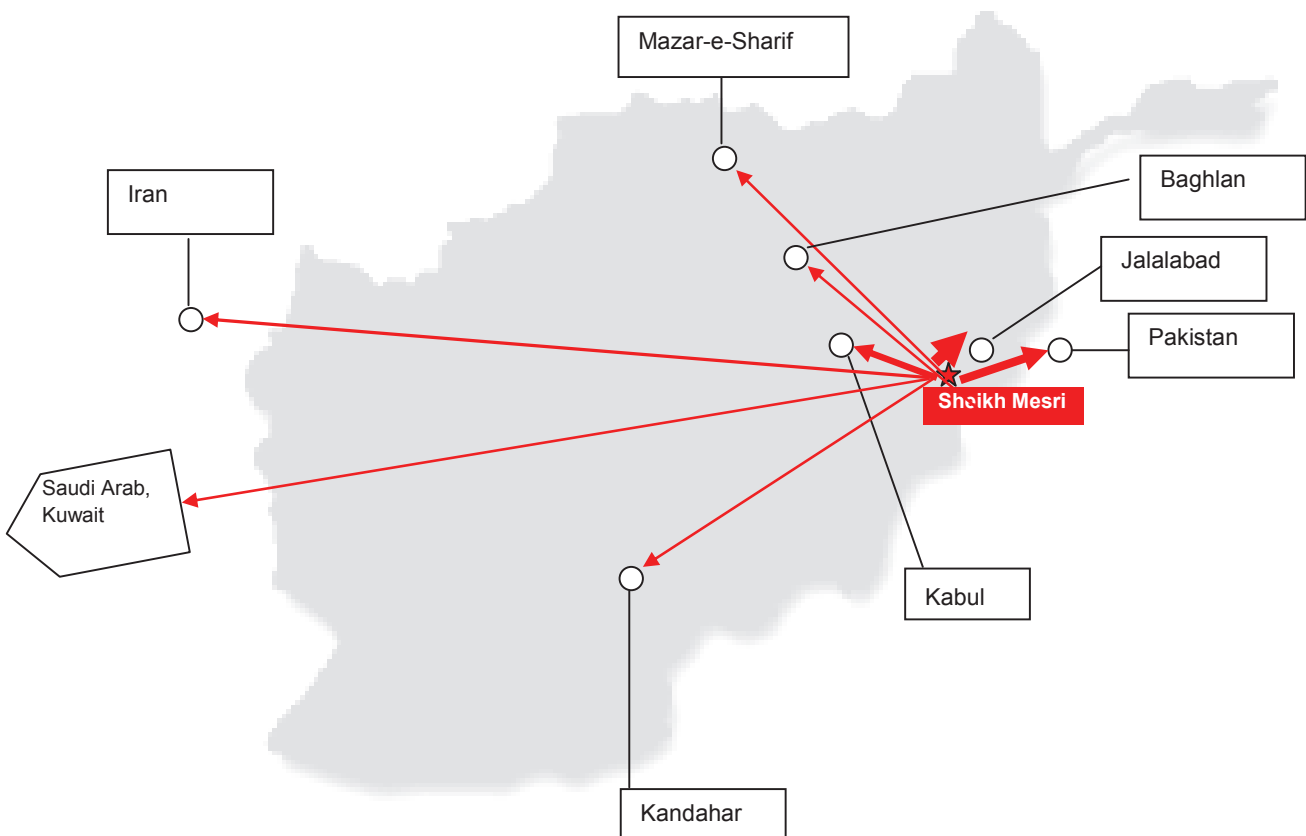


Figure 3: Labour and business mobility of the people from Sheikh Mesri New Township

MOBILITY MAPPING OF EDUCATION/TRAINING

There are two primary schools and one secondary school (only up to 9th grade) at the site. Around 1,500 boys and girls are at present attending the primary schools, while around 1,000 pupils are at high school. Currently, 20 girls are studying in 9th grade. Around 40-45 boys finish secondary school each year, and 50 per cent of them continue their education at the Faqirullah High School in the Surkh Rod community.

Five nursery schools have been established by Child Fund Afghanistan, which is attended by about 40 children at the moment.

MAPPING OF AVAILABLE TRAINING AND BDS

Training provided in the community

The International Rescue Committee (IRC) and the Norwegian Refugee Council (NRC) conducted training courses on tailoring, vulcanizing and welding for almost three months. However, the majority of the participants could not find a job related to the skills they had learned and returned to their previous occupations. Only a few are now working in Jalalabad city as carpenters, shoemakers, etc. One person is working as a welder in Kandahar.

Women for Women International has set up a vocational training institute in the community for women. They are currently providing training on poultry-raising and kitchen gardening, and disburse a monthly stipend of US\$10 to each participant. Upon terminating the course, each woman will be provided with eight to ten poultry birds or helped to establish a small kitchen garden.

The IMC is providing skills training to 20 men and 20 women. Men attend courses on tailoring, mobile repairs, carpentry, metal work, car repairs, etc., while women are taught tailoring skills.

Training/BDS provided by organizations based in Jalalabad

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few Departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
Afghanistan Development Association (ADA)	<p>Agriculture and Livestock</p> <ul style="list-style-type: none"> - Agriculture and forestry - Livestock and poultry - Small-scale irrigation <p>Economic Recovery and Capacity Building</p> <ul style="list-style-type: none"> - Knowledge and skills - Civic education - Access and market - Institutional development <p>Cross-cutting activities (gender, environment, good governance and advocacy, peace building, conflict resolution, human rights, disaster management, humanitarian assistance and emergency activities)</p>
The Food and Agriculture	The FAO has a few projects:

Name of the organization/project	Provision of services
Organization of the United Nations (FAO)	<ul style="list-style-type: none"> - Variety and Seed Industry Development Project - Development of Integrated Dairy Schemes (IDS) in Afghanistan - Emergency Certified Wheat Seed and Fertilizer Distribution Programme - Support to Household, Food Security, Nutrition and Livelihoods in Afghanistan
German Agro Action (GAA)	The GAA has, inter alia, agricultural, farmers' support, drinking water and irrigation, and food storage construction projects.
The National Solidarity Programme (Provincial Management Unit) (NSP/PMU)	The NSP was created in 2003 by the MRRD to develop the Afghan communities' ability to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.
CFA (Children Fund Afghanistan)	The CFA has agricultural, environmental (flood and avalanche protection), and drinking water projects.
Danish Committee for Aid to Afghan Refugee (DACAAR)	DACAAR works in rural areas and aims at improving rural livelihoods through sustainable activities that engage Afghan communities to be agents of their own development process.
BRAC	BRAC has farm building and agricultural projects.
Sanayee Development Organization (SDO)	SDO works in various fields such as peace building, education, community health, community development and capacity building.
International Foundation of Hope (IFHope)	IFHope works with local leadership to develop agriculture-related projects that will meet the needs of that community and help them become self-sufficient.
Noor Educational & Capacity Development Organization (NEC)	NEC endeavors to assist Afghan women and children by building their capacities to enhance their economic and social well-being in a sustainable and equitable manner.
Relief International (RI)	RI provides vocational training, offers microfinance opportunities, and develops promising value chains.
Swedish Committee for Afghanistan (SCA)	SCA works in education, health and rural development, and supports people with disabilities.
Department of Agriculture, Irrigation and Livestock (DAIL)	<p>The DAIL has the following ongoing projects:</p> <ul style="list-style-type: none"> • On-Farm Water Management (OFWM) funded by the World Bank • Rural Business Support Project (RBSP) funded by ADB • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Rural Microfinance and Livestock Support Programme (RMLSP) funded by IFAD • Integrated Dairy Scheme Project (IDSP) funded by FAO • Nangarhar Valley Development Authority (NVDA) funded by ADB • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Animal Husbandry Development Project (AHDP) funded by the Agence Française de Développement (ADF) • Beekeeping Development Project (BDP) funded by AFD • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Commercial Horticulture and Agriculture Marketing Programme

Name of the organization/project	Provision of services
	(CHAMP) funded by USAID <ul style="list-style-type: none"> • Incentives Driving Economic Alternatives - North, East and West (IDEA-NEW) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by EU • Variety and Seed Industry Development Project funded by EC • Development of Integrated Dairy Schemes in Nangarhar funded by IFAD • Seed and Fertilizer and Metallic Silo Distribution funded by JICA • Agriculture Development Fund (ADF)- Agriculture Credit Enhancement Programme funded by USAID
Nangarhar Agriculture and Veterinary School (State-owned TVET school, under ASDP)	Formal T-VET education, 310 students enrolled in 2011-12 academic year.
Nangarhar Mechanical School (State-owned TVET school, under ASDP)	Formal T-VET education, 557 students enrolled in 2011-12 academic year.
Sulh and Azadi School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 832 students enrolled in 2011-12 academic year.
Khogyani Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 30 students enrolled in 2011-12 academic year.
Rodaat Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 60 students enrolled in 2011-12 academic year.
Behsood Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 62 students enrolled in 2011-12 academic year.
Kama Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 105 students enrolled in 2011-12 academic year.
Surkh Rod Agriculture School of Nangarhar (State-owned TVET school, under ASDP)	Formal T-VET education, 108 students enrolled in 2011-12 academic year.

DEMAND AND SUPPLY OF FINANCIAL SERVICES

There is poor financial literacy among households in all the sites. However, at aggregate level, those in the Eastern Region are less over-indebted and have a better savings culture (as seen in the main report). But a significant number of households in Sheikh Mesri New Township still have poor financial management, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

No MFIs or savings groups were observed at the site. One organization from Jalalabad attempted to start a microfinance operation in the community - but failed due to the resistance of the local population. People usually use the *Hawala* system in Jalalabad to receive remittances from their relatives working outside the country. The details of financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The site falls under the category of “limited agriculture and near an urban centre”²². Most of the men from the community find their means of livelihood in Jalalabad city, but there is a strong seasonal migration to Kabul, particularly in the summer. Recommendations 2, 3, 4, 5 and 6 from the main report are therefore very important for this site. The long list of service provider organizations identified should serve as a basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
√	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as well as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Help the migrant workers in Pakistan and Iran become better protected and benefit from low cost and reliable remittance services
	8. Assist the value-chain development (VCD) of selected agricultural subsectors
√	9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors
√	Other: Link vulnerable HHs to the private carpet weaving companies in Kabul which are active in the host communities.

1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the site’s poor financial management, lack of savings culture and prevalence of over-indebtedness. The ILO’s financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment,

²² The site typology is discussed in the main report

and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: Although access to formal education is relatively easy due to the site's proximity to an urban centre, access to career and entrepreneurial education could be introduced at secondary-school level. This would have a tremendous impact on the future of youth. For skills training, see Recommendation 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as well as to low-cost and reliable remittances services

APPLICABLE: Although most of the men commute to Jalalabad city daily, there is a strong seasonal migration to Kabul and other cities in the summer. Access to savings accounts and low-cost and reliable remittances services could help the migrants better manage their savings and ensure that their money is transferred risk-free to their families. Although Recommendation 1 could effectively help develop the savings culture, a system providing access to savings accounts and low-cost and reliable remittances services should be in place in both the respective urban centre and at the site.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers' and workers' organizations, including the Afghan Builders' Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the poor working conditions in general; no or unfairly reduced payment;³ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and

³ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: Although only a small percentage of households in the community rely on urban informal jobs, this type of employment should be further encouraged. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: Although only a few people from the community own small businesses in Jalalabad, the vibrant Jalalabad market provides ample opportunities for people to start and improve MSEs. However, this does not apply to the community itself, because people prefer to go to Kabul to shop for most of their goods and services.

The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: While the target HHs have many family members working in Pakistan and the Islamic Republic of Iran, this goes beyond this site-specific recommendations.

8. Assist the value-chain development (VCD) of selected agricultural subsectors

NOT APPLICABLE: This is not feasible given the limited agricultural activities in the community.

9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

APPLICABLE: Supporting people with physical or mental disabilities in both the returnees/IDPs and host communities – although their number is small - is important to ensure that livelihood development is inclusive and fair, particularly when they have no jobs and external support. A first consideration would be to link them to MoLSAMD’s public cash transfer programme of benefits for the Families of Martyrs & Disabled. To enhance this support, they should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.



