

Document of
The World Bank

Report No: ICR00003252

IMPLEMENTATION COMPLETION AND RESULTS REPORT
(IDA-H3520, TF-93854)

ON A

GRANT

IN THE AMOUNT OF SDR 12.60 MILLION
(US\$20.00 MILLION EQUIVALENT)

AND

AFGHANISTAN RECONSTRUCTION TRUST FUND GRANT

IN THE AMOUNT OF US\$18 MILLION

TO THE

ISLAMIC REPUBLIC OF AFGHANISTAN

FOR THE

AFGHANISTAN SKILLS DEVELOPMENT PROJECT

December 30, 2014

Education Global Practice
Afghanistan Country Management Unit
South Asia Region

CURRENCY EQUIVALENTS
(Exchange Rate Effective June 30, 2014)
Currency Unit = Afghani (AFN)
AFN 1.00 = US\$ 0.0175
US\$ 1.00 = AFN 57.15

FISCAL YEAR
21 December - 20 December

ABBREVIATIONS AND ACRONYMS

AFN	Afghani
AIT	Afghanistan Institute of Technology
AMI	Auto-mechanical Institute
ANDS	Afghanistan National Development Strategy
ANIM	Afghanistan National Institute of Music
ANQA	Afghanistan National Qualifications Authority
ARTF	Afghanistan Reconstruction Trust Fund
ASDP	Afghanistan Skills Development Project
ASDP II	Afghanistan Second Skills Development Project
ATTs	Afghan Teacher Trainees
BS	Blind School
BDS	Business Development Services
CESP	Committee on Education and Skills Policy
CTI	Computer Technology Institute
CD	Country Director
DMTVET	Deputy Ministry of Technical and Vocational Education and Training
DTVET	Department of Technical and Vocational Education and Training
DPs	Development Partners
ESMF	Environmental and Social Management Framework
FVP	First Vice President
GC	Governing Council
GMU	Grant Management Unit
GoA	Government of Islamic Republic of Afghanistan
ICR	Implementation Completion and Results Report
ICT	Information and Communications Technology
IDA	International Development Association
IDU	Rehabilitated Injectable Drug Users
IP	Implementing Partner
IRR	Internal Rate of Return
ISN	Interim Strategy Note
ISR	Implementation Status and Results Report
KPI	Key Performance Indicators
LMO	Labor Market Officers
MIS	Management Information System
MOP	Memorandum and Recommendation of the President
MTR	Mid-term Review
MoE	Ministry of Education
MoF	Ministry of Finance

MoHE	Ministry of Higher Education
MoLSAMD	Ministry of Labor and Social Affairs, Martyrs and Disabled
M&E	Monitoring and Evaluation
NATEJA	Non-formal Approach to Training Education and Jobs in Afghanistan Project
NIMA	National Institute of Management and Administration
NOSS	National Occupational Skills Standards
NPP	National Priority Program
NRVA	National Risk and Vulnerability Assessment
NPV	Net Present Value
NQF	National Qualifications Framework
NSDP	National Skills Development Program
NTVETB	National Technical and Vocational Education and Training Board
PwD	People with Disability
PSOs	Productive Skills Officers
PDO	Project Development Objective
PMIS	Project Management Information System
QA	Quality Assurance
RF	Results Framework
RMF	Results Monitoring Framework
TMIS	TVET Management Information System
TTL	Task Team Leader
TVET	Technical and Vocational Education and Training

Vice President:	Annette Dixon
Country Director:	Robert J. Saum
Global Practice Director:	Amit Dar
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Project Team Leader:	Leopold Remi Sarr
ICR Team Leaders:	Surendra Agarwal and Roshini Ebenezer

AFGHANISTAN

Afghanistan Skills Development Project

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MAP

A. Basic Information			
Country:	Afghanistan	Project Name:	Afghanistan Skills Development Project
Project ID:	P102573	L/C/TF Number(s):	IDA-H3520,TF-93854
ICR Date:	12/30/2014	ICR Type:	Core ICR
Lending Instrument:	ERL	Borrower:	GOVERNMENT OF AFGHANISTAN
Original Total Commitment:	USD 38.00M	Disbursed Amount:	USD 34.01M
Revised Amount:	USD 38.00M		
Environmental Category: B			
Implementing Agencies: Ministry of Education (MoE), Deputy Ministry of Technical and Vocational Education and Training (DMTVET), National Skills Development Program (NSDP), Ministry of Labor and Social Affairs, Martyrs and Disabled (MoLSAMD), and the Committee on Education and Skills Policy (CESP)			
Co-financiers and Other External Partners: Afghanistan Reconstruction Trust Fund (ARTF)			