SHOGOFAN, HERAT

Employment patterns

Returnee/IDP community:¹

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
0 %	6 %	30 %	1 %	1 %	<1 %	80 %	5 %	0 %	1 %

Base: 2,395 HHs (1,435 returnees and 960 IDPs)

INTRODUCTION

The Shogofan cluster geographically belongs to the Enjil district of Herat province, and is located west of Herat city along the Herat-Islam Qala Highway, around 17 km from the city. People usually commute to Herat city in three-wheelers (zarang) or minivans (falang coach). Transport is usually available, and it takes 20-25 minutes to reach Herat city. The trip costs 15-20 Afs, depending on whether people take a three-wheeler or minivan.

¹ Information based on interviews with the Community Development Council (CDC) executives at the inception meeting, and also on further follow-up site visits. Given that many HHs have multiple sources of income – as there are often several income earners in one family – the total does not come to 100 per cent.

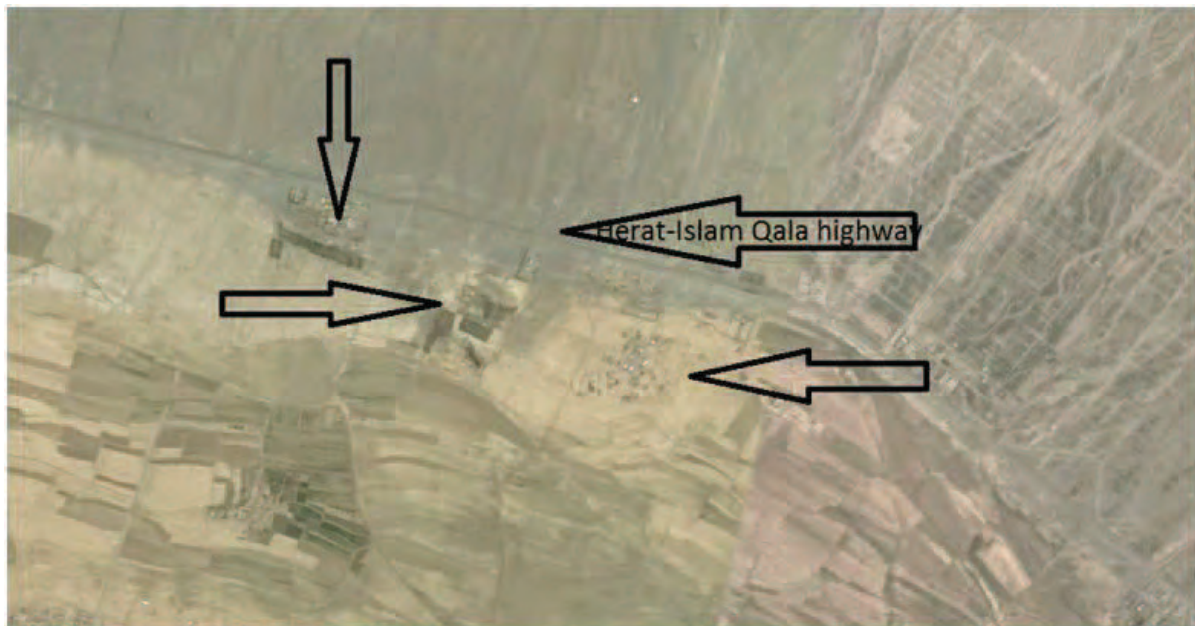


Figure 1: Satellite image of the Shogofan site

The reintegration site consists of six sub-villages. According to UNHCR, there are 1,163 families in the cluster. In addition, 200 IDPs recently fled from Gulran and Kushak-i-rabat Sangi for security reasons and came to live in this area. However, it was observed that there are a greater number of households – approximately 2,395; 450 families in Shogofan; 1,200 families in Shogofan; 2,400 in Ahmadi; 585 in Ishaq Abad; 460 in Turkman; and 300 in Ariana village.

The population in these villages is a mixture of Pashtun, Tajik, Hazara, Uzbek and Turkman tribes, made up mostly of returnees from the Islamic Republic of Iran and Pakistan, as well as of IDPs from the IDP settlements in Herat and Kandahar who originated from Faryab, Qaisar, Badghis and some other northern parts of Afghanistan. They opted to settle in the cluster because of the availability of job opportunities, good security, and the low cost of land.



Figure 2: Physical layout of Shogofan

Disability

Approximately 26 people in the site have full or partial disability, around 40 per cent of whom are women. Only one of these people is at present working as an electrician in the community. None of them have received any assistance from the Government or any other organization.

LOCAL LABOUR MAPPING

Agriculture

There is no agricultural activity in the community.

Livestock

Only around 100 families own livestock animals, usually consisting of two to three goats, a few poultry and one cow. Most families use these animals for household consumption. Two families sell 4 kg of milk every day in the village - for 100 Afs.

Wage labour

Being a comparatively new site, Shogofan has some daily wage-based work opportunities for people in the community. Thirty per cent of the households have family members work who work as daily wage labourers - mainly in the construction of roads and houses.

Informal workers

Around one per cent of the people in the community are skilled in such areas as welding, tailoring, electrical works, masonry, embroidery, etc. They work inside the community, either by setting up their own shops or from home. A few women are involved in wool spinning and carpet weaving. Approximately 10-15 women are involved in embroidery, and they supply Herat market with their work on a regular basis.

Small businesses

There are around 20 small businesses in the community, such as a bakery, a welding business, an electrical workshop, a tailor, a grocery shop, a construction materials shop, etc.

Formal jobs

Only five people in the community have formal jobs, mostly as cooks and guards etc., with various NGOs.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Wage labour

About 60 per cent of the population who came from the Islamic Republic of Iran and Pakistan purchased land and then sent their family member/s back to these countries to work. Some 250 young people from the site have left the country to find a job. Around 30 people work in Pakistan, collecting scrap and selling it to recycling businesses. A further 200 persons or so work in the Islamic Republic of Iran, mostly as simple wage labourers. Around 12 workers from Shogofan work in Nimroz province on construction sites, and 15 are employed in Kabul, Kandahar and Chaman, respectively, in daily wage-based labour.

Every day, around 300 people go to Herat city to find daily wage-based work. They usually work eight hours a day, for an average wage of 250-300 Afs, for 12-15 days a month. And some people work as daily wage labourers in other provinces or abroad.

Informal workers

Around five per cent of the population work outside the community in different skills-based job in the informal sector. Two young women go to Herat city, buy fabrics from a shopkeeper, make clothes and do embroidery, and take a fee for tailoring. They also involve some other women from the community in their work.

Small businesses

No one from the community runs any business in Herat city - or anywhere else.

Formal jobs

Only a few people work in the Afghan Police and Army.

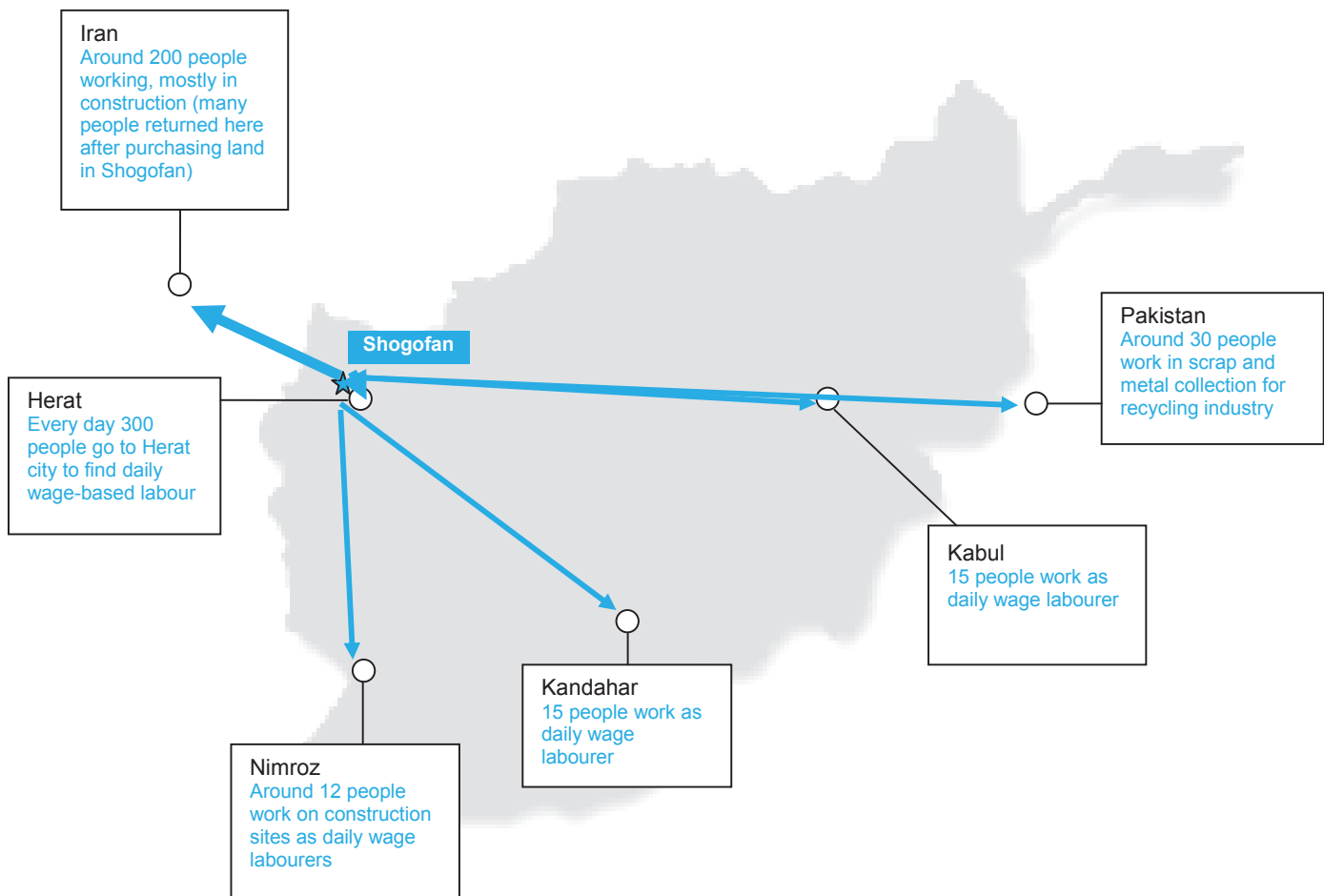


Figure 3: The labour and business mobility of people from the Shogofan site

MOBILITY MAPPING OF EDUCATION/TRAINING

The Shogofan site does not have a permanent school. Children study at the Mosque up to 4th grade. At present, 350 girls and 150 boys are studying at this level. Afterwards, pupils go to the Eshlaq Suleman high school where they can study up to 12th grade. Thirty boys and 40 girls are studying at this school in the secondary section, and 10 boys and 20 girls are studying at high-school level. Last year, four boys and two girls from the Shogofan community graduated from high school. All of them entered a private university in Herat city - the Khuaja Abdullah Ansari University.

Pupils go to the nearby township of Jibrael, and also to Herat city, to learn English, computer skills and other school subjects such as mathematics, chemistry and physics

MAPPING OF AVAILABLE TRAINING AND BDS

Training provided in the community

In the last quarter of 2011, the Afghan Institute of Learning (AIL) conducted training programmes in the Shogofan site in coordination with UNHCR. They ran health reproductive training courses for 160 women and vocational training courses for 80 women from the site. The vocational training lasted four months (three months were supported by UNHCR and one month by AIL). Forty women acquired skills in sewing and 40 others skills in hand embroidery. At the end of the training sessions, 80 sewing machines were distributed to the participants. All the participants were returnees. The training was carried out at the site, five days a week. There was no age limit and Shura selected the participants. Each participant received US\$ 30 per month as a stipend. However, the activity was only to provide training, not to ensure follow-up or job placement.

According to information from AIL, one of the women who attended the course is working in the city. Two others are working in Jibrail, near Shogofan. Furthermore, one man from the city market has his products sewn by a group of five women who underwent training.

UNHCR supported two projects carried out by the Sanayee Development Organization (SDO). One covered the Shogofan site. It provided training in three areas:

1. English and computer skills. Twenty boys and 20 girls attended the course alongside their normal studies.
2. Peace building and co-existence. One hundred and five people- 45 women and 60 men – attended the course (they were from both the returnee and host community).
3. Hygiene and gender-based violence. Three hundred and fifty women received training on this subject and were provided with hygiene tools at the end of the course.

The training course on English and computer skills lasted for six months (July-December 2012). It took place five days a week, four hours a day. The training was conducted in one of SDO's training centres in Ishq-a-bad, close to the village. Participants were from all six parts of the cluster. They were given US\$10 per month for their transportation as a stipend and, in addition, they were provided with refreshments. The boys attended the course from 8 am-12 pm, and the girls from 1 pm-4.30 pm.

The SDO embarked upon a vocational training project funded by the US Department of State: Bureau for Population, Refugees and Migration (BPRM) in September 2012. It is one of three Implementing Partners (IPs) for the project. Different IPs focus on various target groups; the SDO on men; the Welfare and Development Organization for Afghanistan (WDOA) on women; and the Catholic Relief Services (CRS) on both. The SDO and WDOA provide vocational training on non-agricultural matters, while the

CRS provides training on agriculture and animal husbandry. The total number of beneficiaries for the project is 3,000. However, the Shogofan site is not a target area under this project.

In addition, the Norwegian Refugee Council (NRC) has conducted a literacy course for 80 women. It has also organized an English and computer skills course for 30 girls. Finally, the Ansary Rehabilitation Association for Afghanistan (ARAA) has distributed 100 goats to 50 families.

Training and BDS provided by organizations based in Heart

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few Departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
Department of Agriculture, Irrigation & Livestock (DAIL)	<p>The DAIL has the following ongoing projects:</p> <ul style="list-style-type: none"> • On-Farm Water Management (OFWM) funded by the World Bank • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Support to Agriculture and Rural Development (SARD) funded by the Italian Corporation • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Animal Husbandry Development Project (AHDP) funded by the Agence Française de Développement (AFD) • Beekeeping Development Project (BDP) funded by AFD • Perennial Horticulture Development Project (PHDP) funded by the EC • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Incentives Driving Economic Alternatives - North, East and West (IDEA-NEW) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by the EU • Variety and Seed Industry Development Project (FAO) funded by the EC • Agriculture Development Fund (ADF) - Agriculture Credit Enhancement Programme funded by USAID
Coordination of Humanitarian Assistance (CHA)	The CHA provides emergency aid for war victims in the field, to assist with the rehabilitation of rural and urban life.
Food and Agriculture Organization of the United Nations (FAO)	<p>The has the following projects:</p> <ul style="list-style-type: none"> - Variety and Seed Industry Development Project - Development of Integrated Dairy Schemes (IDS) in Afghanistan - Emergency Certified Wheat Seed and Fertilizer Distribution Programme - Support to Household, Food Security, Nutrition and Livelihoods in Afghanistan

Name of the organization/project	Provision of services
National Solidarity Programme (Provincial Management Unit) (NSP/PMU)	The NSP was created in 2003 by the MMRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.
Danish Committee for Aid to Afghan Refugee (DACAAR)	The DACAAR works in rural areas and aims at improving rural livelihoods through sustainable activities that engage Afghan communities in being agents of their own development process.
BRAC	BRAC runs farm building and agricultural projects.
Norwegian Refugee Council (NRC)	THE NRC has activities in emergency food security and distribution, information, counseling and legal assistance, camp management, education, and the building of homes and schools
Sanayee Development Organization (SDO)	The SDO works in various fields such as: peace building, education, community health, community development, and capacity building.
Afghanistan's Children A new Approach (ASCHIANA)	In order to provide a sustainable livelihood for youth, ASCHIANA provides vocational training opportunities in the areas of tailoring, bicycle repairs, hairdressing and beauty therapy, carpentry, electrical repairs, masonry, welding, information technology, cooking, traditional instrument making and plumbing.
Dutch Committee for Afghanistan (DCA)	DCA-VET works to improve the health and productivity of Afghan livestock. It owns three veterinary training and support centres: in Kabul – Charikar; in heart; and in Mazar-e-Sharif. In these training centres, DCA-VET offers an array of veterinary training courses for its own VFU staff as well as the VFU staff of other NGOs, government veterinarians and students of agricultural schools.
Humanitarian Assistance for Women and Children of Afghanistan (HAWCA)	HAWCA conducts skills training courses
Blind School of Herat (State-owned TVET school, under ASDP)	Formal T-VET education, 40 students enrolled in 2011-12 academic year.
Herat Agriculture and Veterinary Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 302 students enrolled in 2011-12 academic year.
Herat Technical Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 352 students enrolled in 2011-12 academic year.
Behzad Industrial School of Herat (State-owned TVET school, under ASDP)	Formal T-VET education, 286 students enrolled in 2011-12 academic year.

DEMAND AND SUPPLY OF FINANCIAL SERVICES

It was found that poor financial literacy among households is prevalent in all sites - and Shogofan is no exception. The HHs' financial management is very poor, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

People borrow from friends and relatives when they are in need of money. Buying from shops on credit is also common. BRAC is active in the nearby township of Jibrael, and some people from the cluster have borrowed money from it. Those households with family members working either in the Islamic Republic of Iran or in Pakistan receive money from them through *Hawalas* located in Herat city.

In Shogofan, there are women’s saving groups which are coordinated by UN-Habitat and the MRRD. In one of these groups, each member saves 50 Afs per month. If a member needs money, she can borrow from the savings group. If money is loaned for business activities that make a profit, 50 per cent of this profit is paid back to the savings group and the remaining 50 per cent remains with the person contracting the loan. This system is called *Muzariba*, an example of an Islamic financial product. However, the loan has to be reimbursed in any event, so that the savings group does not suffer any loss but only shares in the profit. Details of financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The site falls under the category of “limited agriculture and near an urban centre”²². As most of the men from the community find their means of livelihood in Herat city as well as in other urban centres, Recommendations 2, 3, 4, 5 and 6 from the main report are very important for this site. The long list of service provider organizations identified should serve as a list for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
√	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services
	8. Assist the value chain development (VCD) of selected agriculture subsectors
√	9. Assist vulnerable HHs and individuals in being linked to the social protection programmes of the Government and donors

²² The site typology is discussed in the main report

1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the site's poor financial management, lack of savings culture and prevalence of over-indebtedness. The ILO's financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: Although there is no permanent school in the community, access to formal education is relatively easy due to the site's proximity to an urban centre. Access to career and entrepreneurial education could be introduced at secondary-school level. This would have tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services

APPLICABLE: Although most of the people at the site find their daily wage-based work in Herat city, a significant number of people work in other major urban centres on a long-term migration basis. Access to savings accounts and low-cost and reliable remittances services could help the migrants better manage their savings and ensure that their money is transferred risk-free to their families. Although Recommendation 1 could effectively help develop the savings culture, a system providing access to savings accounts and low-cost and reliable remittances services should be in place in both the respective urban centre and at the site.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers' and workers' organizations, including the Afghan Builders' Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the poor working conditions in general; no or unfairly reduced payment;³ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

³ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: Although only a small percentage of the community households rely on urban informal jobs, this type of employment should be further encouraged. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: While no one from the community runs his or her business in Herat city or any other urban centre, urban markets provide ample opportunities to start and improve MSEs. This does not apply to the community of Shogofan as there is limited opportunity for growth. In addition, growing urban MSEs can potentially absorb a greater share of the labour force in the future.

The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: Although the target HHs have many family members working in Pakistan and the Islamic Republic of Iran, this goes beyond this site-specific Recommendation.

8. Assist the value chain development (VCD) of selected agriculture subsectors

NOT APPLICABLE: This is not feasible because of the limited agricultural activities in the community.

9. Assist vulnerable HHs and individuals in being linked to the social protection programmes of the government and donors

APPLICABLE: Supporting people with physical or mental disabilities in the community – although their number is small - is important to ensure that livelihood development is inclusive and fair, particularly when they have no job and external support. A first consideration would be to link them to MoLSAMD's public cash transfer programme of benefits for the Families of Martyrs & Disabled. To enhance this support, they should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.



SHOLGORA, BALKH

Employment patterns

Returnee/IDP community: Mahajeer Qishlaq LAS¹

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
30%	10%	10%	30%	<1%	0%	99%	10%	5%	1%

Base: 300 HHs

Host community 1: Mahajeer Qishlaq Olya²

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
90%	20%	10%	20%	<1%	0%	70%	10%	10%	1%

Base: 174 HHs

Host community 2: Mahajeer Qishlaq Sufla³

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
90%	15%	10%	20%	<1%	0%	70%	15%	10%	1%

Base: 95 HHs

¹ Information based on interviews with the Community Development Council (CDC) executives at the inception meeting, and also on further follow-up site visits. Given that many HHs often have multiple sources of income – as there are often several income earners in one family – the total does not come to 100 per cent.

² *ibid.*

³ *ibid.*

INTRODUCTION

Mahajeer Qishlaq village is located close to the main district road, approximately 2 km away from the district centre. The term “Mahajeer Qishlaq” means “refugee village”. The village consists of three parts, Mahajeer Qishlaq **Olya**, Mahajeer Qishlaq **Sufla** and Mahajeer Qishlaq **Afghan**ia - or Land Allocation Site (LAS). The first two parts are host communities and the third is a returnee/IDP community. The name of the village implies that people from Uzbekistan (Bukhara) settled there approximately 100 years ago. This does not include the third part of the village - the LAS – where people started settling in 2008.

Sholgora bazaar is only half a km from the village and people go there on foot. From Sholgora bazaar, people can go to Mazar by taxi (a sedan, which takes 4-5 passengers) or by minivan (which carries 8-10 passengers). The one-way fare to Mazar costs 100-120 Afs and takes around one hour. If passengers transport goods, they have to pay an additional 10 Afs for each *ser* (7 kg).



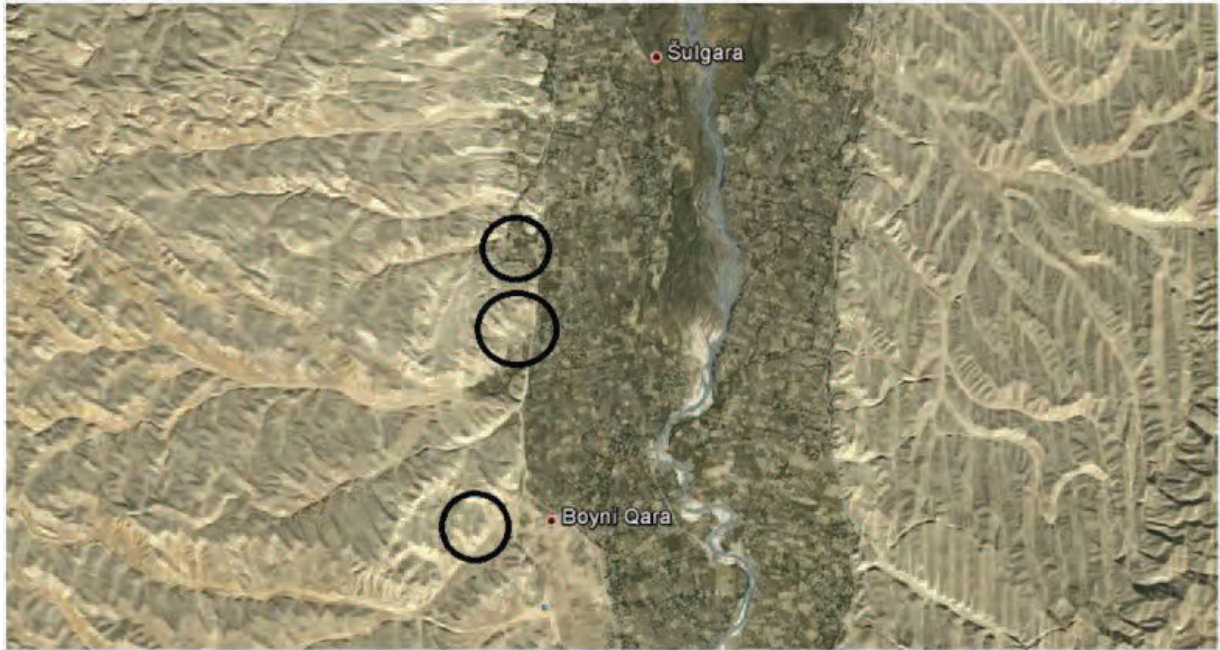


Figure 1: Satellite image of Sholgora village

Around 300 families returned to the LAS in 2008 when they were forced by the Pakistan Government to leave the country, where they had been living for the past 23 years in a UNHCR camp in Jalogia in Peshawar (according to the returnees, around 150 families are still in that camp). When they arrived in Sholgora, they brought nothing with them. The Pakistani border police confiscated even the flour they had been carrying with them. They travelled by truck in groups of five families and the trip cost them 60,000 PKR.

In fact, the families were returning to an area in which they had lived 23 years before. Initially they faced resistance from the host communities (there are around 238 host families). But some elderly people recognized the returnees and helped them settle in again. They started their life in the community by living in tents. The majority of the returnees are Baloch, whereas the majority of the host communities are Arabs.