B. Key Dates				
Process	Date	Process	Original Date	Revised / Actual Date(s)
Concept Review:	05/08/2007	Effectiveness:	03/20/2008	03/20/2008
Appraisal:	11/16/2007	Restructuring(s):		07/23/2012
Approval:	01/31/2008	Mid-term Review:	04/20/2011	05/22/2011
		Closing:	02/28/2013	06/30/2014

C. Ratings Summary	
C.1 Performance Rating by ICR	
Outcomes:	Moderately Satisfactory
Risk to Development Outcome:	Significant
Bank Performance:	Moderately Satisfactory
Borrower Performance:	Moderately Satisfactory

C.2 Detailed Ratings of Bank and Borrower Performance (by ICR)			
Bank	Ratings	Borrower	Ratings
Quality at Entry:	Moderately Satisfactory	Government:	Moderately Satisfactory
Quality of Supervision:	Moderately Unsatisfactory	Implementing Agency/Agencies:	Moderately Satisfactory
Overall Bank Performance:	Moderately Satisfactory	Overall Borrower Performance:	Moderately Satisfactory

C.3 Quality at Entry and Implementation Performance Indicators			
Implementation Performance	Indicators	QAG Assessments (if any)	Rating
Potential Problem Project at any time (Yes/No):	Yes	Quality at Entry (QEA):	None
Problem Project at any time (Yes/No):	Yes	Quality of Supervision (QSA):	None
DO rating before Closing/Inactive status:	Satisfactory		

D. Sector and Theme Codes		
	Original	Actual
Sector Code (as % of total Bank financing)		
Central government administration	17%	17%
Vocational training	83%	83%

Theme Code (as % of total Bank financing)		
Education for the knowledge economy	67%	67%
Improving labor markets	33%	33%

E. Bank Staff		
Positions	At ICR	At Approval
Vice President:	Annette Dixon	Praful C. Patel
Country Director:	Robert Saum	Alastair J. McKechnie
Practice Manager/Manager	Halil Dundar	Michelle Riboud
Project Team Leader:	Leopold Remi Sarr	Venkatesh Sundararaman
ICR Team Leaders:	Surendra Agarwal and Roshini Ebenezer	
ICR Primary Authors:	Surendra Agarwal and Roshini Ebenezer	
ICR Team Member	Margherita Calderone	

F. Results Framework Analysis

Project Development Objectives (PDO) (from Financing Agreement)

To increase the number of immediately-employable graduates by supporting the establishment of a high quality technical vocational education and training (TVET) system that is equitable, market responsive, and cost-effective.

Revised Project Development Objectives (as approved by original approving authority)

The PDO was not revised.

(a) PDO Indicator(s)

Indicator	Baseline Value	Original Target Values (from approval documents)	Formally Revised Target Values	Actual Value Achieved at Completion or Target Years
Indicator 1 :	Number of graduates from all project financed institutions in DMTVET*			
Value: Quantitative	398**		5,380	7,720***
Date achieved	01/31/2008		06/30/2014	06/30/2014
Comments (incl. % achievement)	<p>ACHIEVED and SURPASSED TARGET by 43%. *This indicator is a revised version of an original indicator. ** This baseline value refers to graduates from all project-supported institutes. For NIMA, the ICR team assigned a baseline value of zero because it was a new institute to be established under the project. (Table 2.2 in Annex 2 of the Technical Annex, however, provides a baseline value of 718 for NIMA but it is unclear what that number refers to.) *** Actual value refers to graduates from the five project-supported institutes as well as from NIMA.</p>			
Indicator 2 :	Share of NIMA graduates employed six months after completing training*			
Value: Quantitative	N/A **		75%	75%***
Date achieved	01/31/2008		06/30/2014	06/30/2014
Comments (incl. % achievement)	<p>ACHIEVED. *This indicator was introduced at the time of restructuring. **NIMA was not established in January 2008. ***This number is based on the results of an independent tracer study conducted 9 months after the first cohort graduated. 16 percent of the graduates surveyed were employed following graduation but were unemployed at the time of the survey; the reasons for this situation were not captured in the survey but may include discontinuation of employment in order to pursue further education. Since the definition of the indicator would not allow for the exclusion of these students, the lower and upper bounds of the estimate were calculated – 67 percent and 83 percent, respectively. The average of these two estimates is 75 percent. This number also includes self-employed graduates.</p>			
Indicator 3 :	Number of vulnerable youth, poor women, marginalized farmers and rehabilitated injectable drug users (IDUs) trained under NSDP*			
Value: Quantitative	0		9,000	9,676
Date achieved	01/31/2008		06/30/2014	06/30/2014
Comments (incl. % achievement)	<p>ACHIEVED and SURPASSED TARGET BY 8%. *A similar indicator (increase in the number of graduates from project-financed training programs under NSDP) was listed in the original Supplemental Letter to the Financing Agreement, with a target of 15,000. The indicator listed here is a revised version of the original indicator, introduced during the project restructuring. Disaggregated data: 3,526 youth; 3,150 poor women; 2,500 marginalized or landless farmers; 300 people with disability (PwD); and 200 IDUs. Approximately 40 percent of all these beneficiaries were women.</p>			