Figure 2: Physical layout of Sholgora village

Disability

In **Afghanistan**, there are 13 people who have had a disability since birth, and 16 people with a physical disability resulting from war or accidents. In **Olya** and **Sufla** villages, there are approximately 37 people with disabilities. Only two people are at present receiving 250 Afs per month from MoLSAMD.

Among these people with physical disabilities, only a few work in animal husbandry, and some work as shopkeepers.

LOCAL LABOUR MAPPING

Agriculture

In this region, there are clearly two agricultural seasons: spring and summer. Figure 3 shows the crop calendar in Balkh province.

Women in these villages work as labourers alongside men for one or two months in the harvesting season, mostly to pick cotton, and they receive wages in terms of crops. For instance, they receive 8 *ser* (1 *ser*=7 kg) per month - worth 6,400 Afs.

Livestock

Ten to 20 per cent of people in all three parts of the village are involved in livestock rearing, mostly cows, goats and sheep. Sheep tend to be reared on a commercial basis, and a herd of sheep usually consists of 10 to 15 animals.

Wage labour

Due to the ongoing construction activities in the villages, around 10 per cent of the population find daily wage labour opportunities within the community.

Informal workers

Thanks to various donor interventions, a fair number of women in these sub-villages are skilled in wool spinning, tailoring, embroidery, etc. Twenty to 30 per cent of them work as informal workers in these occupations. However, most of them are not actively employed (See “Training provided in the community” in the section “Mapping of Available Training and BDS”). Although a woman can earn around 1200 Afs a month by spinning wool, she can earn around 6,000 Afs a month working as an agricultural wage labourer in the cotton harvest - although this opportunity exists for only one or two months. There are also carpenters, masons, drivers, motor mechanics, etc., working in the community – but also in the nearby bazaar.

Small businesses

There are a few shops in the villages, but as there is a large bazaar nearby, most of the people with small businesses set up their shops or run their activities there.

Formal jobs

A few people work as teachers in the community school.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Wage labour

Daily wage labour is still a major means of livelihood for those living in all three sub-villages. Young people mostly work outside the community, either in urban centres or in Pakistan and the Islamic

Republic of Iran. Around 300 people from **Afghania**, and another 100 from **Olya** and **Sufla**, are working in Kandahar, Kabul, Mazar, Logar, Pakistan and the Islamic Republic of Iran, mostly in construction or brick kilns. The older people who stay in the village are involved in agriculture as daily labourers throughout the Sholgara district. But agricultural daily wage-labour opportunities usually only last for three months, starting in July; if there is a period of prolonged rainfall, they might work for five months. For the remainder of the time, the older people living in the village do not have much work. The average wage for labourers is 300 Afs.

Some families previously sent their sons to Pakistan and the Islamic Republic of Iran to work. However, last year, eight young persons were deported from the Islamic Republic of Iran; they were even in jail for 20 days. At present, two sons of the Malik of the Shura work in Pakistan as tailors (it is likely that some other people are also working outside Afghanistan and that the families did not want to disclose this information on account of the recent deportations). As mentioned above, some people are still working in the Islamic Republic of Iran and Pakistan as daily wage labourers, mostly in construction sites.

One person who had just returned from Mazar was interviewed. He has been working in the brickfields since 2008 (he went to Mazar one month after arriving in the village). He earns 200-300 Afs per day, depending on the amount of work he does. The working hours are from 7 am until 4 pm, but anyone working longer is paid more. He works only six to seven months per year and returns to the village when the winter starts, where he remains idle. He spends 500-600 Afs a week for food and 300 Afs for transport (he comes home once a week).

Informal workers

Ten to 15 per cent of the households have family members who work as informal workers outside the community, mainly at the district level but also in other provinces, where people go for daily wage labour. They work as carpenters, motor mechanics, welders, drivers, plumbers, etc.

Small businesses

The bazaar is in the vicinity of the community. Fifteen households from **Afghania**, 30 from **Olya** and 20 from **Sufla** run their small businesses in the bazaar. These include: grocery shops; carpentry, welding and metal works businesses; livestock trading; and butcher shops.

Formal jobs

There were no records of anyone having a formal job outside the community. However, ten people work for the Afghan Police.

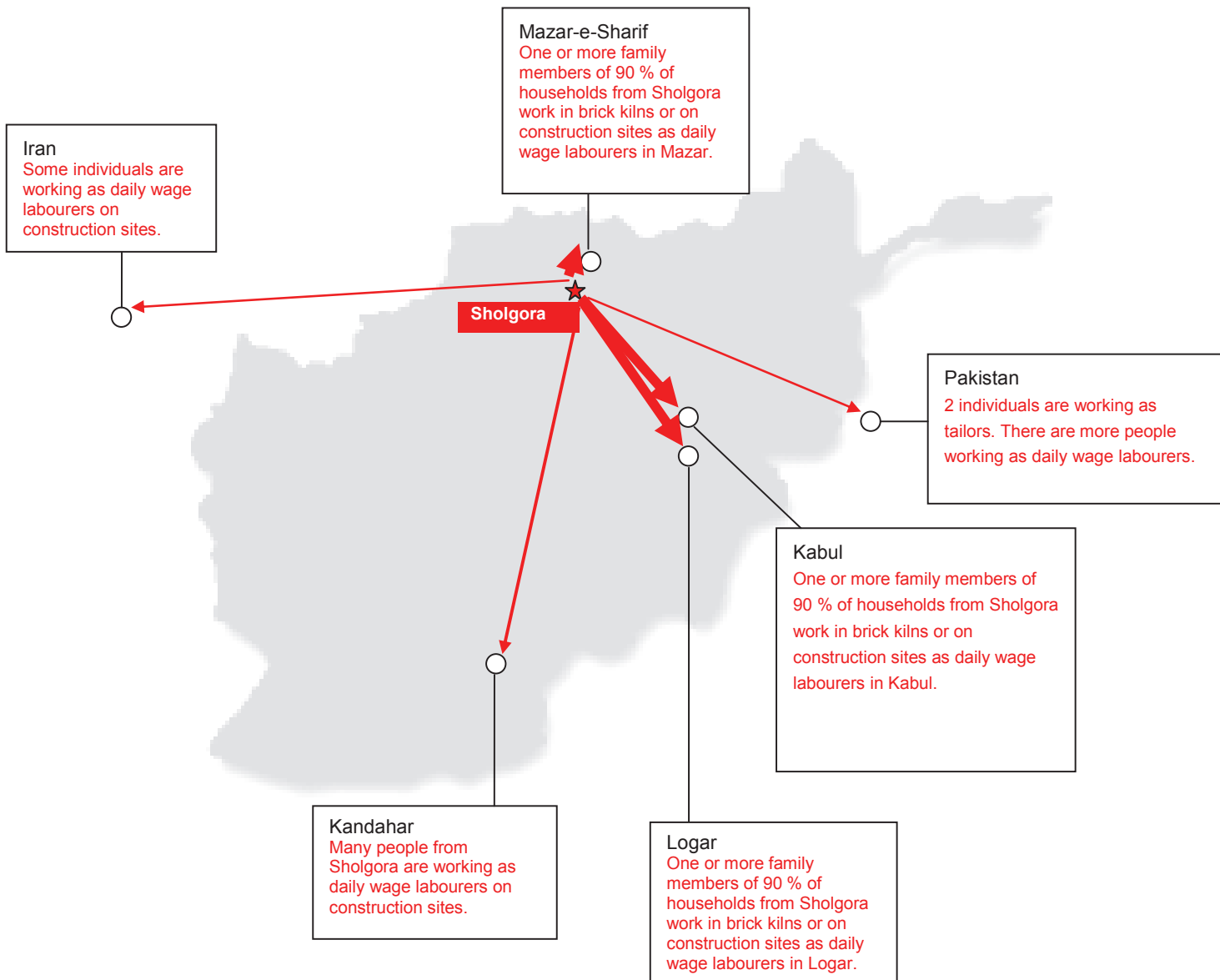


Figure 4: The labour and business mobility of the people from Sholgora

MOBILITY MAPPING OF EDUCATION/TRAINING

There is a school in the community for both primary- and secondary-level education. There are 1,350 pupils in primary school; 700 pupils are girls and the rest are boys. There are a further 600 pupils studying at secondary-school level, of whom 300 are girls and the rest are boys. There is a high school about 3 km away from the community, where pupils from different villages come to study. At present, there are 400 boys and 260 girls studying at high-school level. Last year 85 students graduated from the high school (54 boys and 31 girls). Twenty graduates entered higher educational institutes and Universities in the provinces of Mazar, Jawzan, Samangan and Faryab. Ten graduates joined the Afghan Police.

MAPPING OF AVAILABLE TRAINING AND BDS

Training provided in the community

Following the skills building training provided by its Implementing Partner (IP), the Coordination of Humanitarian Assistance (CHA), the UNHCR distributed 400 wool-spinning machines to 400 women. One person from the locality was selected to supply raw materials and to buy back the produce. However, during the field visit, no spinning activities were observed, as the supplier had fallen ill and the women did not have any raw materials. In March 2012, the Danish Committee for Aid to Afghan Refugees (DACAAR) selected two persons from each village and provided training in tailoring. The Dutch Community for Afghanistan (DCA) is working in livestock development, helping people who have been chosen by the Government to establish veterinary clinics and provide them with skills training on veterinary services. The owners of the clinics will later be on the payroll of the DCA. The DCA has five clinics in the Sholgara district, which provide veterinary services to the people.

The Rural Rehabilitation Association for Afghanistan (RRAA) is another organization working in agriculture. They provide training on horticulture production and also distribute saplings to farmers.

Training/BDS provided by organizations based in Mazar

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few Departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
Afghanistan Development Association (ADA) http://www.ada.org.af/	Agriculture and livestock <ul style="list-style-type: none"> - Agriculture and forestry - Livestock and poultry - Small irrigation Economic recovery and capacity Building <ul style="list-style-type: none"> - Knowledge and skills

Name of the organization/project	Provision of services
	<ul style="list-style-type: none"> - Civic education - Access and market - Institutional development <p>Cross-cutting activities (gender, environment, good governance and advocacy, peace building, conflict resolution, human rights, disaster management, humanitarian assistance and emergency activities)</p>
Agency for Technical Cooperation and Development (ACTED)	ACTED's programme has six objectives: human, social, natural, financial, political and physical capital development. Its focus is on human capital development. It helps to: increase employment; improve resource management; increase yields and incomes; reduce the incidence of disease; and increase literacy. It provides vocational training in 25 trades, as well as on literacy, hygiene, governance, natural resource and physical infrastructure management, agriculture and livestock, small business development and computer skills training.
Department of Agriculture, Irrigation & Livestock (DAIL)	<p>The DAIL has the following ongoing projects:</p> <ul style="list-style-type: none"> • On-Farm Water Management (OFWM) funded by the World Bank • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Rural Microfinance and Livestock Support Programme (RMLSP) funded by IFAD • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Animal Husbandry Development Project (AHDP) funded by AFD • Beekeeping Development Project (BDP) funded by AFD • Perennial Horticulture Development Project (PHDP) funded by the EC • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Horticulture and Livestock Project (HLP) - Integrated Agriculture Extension Services funded by IDA • Incentive Driving Economic Alternatives- North, East and West (IDEA-NEW) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by the EU • Variety and Seed Industry Development Project funded by the EC • Promoting Integrated Pest Management in Afghanistan funded by the Norwegian Government • Backyard Poultry Development funded by IFAD • Seed and Fertilizer and Metallic Silo Distribution funded by JICA • Emergency Assistance for the Prevention and Detection of Priority Livestock Infectious Diseases with Reproductive Failure and Abortion • Agriculture Development Fund (ADF) - Agriculture Credit Enhancement Programme funded by USAID
Department of Rural Rehabilitation and Development (DRRD)	<ul style="list-style-type: none"> • Afghanistan Rural Enterprise Development Project (AREDP) • National Solidarity Programme (NSP) • Comprehensive Agriculture and Rural Development Facility (CARD-F)
Coordination of Humanitarian	The CHA provides emergency aid for war victims in the field, to assist with the

Name of the organization/project	Provision of services
Assistance (CHA)	rehabilitation of rural and urban life.
GIZ	The GIZ has infrastructural projects (city and highway roads); capacity building, commerce and industry, educational projects (building primary and high school facilities); teacher training, community development and drinking water projects.
Coordination of Afghan Relief (CoAR)	CoAR provides services in agriculture/irrigation, food security, animal husbandry, health, women and child support, education, rural engineering/support, emergency relief, disaster risk reduction management, and income generation.
Food and Agriculture Organization of the United Nations (FAO)	<p>The FAO's projects include:</p> <ul style="list-style-type: none"> - Variety and Seed Industry Development Project - Development of Integrated Dairy Schemes (IDS) in Afghanistan - Emergency Certified Wheat Seed and Fertilizer Distribution Programme - Support to Household, Food Security, Nutrition and Livelihoods in Afghanistan
National Solidarity Programme (Provincial Management Unit) (NSP/PMU)	The NSP was created in 2003 by the MRRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.
CFA (Children Fund Afghanistan)	The CFA has agricultural projects, environmental project (flood and avalanche protection), and drinking water projects.
Danish Committee for Aid to Afghan Refugees (DACAAR)	DACAAR works in rural areas and aims at improving rural livelihoods through sustainable activities that engage Afghan communities to be agents of their own development process.
BRAC	BRAC has farm building and agricultural projects.
Sanayee Development Organization (SDO)	The SDO works in various fields such as peace building, education, community health, community development, and capacity building.
International Foundation of Hope (IFHope)	IFHope works with local leadership to develop agriculture-related projects that will meet the needs of that community and help it become self-sustainable.
Noor Educational & Capacity Development Organization (NEC)	NEC endeavors to assist Afghan women and children by building their capacities to enhance their economic and social well-being in a sustainable and equitable manner.
Relief International (RI)	RI provides vocational training, offers microfinance opportunities, and develops promising value chains.
Swedish Committee for Afghanistan (SCA)	SCA works in education and health, and supports people with disabilities and rural development.
Afghan Support Education Training (ASET)	ASET provides education, training and appropriate aid to the most vulnerable people in Mazar-e-Sharif, Northern Afghanistan. ASET's programmes include water, sanitation and hygiene projects, with the provision of wells and healthcare training; community health training; vulnerable women's handicrafts projects; the building of schools and clinics; English and management courses;

Name of the organization/project	Provision of services
	and kindergarten projects.
German Agro Action (GAA)	Agricultural projects, farmers' support, drinking and irrigation water projects, food storage construction, etc.
Cooperation Center for Afghanistan (CCA)	The CCA provides training and assistance for unemployed/underemployed young people to help them make a sustainable living. The project offers locally marketable skills training in masonry, office skills, motorcycle/bicycle repairs, agricultural training, dairy and wool processing, and carpet weaving.
Afghanistan's Children: A new Approach (ASCHIANA)	ASCHIANA provides vocational training opportunities in the areas of tailoring, bicycle repairs, hairdressing and beauty therapy, carpentry, electrical repairs, masonry, welding, information technology, cooking, traditional instrument making, and plumbing.
Dutch Committee for Afghanistan (DCA)	DCA-VET sets out to improve the productivity of the Afghan livestock industry. DCA-VET owns three veterinary training and support centres: in Kabul – Charikar, Herat, and Mazar-e-Sharif. In these training centres, DCA-VET offers an array of veterinary training courses for its own VFU staff, as well as for the VFU staff of other NGOs, government veterinarians and students of agricultural schools.
Solidarity for Afghan Families (SAF)	The SAF is engaged in health, education, agriculture, and social development.
Balkh Management & Accounting Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 542 students enrolled in 2011-12 academic year
Balkh Agricultural Institute (State-owned TVET school, under ASDP)	Formal T-VET education, 175 students enrolled in 2011-12 academic year
Balkh Gas and Oil Institute(State-owned TVET school, under ASDP)	Formal T-VET education, 395 students enrolled in 2011-12 academic year

DEMAND AND SUPPLY OF FINANCIAL SERVICES

It was found that poor financial literacy among households is prevalent in all sites - and Sholgora is no exception. The HHHs' financial management is very poor, which is reflected in their income and expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

People mostly get loans from their friends and families, as well as from shopkeepers. BRAC works in the Sholgora bazaar, and it approached people in the community with a view to providing them with microcredit, but they did not show any interest. There are some other financial service providers such as cooperatives and the Aga Khan Bank in the bazaar. With the help of DACAAR, local women have created five self-help groups. Each group consists of 25 women and each member saves 50 Afs every two weeks. Whenever any member is in need of money, she can get a loan from the savings group. Details of financial service provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

The returnee/IDP site falls under the category of “limited agriculture and far from an urban centre”,⁴⁴ whereas both the host communities are heavily dependent upon agriculture. However, in all three sites, it is mainly the older members of the household who are involved in agricultural activities and most of the young people work in Mazar and other major urban centres as daily wage labourers in brick kilns and construction fields on a longer-term basis. Recommendations 2, 3, 4, 5 and 6 are therefore very important for this site. The long list of service provider organizations identified should serve as a basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
√	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services
	8. Assist the value-chain development (VCD) of selected agriculture subsectors
√	9. Assist vulnerable HHs and individuals in being linked to the social protection programmes of the government and donors
√	Other: Assist trained wool spinners in becoming linked to the private sector to ensure sustainable work opportunities, when their HHs have limited alternative sources of income

1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the site’s poor financial management, lack of savings culture and prevalence of over-indebtedness. The ILO’s financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of

⁴⁴ The site typology is discussed in the main report

savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: While access to formal education is relatively easy due to the availability of primary, secondary and high schools in the community and in the vicinity, career and entrepreneurial education could be introduced at secondary-school level. This would have a tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as to low-cost and reliable remittances services

APPLICABLE: As most of the men from both the returnees/IDPs and host communities migrate on a long-term basis to major urban centres in Afghanistan for daily wage-based work, access to savings accounts and low-cost and reliable remittances services could help the migrants better manage their savings and ensure that their money is transferred risk-free to their families. Although Recommendation 1 could effectively help develop the savings culture, a system providing access to savings accounts and low-cost and reliable remittances services should be in place in both the respective urban centre and at the site.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers' and workers' organizations, including the Afghan Builders' Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the poor working conditions in general; no or unfairly reduced payment;⁵ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

⁵ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: Given that a significant percentage of the HHs in the returnees/IDPs and host communities rely on urban informal jobs, this type of employment should be encouraged further. Urban informal jobs are the prime candidate for absorbing any excess labour from the construction sector, which may have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: Although there are no MSEs from the site in Mazar or any other urban centre (partly due to the proximity of the site to a large bazaar), Mazar market provides ample opportunities to start and improve MSEs. This does not apply to the communities in question, where there is limited opportunity for growth. Furthermore, expanding MSEs would potentially absorb larger numbers of informal workers.

The ILO's Start and Improve Your Business Programme (SIYB) can assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: While the target HHs have many family members working in Pakistan and the Islamic Republic of Iran, this goes beyond this site-specific Recommendation.

8. Assist the value-chain development (VCD) of selected agriculture subsectors

NOT APPLICABLE: Although the host communities are significantly engaged in agricultural activities, only about 20 per cent of the people own agricultural land and the rest of the community work as agri-wage labourers or sharecroppers. The fact that the site produces a wide range of agricultural products also demonstrates that it does not have a specific crop with any particular comparative advantage. In

addition, the opportunity cost for young people to remain in the site and do agricultural activities is high - and therefore mostly older people do this work.

9. Assist vulnerable HHs and individuals in being linked to the social protection programmes of the government and donors

APPLICABLE: Supporting people with physical or mental disabilities in both the returnee/IDPs and host communities – although their number is small - is important to ensure that livelihood development is inclusive and fair, particularly when they have no job and external support. A first consideration would be to link them to MoLSAMD’s public cash transfer programme of benefits for the Families of Martyrs & Disabled. To enhance this support, they should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.

OTHER: Assist vulnerable HHs and individuals in being linked to the social protection programmes of the government and donors

APPLICABLE (but subject to several conditions): The site has 400 women who have been trained in wool spinning and have their own spinning tools. Whether these can be transformed into productive assets or end up as “sunk costs” will depend upon how much these women can potentially earn for a specific number of hours of work, whether there are no better alternatives, or whether there might be prospects for higher wages and growth. Various studies, as well as some interviewees of this assessment study, referred to the eroding competitiveness of this sector and the long-term decline in wages in general. In a month, a woman can, on average, spin 15 kg of wool - from which she earns 1,200 Afs (at the rate of 80 Afs per kg). However, as mentioned above, a woman working in the cotton fields as an agricultural wage labourer can earn five times more. Given the low wages per hour compared to other jobs/IGAs in which the women might be engaged (See also figure 6.1, “Different types of IGAs/small businesses and their incomes” in chapter 6.1 of the main report), and compared to the incomes that other members of the HH might make (See figures 4.2 and 4.3 in chapter 4.4 of the main report), this Recommendation runs the risk of keeping vulnerable workers in low-paid hard work without providing them with any protection. This option might therefore be restricted to supporting vulnerable HHs, such as female-headed HHs or those without a working-age male in the family, for whom other opportunities are limited. Overall, it is important to focus on the interventions addressing challenges related to the main sources of income of the majority of HHs, and to combine this approach with support to vulnerable groups.

If this approach is followed and other core Recommendations are properly pursued, the next challenge is how to make this work more remunerative and sustainable. This requires concentrating less on the production side in the community and taking the market aspect as a first consideration - and then working backwards. Investing further in this area while adopting the current approach will not yield any results. It is first necessary to identify companies in the urban centres who buy and produce wool products, or those who sell to other producers. Preferably, they should be the ones that cater to a

competitive niche market (e.g., the case of ARZU in Bamyan), and who pay higher wages regardless of the overall decline of the sector and treat workers fairly. A first step would be to act as a facilitator in linking the 400 workers with carpet-weaving companies in Mazar or other urban centres. A next step would be to negotiate terms with these companies, which might include support for on-the-job training to upgrade the skills of women workers in production, quality control, etc., as well as additional support for working conditions. As the women who are likely to remain in this type of job tend to belong to vulnerable families, it is crucial to facilitate their access to social protection (Recommendation 9).

Designing and managing this type of intervention goes beyond the capacity of a typical UNHCR sub-office or the local staff working on a project. Hence, it is important to involve experts in BDS market development as advisers - from the design and inception stage of new interventions and throughout their implementation.

This may, at first, seem to be a rather high-cost intervention. However, compared to other conventional livelihood interventions, which will not produce sustainable jobs or will require the donors' continuous support, this approach has the potential of providing a clear exit once the relationship with the market players had been firmly and fairly established. It might be viewed as an investment for considering any other community-based livelihood interventions in the future. Should there be any constraints on funding, priority should be given to the core Recommendations discussed above, which will have a significant impact on a large number of the target population. Incomplete livelihood interventions will do more harm than good. Ensuring that poor and vulnerable women are not stuck in extremely low-wage jobs without any protection is also a sensible decision.

TERA BAGH, PAKTYA

Employment patterns

Returnee/IDP community¹

Inside the community						Outside the community			
Agriculture	Livestock	Wage labour	Informal workers	Small business	Formal jobs	Wage labour	Informal workers	Small business	Formal jobs
0%	0%	10%	<1%	<1%	<1%	90%	10%	2%	4%

Base: 600 HHs²

INTRODUCTION

The Tera Bagh site is located around 7 km north of Gardez city, the capital of Paktya province, just off the Kabul-Gardez main road. However, the site is located at an altitude of 2,000 m and is subject to harsh winters. Given the lack of proper roads connecting the village to the main road, it is almost impossible for villagers to commute to the city during the seven months of winter. In addition, the absence of any public transport system makes it difficult for the people to go to the city, even during the summer.

¹ Information based on interviews with the Community Development Council (CDC) executives at the inception meeting, and also on further follow-up site visits. As households have multiple incomes – and there are often several income earners in a single family – the total does not come to 100 per cent.

² According to UNHCR records, around 950 families live in the village.



Figure 1: Satellite image of the Tera Bagh site

At present, there are around 600 families living in the village. Most of the families are Pashtun and a few are Tajik. As the village still does not have basic services such as water, school and health care, a fair number of families have left the site - but a similar amount are waiting to return to the village once these services are in place.



Figure 2: Physical layout of the Tera Bagh site

Disability

The village has a high level of disability. Around 70 families have at least one member with a disability. Most of them do not work and depend on their family members.

LOCAL LABOUR MAPPING

Agriculture and livestock

There are no agricultural or livestock-related activities in the site.

Wage labour

Because of the ongoing infrastructural development activities, around 10 per cent of population are involved in daily wage-based work in the community.

Informal workers

A few people work as master masons.

Small businesses

There are a few grocery shops in the village.

Formal jobs

A few people work as teachers in the community school.

MOBILITY MAPPING OF LABOUR AND BUSINESSES

Wage labour

Family members of around 90 per cent of the households in the community work in Gardez city and in various provinces, as well as in different countries, as there are very few work opportunities in Tera Bagh. The village has a high number of people living abroad - around 30 per cent are in Pakistan, the Islamic Republic of Iran, Saudi Arabia, the United Arab Emirates, etc. These people migrate for long periods, ranging from two to three years.

Informal workers

Around ten per cent of the people from the community are working in different provinces in various skills-based jobs such as carpentry, masonry, tailoring and metal works.

Small businesses

Around 10-12 people run small businesses in Gardez city and in other major urban centres. Trading in fresh and dry fruits is the most common type of business.

Formal jobs

Around four per cent of the villagers work in the Afghan Army and the Afghan Police in various provinces.

MOBILITY MAPPING OF EDUCATION/TRAINING

There is a high school at the site, but it not does have enough space and facilities to cater for the community's needs. There are more than six high schools in Gardez city, but no children from the village attend them because Tera Bagh is far away and the public transport facilities are poor. However, a few young people go to learn English and computer sciences in the city.

MAPPING OF AVAILABLE TRAINING AND BDS

Training/BDS provided by organizations based in Gardez

Name of the organization/project	Provision of services
Afghanistan Chamber of Commerce and Industries (ACCI)	The ACCI primarily promotes the private sector through various activities. It has a few Departments such as International Affairs, Public Relations and Promotion, Policy and Government Affairs, Legal Services and Arbitration, Business Development Services (Training) and Industry and Export Promotion.
Afghanistan Development Association (ADA)	Agriculture and Livestock - Agriculture and forestry

	<ul style="list-style-type: none"> - Livestock and poultry - Small irrigation <p>Economic Recovery and Capacity Building</p> <ul style="list-style-type: none"> - Knowledge and skills - Civic education - Access and market - Institutional development <p>Cross-Cutting Activities (gender, environment, good governance and advocacy, peace building, conflict resolution, human rights, disaster management, humanitarian assistance and emergency activities)</p>
National Solidarity Programme (Provincial Management Unit) (NSP/PMU)	The National Solidarity Programme (NSP) was created in 2003 by the MMRD to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to take decisions affecting their own lives and livelihoods.
Department of Agriculture, Irrigation and Livestock (DAIL)	<p>Ongoing projects:</p> <ul style="list-style-type: none"> • Agriculture Market Infrastructure Project (AMIP) funded by ADB • Improving Agriculture Inputs Delivery System Project (IAIDS) funded by the World Bank • Animal Husbandry Development Project (AHDP) funded by the Agence Française de Développement (AFD) • Beekeeping Development Project (BDP) funded by AFD • Afghanistan Vouchers for Increased Production in Agriculture (AVIPA Plus) funded by USAID • Commercial Horticulture and Agriculture Marketing Programme (CHAMP) funded by USAID • Strengthening Agricultural Economics, Market Information and Statistics Services funded by EU • Variety and Seed Industry Development Project funded by EC • Agriculture Development Fund (ADF) - Agriculture Credit Enhancement Programme, funded by USAID
Paktia Agriculture School (State-owned TVET school, under the Afghanistan Skills Development Project - ASDP)	Formal TVET education, 31 male students enrolled in the 2011-12 academic year.
Paktia Technical School (State-owned TVET school, under the ASDP)	Formal TVET education, 404 male students enrolled in the 2011-12 academic year.

DEMAND AND SUPPLY OF FINANCIAL SERVICES

It was found that poor financial literacy among households is prevalent in all sites - and Tera Bagh is no exception. The HHHs' financial management is very poor, which is reflected in their income and

expenditure patterns. They rarely have a savings culture to address large and sudden expenditures, which results in their over-indebtedness.

People mostly get loans from friends and families, and also from shopkeepers. Remittances from family members working outside the community are usually received through *Hawalas* in Gardez city. Details of financial services provisions are discussed in the main report.

SUGGESTED INTERVENTIONS

This site falls under the category of “limited agriculture and near an urban centre”³³ As most of the men from the community find their means of livelihood in Gardez city, as well as in other provinces in Afghanistan, Recommendations 2, 3, 4, 5 and 6 from the main report are very important for this site. The list of service provider organizations identified should serve as a good basis for partner selection, which should be guided by internationally recognized experts in each thematic issue.

√	1. Assist HHs in moving from indebtedness to productive investments
√	2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education
√	3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as well as to low-cost and reliable remittances services
√	4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility
√	5. Assist urban informal workers in finding opportunities for upward mobility
√	6. Assist urban MSEs in growing
	7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services
	8. Assist the value-chain development (VCD) of selected agricultural subsectors
√	9. Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

1. Assist HHs in moving from indebtedness to productive investments

APPLICABLE: This has been chosen as the first Recommendation on account of the site’s poor financial management, lack of savings culture and prevalence of over-indebtedness. The ILO’s financial education package could be adapted to the Afghan context on the basis of the findings of the present assessment, and delivered either by local partner organizations - to be identified and preferably trained - or by the project team (but only as a last resort due to the lack of sustainability of the approach). The design of

³³ The site typology is discussed in the main report

savings promotion activities, including partnership with local organizations, should be guided by qualified social finance experts.

2. Assist children in obtaining greater access to formal education combined with career and entrepreneurial education

APPLICABLE: As the space in the existing school in the community is limited, efforts should be made to increase its capacity as the harsh winter conditions significantly reduce the pupils' possibility to commute to Gardez city to pursue a formal education. However, career and entrepreneurial education could be introduced at secondary-school level. This would have a tremendous impact on the future of youth. For skills training, see Recommendations 4 and 5.

3. Assist migrant workers in the urban centres in benefiting from access to savings accounts as well as well as to low-cost and reliable remittances services

APPLICABLE: Despite the proximity of Gardez city, where many of the men from the community commute daily to find wage-based work, the high altitude of the site and the poor road connectivity force most people to migrate seasonally to other urban centres during the prolonged winter - or even for a longer period. Consequently, access to savings accounts and low-cost and reliable remittances services could help the migrants to manage better their savings and to transfer their money to their families without incurring risks. Although Recommendation 1 could effectively help develop the savings culture, a system providing access to savings accounts and low-cost and reliable remittances services should be in place in both the respective urban centre and at the site.

4. Assist construction workers in becoming better protected from risks and in finding opportunities for upward mobility

APPLICABLE: With the help of the ILO social partners (employers' and workers' organizations, including the Afghan Builders' Association), dialogue should be initiated to address risks and vulnerabilities inherent in construction work. Relevant issues would include: occupational safety and health (OSH); compensation for injury and disability; a formal contract as a precondition for such compensation; the poor working conditions in general; no or unfairly reduced payment;⁴ the neglect of other basic labour rights; drug abuse; and child labour.

Together with the social partners, an awareness-raising campaign should be organized to address some of the issues where lack of knowledge is a key bottleneck.

To support upward mobility within the construction sector, the following options should be considered: coordinating with initiatives to promote the national vocational qualification framework (NVQF) to provide workers with prior experience and recognized acquired skills to help them move up the ladder of skills and related pay; linkage to TVET programmes (e.g., the National Skills Development Programme - NSDP) to help them acquire specific skills (e.g., crane operation); the promotion of role models; and

⁴ Afghanistan has ratified the ILO Protection of Wages Convention, 1949 (No. 96).

informal apprenticeship/coaching through master craftspersons (e.g., the approach promoted by the ILO).

5. Assist urban informal workers in finding opportunities for upward mobility

APPLICABLE: Given that a significant number of community households rely on urban informal jobs in various provinces, this type of employment should be further encouraged. The urban informal sector is the prime candidate for absorbing any excess labour from the construction sector, which appears to have peaked.

As far as entry is concerned, the linkage to TVET programmes is guided by market demand, and supporting placement is important. If funding allows, UNHCR-led support could include the introduction of the informal apprenticeship system that the ILO has been promoting in other countries. The prime target for upgrading would be the self-employed (addressed under Recommendation 6) and unskilled labour. In the case of unskilled labour, the same support with respect to TVET linkage and informal apprenticeships could be promoted.

6. Assist urban MSEs in growing

APPLICABLE: Although only a few people from the site own small businesses in Gardez city and in other major urban centres, urban markets provide ample opportunities to start and improve MSEs. This does not apply to the community itself, where there is limited opportunity for growth. In addition, expanding urban MSEs could potentially absorb a greater share of the labour force in the future.

The ILO's Start and Improve Your Business Programme (SIYB) could assist both start-up and existing MSEs. It is critical to share information to help towards business idea selection before providing start-up support – and the outcome of this assessment may be used to this effect. The effort should also be supported by the savings mobilization and financial literacy referred to in Recommendation 1.

This activity could be coordinated with the Federation of Afghan Craftsmen and Traders (FACT) under the Afghanistan Chamber of Commerce and Industry (ACCI), and programmes such as the Afghanistan New Market Development Project (ANMDP) and the Assistance in Building Afghanistan by Developing Enterprises (ABADE).

7. Assist the migrant workers in Pakistan and the Islamic Republic of Iran in becoming better protected and in benefiting from low-cost and reliable remittances services

NOT APPLICABLE: While the target HHs have many family members working in Pakistan and the Islamic Republic of Iran, this goes beyond this site-specific recommendation.

8. Assist the value-chain development (VCD) of selected agricultural subsectors

NOT APPLICABLE: This is not feasible as there is no agricultural activity in the community.

9. . Assist vulnerable HHs and individuals in becoming linked to the social protection programmes of the Government and donors

APPLICABLE: A significant number of people with disabilities live in the community. Supporting people with physical or mental disabilities is important to ensure that livelihood development is inclusive and fair, particularly bearing in mind that they are jobless and have no external support. A first consideration would be to link them to MoLSAMD's public cash transfer programme of benefits for the Families of Martyrs & Disabled. To enhance this support, families with EVIs should be provided with information on the eligibility and document requirements of various existing social protection programmes. When combined with Recommendation 1, this would reduce their vulnerability.

Appendix II: List of BDS providers visited

Development organizations/projects	
Kabul	Afghanistan New Market Development Project (ANMDP)
	Afghanistan Skills Development Project (ASDP)
	Danish Committee for Aid to Afghan Refugees (DACCAR)
	Danish Refugee Council (DRC)
	GIZ
	National Skills Development Programme (NSDP)
	Turquoise Mountain Trust (TMT)
Herat	Sanayee Development Organization (SDO)
	Afghanistan Institute of Learning (AIL)
	Women's Activities and Social Services Association (WASSA)
Mazar	Dutch Community for Afghanistan (DCA)
	Rural Rehabilitation Association for Afghanistan (RRAA)
Jalalabad	United Nations Food and Agriculture Organization (FAO)
Bamyan	ARZU
Private Sector	
Kabul	Hussain Zada Ltd (Agriculture and veterinary inputs company)
	Noor Agro Group-Noor Herawi Brothers Company (Agriculture and veterinary inputs company)
	Sahrai Co. Ltd (Agriculture and veterinary inputs company)
	Khoshyar & Brothers Co (Agriculture and veterinary inputs company)
	Sheen Zar Agricultural Trading Co. Ltd (Agriculture and veterinary inputs company)
	grapes/raisins trader
	grapes/raisins exporter
Jalalabad	vegetables trader
	agricultural inputs retailer
Bamyan	Veterinary inputs retailer
	agricultural inputs retailer

Annex 3: List of institutions providing skills training in various trades in different provinces in the past few years under NSDP

Ministry of Labour, Social Affairs, Martyrs & Disabled (MoLSAMD), National Skills Development Programme (NSDP)							
No	Training Provider	Location	Year	Trainees			Trades
				Male	Female	Total	
1	International Rescue Committee (IRC)	Kabul, Wardak, Ghazni, Herat, Badghis, Farah, Nangarhar, Laghman, Kunar, Lugar, Paktya and Khost	2005	1360	790	2150	Masonry, carpentry, metal works, building wiring, computer software, TV and VCR repairs, mobile repairs, beekeeping, goat keeping, silkworm and silk production, flower growing, fabric sewing, ball making, leather goods and housework
2	Afghan Carpet Exporters' Guild (ACEG)	Jawzujan	2007	250	250	500	Carpet-weaving
3	Association of Experts in the fields of migration and development cooperation (AGEF)	Badakhshan, Takhar and Kunduz	2007	975	525	1500	Tailoring, needlework or embroidery, metal works, carpentry, vehicle wiring, motorcycle and vehicle repairs
4	International Rescue Committee (IRC)	Kabul, Lugar, Herat, Farah, Badghis, Nuristan, Nangarhar, Kunar, Khost, Ghazni, Paktya and Paktika	2007	1707	900	2607	Masonry, carpentry, plumbing, painting, metal works, building wiring, mobile repairs, generator and water pump repairs, motorcycle repairs, bicycle repairs, cosmetics, needlework, vehicle repairs, electrical equipment repairs, beekeeping, goat keeping, silkworm and silk production, bakery, fabric sewing, dairy production, greenhouse work, sauce making, leather goods and housework

Ministry of Labour, Social Affairs, Martyrs & Disabled (MoLSAMD), National Skills Development Programme (NSDP)

No	Training Provider	Location	Year	Trainees			Trades
				Male	Female	Total	
5	Solidarity Afghanistan Belgium (SAB)	Kabul, Lugar, Wardak, Parwan, Kapisa, Bamyán, Nangarhar, Laghman and Kunar	2007	1250	682	1932	Carpentry, plumbing, metal works, tinsmith, tricycle repairs, generator and water pump repairs, motorcycle repairs, bicycle repairs, leather stitching, vehicle painting, cosmetics, needlework, vehicle repairs, radio and TV repairs, beekeeping, dairy production, greenhouse work, sauce making, fish raising, leather goods, aviculture and housework
6	Sanayee Development Organization (SDO)	Herat and Ghazni	2007	242	277	519	Metal works, carpentry, painting, motorcycle repairs, vehicle repairs, building wiring, radio and TV repairs, electrical tools repairs, generator repairs, tailoring and sewing
7	Ministry of Education (MoE)	Kabul, Balkh, Parwan and Kapisa	2007	970	30	1000	Seed analyzing, vehicle repairs, welding, radio and TV repairs, computer skills, wiring, masonry, electrical technician, tinsmith, plumbing and refrigerator repairs
8	Ministry of Labour and Social Affairs, Martyrs & Disabled (MoLSAMD)	Kabul	2007	110	60	170	Tailoring, needlework and glass making

Ministry of Labour, Social Affairs, Martyrs & Disabled (MoLSAMD), National Skills Development Programme (NSDP)

No	Training Provider	Location	Year	Trainees			Trades
				Male	Female	Total	
9	Afghan Amputee Bicyclists for Rehabilitation and Recreation (AABRAR)	Nangarhar, Kunar, Laghman and Nuristan	2008	482	268	750	Carpentry, bicycle repairs, generator repairs, vehicle repairs, electrical equipment repairs, water pump repairs, TV repairs, cosmetics, computer skills and English language classes, tailoring and needlework
10	Afghan Carpet Exporters' Guild (ACEG)	Jawzjan and Faryab	2008	500	0	500	Carpet-weaving
11	Association of Experts in the Fields of Migration and Development (AGEF)	Balkh, Jawzjan, Faryab, Samangan and Sar-e-Pul	2008	475	275	750	Carpentry, metal works, vehicle repairs, tailoring and needlework
12	Cooperation Center for Afghanistan (CCA)	Daikundi	2008	125	125	250	Carpentry, metal works, motorcycle repairs, vehicle repairs, tailoring and embroidery (needlework)
13	Child Fund Afghanistan (CFA)	Kunduz, Baghlan, Takhar and Badakhshan	2008	390	310	700	Masonry, motorcycle repairs, rug-making, landscaping, production of threads for embroidery and dairy production
14	Coordination of Humanitarian Assistance (CHA)	Pangshir, Kapisa, Parwan, Bamyan, Kabul, Lugar and Wardak	2008	750	550	1300	Carpentry, rug-making, vehicle repairs, wiring, welding, computer programming, mobile repairs, nursing, vegetable growing, gardening, flower growing, livestock raising, silkworm and silk production, poultry and aviculture

Ministry of Labour, Social Affairs, Martyrs & Disabled (MoLSAMD), National Skills Development Programme (NSDP)

No	Training Provider	Location	Year	Trainees			Trades
				Male	Female	Total	
15	Education and Aid Center (EAC)	Balkh, Jawzjan, Faryab, Samangan and Sar-e-Pul	2008	390	360	750	Carpentry, ironsmith metal works, plumbing, masonry, building wiring, furniture making, vehicle repairs, electrical appliances repairs, water-pump repairs, TV repairs, financial and administrative training, tailoring, rug-making, bag-making, sauce making, drying fruits and vegetables and making appetizers
16	Just for Afghan Capacity and Knowledge (JACK)	Kunduz, Baghlan, Takhar and Badakhshan	2008	530	170	700	Carpentry, ironsmith metal works, plumbing, masonry, building wiring, vehicle repairs, electrical appliances repairs, computer repairs, tailoring, rug-making, handicrafts, leather goods, silkworm and silk production, greenhouses, livestock raising and goat raising
17	Solidarity Afghanistan Belgium (SAB)	Kabul, Logar, Parwan, Kapisa, Bamyan, Wardak, Panjshir, Nangarhar, Kunar Laghman and Nuristan	2008	1454	596	2050	Carpentry, metal works, plumbing, masonry, wiring, house painting, tailoring, embroidery, soap making, greenhouse work and goat raising
18	Sanayee Development Organization (SDO)	Herat, Nimroz, Badghis and Farah	2008	480	493	973	Carpentry, metal works, tinsmith; repairs of bicycles, motorcycles, generators, water-pumps, tractors, radio and TVs; and tailoring

Ministry of Labour, Social Affairs, Martyrs & Disabled (MoLSAMD), National Skills Development Programme (NSDP)

No	Training Provider	Location	Year	Trainees			Trades
				Male	Female	Total	
19	Ministry of Education (MoE)	Kabul, Balkh, Parwan, Kapisa, Kandahar, Baghlan and Jawzjan	2008	1300	60	1360	Furniture, generator repairs, vehicle repairs, house painting and wiring; repairs of motorcycles, punctures, electrical tools, radios, TVs, mobile phones and computers; tailoring, embroidery, cosmetics, production of threads for embroidery, computer skills, English and administrative training, printing and greenhouse work
20	Ministry of Labour and Social Affairs, Martyrs & Disabled (MoLSAMD)	Kabul, Balkh, Bamyan, Kunduz, Jawzjan, Herat, Nangarhar, Paktya and Kandahar	2008	975	705	1680	Agronomy; repairs of vehicles, computers, electrical equipment, refrigerators, radios and TVs; tailoring, masonry, tinsmith and welding work
21	Tamadun Asia Construction and Road Making Company (TACC)	Faryab	2009	330	170	500	Agronomy; repairs of vehicles, computers, electrical equipment, refrigerators, radios and TVs; tailoring, masonry, tinsmith and welding work
22	Afghanistan Rehabilitation and Social Services Organization (ARSSO)	Khost	2009	725	25	750	Livestock raising, gardening, and general agriculture

Ministry of Labour, Social Affairs, Martyrs & Disabled (MoLSAMD), National Skills Development Programme (NSDP)

No	Training Provider	Location	Year	Trainees			Trades
				Male	Female	Total	
23	Reconstruction Health and Humanitarian Assistance Committee (HEWAD)	Ghazni	2009		375	375	Tailoring, embroidery, carpentry; repairs of furniture, mobile phones, vehicles, generators, tractors, radios and TVs; metal works and management and office training
24	Agency for Assistance and Development of Afghanistan (AADA)	Uruzgan	2009	300	200	500	Tailoring, embroidery, dairy processing, local embroidery, and rug-making
25	Agency of Assistance and Development of Afghanistan (AADA)	Bamyan	2009	0	500	500	Tailoring, carpentry, repairs of mobile phones and motorcycles, tinsmith, embroidery and carpet-weaving
26	The Darwaz Rehabilitation and Social Services Organization (DRSA)	Badakhshan	2009	0	625	625	Carpet-weaving, embroidery, wool processing, fruit drying, dairy processing, cooking, tailoring, aviculture and silkworm and silk production
27	Programming Agency for Development of Afghanistan (PADA)	Samangan	2009	0	625	625	Carpet-weaving, embroidery, confectionary and sewing pocket bags
28	The Aga Khan Foundation (AKF)	Baghlan	2009	625	0	625	Carpet-weaving, embroidery, cosmetics, drying fruits and vegetables, dairy processing, aviculture, livestock raising and office work
29	The Aga Khan Foundation (AKF)	Kunduz	2009	625	0	625	Agriculture and livestock raising

Ministry of Labour, Social Affairs, Martyrs & Disabled (MoLSAMD), National Skills Development Programme (NSDP)

No	Training Provider	Location	Year	Trainees			Trades
				Male	Female	Total	
30	Health and Development Center for Afghan Women (HDCAW)	Paktya	2009	0	375	375	Agriculture and livestock raising
31	Health and Development Center for Afghan Women (HDCAW)	Zabul	2009	500	0	500	Embroidery, tailoring and aviculture
32	Helping Afghan Farmers Organization (HAFO)	Kandahar	2009	750	0	750	Wiring vehicles, masonry, carpentry, aviculture, metal works, car and bicycle repairs
33	Helping Afghan Farmers Organization (HAFO)	Helmand	2009	750	0	750	Repairs of vehicles, refrigerators, air-conditioners; wiring buildings, mobile phone repairs, plumbing, radio and TV repairs, carpentry, metal works and computer skills training
34	Afghan Business Capacity Development (ABCD)	Jawzjan	2009	65	35	100	Aviculture, livestock raising, silkworm and silk production, dairy processing, drying fruits, promotion of vegetables, goat raising, agronomy and gardening
35	Just for Afghan Capacity and Knowledge (JACK)	Balkh	2009	80	20	100	Motorcycle and bicycle repairs, wool processing, administration and management
36	Afghan Women's Association for Rehabilitation and Development (AWARD)	Sar-e-Pul	2009	50	50	100	Metal works, carpentry, motorcycle and mobile phone repairs, and cosmetics

Ministry of Labour, Social Affairs, Martyrs & Disabled (MoLSAMD), National Skills Development Programme (NSDP)

No	Training Provider	Location	Year	Trainees			Trades
				Male	Female	Total	
37	Afghan Art Carpet (AAC)	Faryab	2009	0	100	100	Cosmetics, barbering, leather stitching, sewing bags, plumbing and building wiring
38	Coordination of Rehabilitation and Development Services for Afghanistan (CRDSA)	Badghis	2009	60	40	100	Carpet-weaving
39	Education and Aid Center (EAC)	Daikundi	2009	60	40	100	Mobile phone repairs, carpentry, motorcycle and computer repairs, tailoring, sewing jackets, and embroidery
40	Women's Health and Development Organization (WHDO)	Parwan	2009	65	35	100	Software training; cars, mobile phones and motorcycle repairs
41	Solidarity Afghanistan Belgium (SAB)	Kapisa	2009	65	35	100	Car repairs, carpentry, metal works and tailoring
42	Social Safety and Protection Organization (SSPO)	Takhar	2009	0	100	100	Carpentry, metal works, tinsmith; bicycle, motorcycle, generator, car and mobile phone repairs; curtain making
43	HSAO (Human Service for Afghanistan Organization)	Kabul	2009	60	60	120	Tailoring, embroidery or needlework, and handicrafts
44	ADVTP (Afghan Development and Vocational Training Programme)	Kabul	2009	170	55	225	Carpet-weaving

Ministry of Labour, Social Affairs, Martyrs & Disabled (MoLSAMD), National Skills Development Programme (NSDP)

No	Training Provider	Location	Year	Trainees			Trades
				Male	Female	Total	
45	Hijrat Welfare Organization (HWO)	Kabul	2009	205	20	225	Metal works, carpentry, motor cycle repairs, building wiring, tailoring and small business
46	Society Empowerment Organization (SEO)	Farah	2009	116	109	225	Mobile phone, radio and TV repairs, computer training and small business
47	Agency for Rehabilitation & Energy Conservation in Afghanistan (AREA)	Herat	2009	125	125	250	Metal works, confectionary, house painting; motorcycle, mobile phone, computer, generator, and water pump repairs; jewelry, tailoring and vehicle repairs
48	Just for Afghan Capacity and Knowledge (JACK)	Kunduz	2009	160	140	300	Tailoring, embroidery, cosmetics, tinsmith, building wiring, motorcycle and mobile phone repairs, plumbing, and bag making
49	Solidarity Afghanistan Belgium (SAB)	Bamyan	2009	399	236	635	Carpentry, metal works, motorcycle repairs, aviculture, tailoring, embroidery and cosmetics
50	Reconstruction Health and Humanitarian Assistance Committee (HEWAD)	Laghman	2009	140	80	220	Car repairs, carpentry, metal works, motorcycle repairs, car wiring, confectionary, embroidery, tailoring and small business
51	Solidarity Afghanistan Belgium (SAB)	Kunar and Nangarhar	2009	147	78	225	Masonry, carpentry, vehicle wiring, agriculture, embroidery and tailoring
52	Sanayee Development Organization (SDO)	Herat, Nemruz, and Farah	2009	387	409	796	Carpentry, metal works, vehicle repairs and wiring, bakery and business studies

Ministry of Labour, Social Affairs, Martyrs & Disabled (MoLSAMD), National Skills Development Programme (NSDP)

No	Training Provider	Location	Year	Trainees			Trades
				Male	Female	Total	
53	Relief Committee for Destitute Afghan Refugee Families (RC-DARF)	Nimruz	2009	95	305	400	Embroidery, cosmetics, tailoring, bakery, tinsmith, building wiring, mobile phone repairs, computer skills, aviculture and livestock raising
54	Sharq Foundation for Rehabilitation and Development (SFRD)	Herat	2009	325	305	630	Carpet weaving, metal works, plumbing, masonry, wiring, tinsmith, mobile phone and computer repairs, aviculture and livestock raising
55	Hijrat Welfare Organization (HWO)	Herat	2009	596	94	690	Carpentry, tailoring, embroidery, cosmetics, masonry, metal works; TV, vehicle and bicycle repairs; plumbing, rug-making and business studies
56	Coordination of Rehabilitation and Development Services for Afghanistan (CRDSA)	Farah	2009	480	120	600	Mobile phone, TV, vehicle, air-conditioner and motorcycle repairs; plumbing, rug-making, and business studies
57	Ministry of Labour and Social Affairs, Martyrs & Disabled (MoLSAMD)	Kabul, Balkh, Bamyan, Kunduz, Jawzjan, Herat, Nangarhar, Paktya and Kanadaha	2009	1545	465	2010	Carpentry, metal works, plumbing; radio, TV, mobile phone and computer repairs; cosmetics and tailoring
58	World Health Organization (WHO)	Herat	2009	235	15	250	Welding, wiring, computer programming, tailoring, embroidery, rug-making, masonry, plumbing, air-conditioner repairs and cosmetics

Ministry of Labour, Social Affairs, Martyrs & Disabled (MoLSAMD), National Skills Development Programme (NSDP)

No	Training Provider	Location	Year	Trainees			Trades
				Male	Female	Total	
59	Voluntary Association for Rehabilitation of Afghanistan (VARA)	Farah	2009	140	110	250	Computer, mobile phone and motorcycle repairs; wiring, and business studies
60	Education and Aid Center (EAC)	Ghur	2010	265	15	280	Mobile phone, motorcycle, generator, water-pump, vehicle and air-conditioner repairs; and building wiring
61	ADVTP (Afghan Development and Vocational Training Programme)	Nimruz	2010	210	70	280	Computer training; mobile phone, motorcycle, generator, water pump, bicycle and vehicle repairs; building wiring, plumbing, goat raising and blacksmith
62	United Social Affairs Rehabilitation and Services Organization (USARSO)	Faryab	2010	175	75	250	Computer training; mobile phone, motorcycle, water pump, bicycle and vehicle repairs; building wiring, goat raising, tailoring, blacksmithing, plumbing, business studies and marketing
63	Programming Agency for Development of Afghanistan (PADA)	Jawzjan	2010	140	110	250	Mobile phone, motorcycle and bicycle repairs; handicrafts, tailoring, business studies and marketing
64	Interos – Humanitarian Aid Organization (INTERSOS)	Herat	2010	90	520	610	Computer training, handicrafts, tailoring, embroidery, welding, carpentry, car wiring, cap sewing, cosmetics, vehicle repairs, house painting, vehicle puncture repairs, business studies and marketing

Ministry of Labour, Social Affairs, Martyrs & Disabled (MoLSAMD), National Skills Development Programme (NSDP)

No	Training Provider	Location	Year	Trainees			Trades
				Male	Female	Total	
65	Society Empowerment Organization (SEO)	Farah	2010	270	270	540	Tailoring, food, fruit and wool production, business studies and marketing
66	Coordination of Rehabilitation and Development Services for Afghanistan (CRDSA)	Badghis	2010	285	195	480	Mobile phone, motorcycle, generator and water-pump repairs; tailoring, cosmetics, barbering, painting vehicles, handicrafts, embroidery and dress designing
67	Ministry of Labour and Social Affairs, Martyrs & Disabled (MoLSAMD)	Kabul, Balkh, Bamyan, Kunduz, Jawzjan, Herat, Nangarhar, Paktya and Kandahar	2010	696	282	978	Computer training, mobile repairs, plumbing, handicrafts, wiring vehicles, air conditioner repairs, carpentry, welding, cap making, cosmetics, food and fruit production, jacket making, business studies and marketing
				27221	15039	42260	Handicrafts, computer repairs, engine-making, mobile phone repairs, cosmetics, metal works, wiring buildings, tailoring, carpet-weaving and carpentry

Appendix IV: List of institutions interviewed for mapping of financial services providers (FSP) in urban centres.

Central Region	Islamic Investment and Financial Cooperatives (IIFC) - Kabul
	Mutahid - Kabul
	Azizi Bank - Kabul
	Bank Millie Afghan
	UN-Habitat - HQ
	OXUS - Kabul
	Hope for Life - Kabul
	First MicroFinance Bank (FMFB) - Kabul
	FINCA Kabul
	AKDN - Kabul
	Afghan Aid - Kabul
	BRAC-Kabul
	Islamic Investment and Financial Cooperatives (IIFC) - Bamyan
	UN-Habitat - Bamyan
	BRAC - Bamyan
	First MicroFinance Bank (FMFB)-Bamyan
	Shopkeeper I-Bamyan
Moneylender I -Bamyan	
Western Region	BRAC - Herat
	Mutahid - Herat
	FINCA - Herat
	Moneylender- Herat
	First MicroFinance Bank (FMFB)- Herat
	OXUS - Herat
	First MicroFinance Bank (FMFB) - Herat
North Region	Islamic Investment and Financial Cooperatives (IIFC) - Mazar
	BRAC - Mazar
	Mutahid - Mazar
	Islamic Investment and Financial Cooperatives (IIFC) - Balkh
	First MicroFinance Bank (FMFB) - Mazar I
	First MicroFinance Bank (FMFB) - Mazar II
	Shopkeeper I-MZR
	Shopkeeper II-MZR
	Shopkeeper III-MZR
Eastern Region	Moneylender I- Jalalabad
	Shopkeeper I - Jalalabad
	Shopkeeper II - Jalalabad
	First MicroFinance Bank (FMFB) - Jalalabad
	Islamic Investment and Financial Cooperatives (IIFC) - Jalalabad

Appendix V: Products offered by financial institutions

Nr	Financial Institution	Credit Services				
		Type	Amount (in Afs, otherwise)	Length	Interest (per year)	Other Conditions
1	Islamic Investment and Financial Cooperatives (IIFC)	Business loan	75,000-500,000	6-24 months	24%	Own ongoing business
		Agriculture loan	75,000-500,000	9-24 months	24%	Own land
		Salary loan	25,000-50,000	Max 1 year	24%	Member of IIFC
2	Mutahid	Group loan	N/A	3-12 months	N/A	Permanent Residency Permit
		Individual loan	N/A	3-12 months	N/A	Permanent Residency Permit
		Working Capital	Min 100,000 USD	Min 1 year	12% to 36%	Double guarantee
4	Bank Millie Afghan	Several different types of loans	Max 50% of annual salary	Min 1 year	13%	Guarantee
5	UN-Habitat	SHG	Max 4 times savings or 200 USD	not provided	12% to 24%	3 months' savings prior to
6	OXUS	Group loan	10,000-45,000	6-12 months	18%	Group guarantee
		Small personal loan	45,000-195,000	6-18 months	18%	Guarantee
		Medium Enterprise loan	1,000,000-2,000,000	6-18 months	18%	Guarantee
7	Hope for Life	Group loan	30,000-60,000	6-12 months	20%	Group guarantee
		Individual loan	75,000-200,000	6-12 months	20%	Guarantee
		Business loans	25,000-250,000	6-12 months	15%	Ongoing business + guarantee
8	First MicroFinance Bank (FMFB)	Housing loan	25,000-250,000	6-12 months	15%	Ongoing business + guarantee
		Agriculture loan	Min 25,000	6-36 months	15%	Ongoing business + guarantee
		SME loan	5,000 USD-40,000 USD	Subject to amount	15%	Ongoing business + guarantee
9	FINCA	Group loan	5,000-30,000	6-9 months	21%	Group guarantee
		Individual loan	20,000-150,000	6-18 months	21%	Business proposal+ guarantees
		SME loan	50,000-1,000,000	6-18 months	21%	Business proposal+ guarantees
10	AKDN	Community Bank loan	5,000-20,000	N/A	N/A	Conditions to be agreed by members
11	Afghan Aid	SHGs	300 USD-1,000 USD	Min 6 months	N/A	Conditions decided by member
12	BRAC	Group loan	5,000-30,000	N/A	20%	3 cycles with increasing amounts
13	Informal moneylender	Shopkeepers' loan	1,000 USD-20,000 USD	1 year	20%	Own shop + guarantee
		Agriculture loan	2,000 USD-20,000 USD	Max 18 months	20%	Own land + guarantee
		General loan	2,000 USD-50,000 USD	3-6 months	N/A	
14	Informal moneylender Mazar	Purchase loan	Not specified	1-3 months	50% of benefits	Buy goods to sell, half of benefits to moneylender

Nr	Financial Institution	Savings				Other Conditions
		Type	Amount (in	Length	Expected return	
1	Islamic Investment and Financial Cooperatives (IIFC)	Membership permanent share capital	100	End of membership	No Return	withdrawal upon termination of membership
		Membership share investment	100-1,000	End of membership	Approx 8%	withdrawal upon termination of membership
		Compulsory savings	10-15% Loan	Until loan fully repaid	5%	
		Regular savings	Min 100	No conditions	5%	
		Special terms deposit	Min 1000	1 year	8%	
2	Mutahid					
3	Azizi Bank	Savings Account	Min 1,000	No conditions	N/A	No costs of maintenance or opening
		Fixed deposit	Min 10,000	Min 1 year	N/A	
4	Bank Millie Afghan	Savings account	Min 5,000	No conditions	2%	Closing charge: 500 Afs
5	UN-Habitat	SHGs scheme	10-25 week		No return	Used as guarantee of loans
		Compulsory savings	10% loan	Until loan fully repaid	No return	
6	OXUS					
7	Hope for Life					
8	First MicroFinance Bank (FMFB)	Voluntary savings	50-500,000	No conditions	7.50%	
		Compulsory savings	10% loan	Until loan fully repaid	7.50%	
		Fixed Deposit	Min 50,000	1/3/6/12 months	7.75 - 8.50%	
9	FINCA					
10	AKDN	Community Bank Savings	No Min	N/A	No Return	Conditions to be agreed by members
11	Afghan Aid	SHGs Saving scheme	50-200	N/A	No Return	
12	BRAC	Compulsory savings	10% loan	N/A	No Return	
		Savings scheme	N/A	N/A	10/15% depending	Accepts small withdrawals
13	Informal moneylender Bamyán/Herat					
14	Informal moneylender Mazar					
		Savings scheme	N/A	N/A	10%	Accepts small withdrawals

Nr	Financial Institution	Remittances		
		Type	Cost	Other Conditions
1	Islamic Investment and Financial Cooperatives (IIFC)			
2	Mutahid			
3	Azizi Bank	Internal transfer	Free for account holders	"low fee" to transfer to non-account holder. Not specified
		External transfer	20USD fix	Special prices for/to India
4	Bank Millie Afghan			
5	UN-Habitat			
6	OXUS			
7	Hope for Life			
8	First MicroFinance Bank (FMFB)			
9	FINCA			
10	AKDN			
11	Afghan Aid			
12	BRAC			
13	Informal moneylender Bamyar/Herat	External	1% to 2%	Within Afghanistan and neighbouring countries
14	Informal moneylender Mazar	External	1%	Within Afghanistan and neighbouring countries