Indicator 4 :	Increase in average earnings of project graduates within 6 months of completing training (NSDP)			
Value Quantitative	Women: AFN 0 Youth: AFN 998 Marginalized Farmers: AFN3,076			Women: AFN 2,766 Youth: AFN 8,475 Marginalized Farmers: AFN 7,780
Date achieved	12/30/2010			06/30/2014
Comments (incl. % achievement)	<p>ACHIEVED In the original Results Framework (RF), this was an intermediate outcome indicator and no baseline or target value was provided. The baseline and target values for this indicator in the revised RF (in the restructuring package [Supplemental Letter – Performance Indicators] submitted to the Country Director for approval on July 20, 2012) are inconsistent with its intent to measure the difference in earnings as a result of the vocational training. The ICR team chose to report the pre-training and post-training earnings of the vocational training beneficiaries under ASDP, which provide a more accurate assessment of this indicator. Data for both the baseline and current values are from the tracer studies carried out on these groups.</p>			
Indicator 5 :	New Institutional Framework for TVET developed and submitted to Parliament for legislative enactment.			
Value: Qualitative	No framework		Submission for Legislative approval (TVET framework has been developed and enabling legislation drafted and submitted for legislative enactment)*.	TVET framework has been developed; enabling legislation drafted and approved by the CESP (chaired by the First Vice President, FVP).
Date achieved	01/31/2008		06/30/2014	08/30/2014
Comments (incl. % achievement)	<p>PARTIALLY ACHIEVED. This indicator is a modified version of an original outcome indicator. It was revised in the <i>project restructuring package, including supplemental letter (performance indicators), submitted to the Country Director for approval on July 20, 2012</i>, to reflect the revised assessment of the feasibility of achieving the implementation of a new institutional framework for TVET. The draft legislation for the institutional framework is yet to be submitted to Parliament for ratification.</p> <p>*The target for this indicator (“Act passed by Parliament”) in the Supplemental Letter (Performance Indicators) included in the project restructuring package appears to be mistakenly worded. The target listed here is taken from the post-restructuring ISRs (Sequence ISR #11, dated 06/18/2013, onwards).</p>			

(b) Intermediate Outcome Indicator(s)

Indicator	Baseline Value	Original Target Values (from approval documents)	Formally Revised Target Values	Actual Value Achieved at Completion or Target Years
Indicator 1 :	The NQF developed and approval of the DMTVET Plan.			
Value: Qualitative	No NQF for TVET	NQF developed	NQF developed	NQF has been developed and approved by the CESP. A TVET strategy for 2013-2018 was prepared and was launched on January 19, 2014.
Date achieved	01/31/2008	02/28/2013	06/30/2014	08/30/2014
Comments (incl. % achievement)	ACHIEVED			
Indicator 2 :	Number of diplomas awarded by NIMA*.			
Value: Quantitative	N/A**		1,150	1,714
Date achieved	01/31/2008		06/30/2014	06/30/2014
Comments (incl. % achievement)	<p>ACHIEVED and TARGET SURPASSED BY 49%. 1,111 of the graduates received international diplomas/certificates; 603 received diplomas from the MoE. <i>*In the project restructuring package, including supplemental letter (performance indicators), submitted to the Country Director for approval on July 20, 2012, this indicator was stated as the “number of graduates from all project-funded institutes.” The baseline and target values (and the ISRs post-restructuring) suggest that this indicator was only intended to refer to NIMA.</i> <i>** NIMA was not established in January 2008.</i></p>			
Indicator 3 :	Number of TVET Institutes operating under the agreed governance framework			
Value Quantitative	0		6	2
Date achieved	01/31/2008		06/30/2014	06/30/2014
Comments (incl. % achievement)	<p>PARTIALLY ACHIEVED The key element of the agreed governance framework is defined, in the Technical Annex and also by the Mid-term Review, as operational (academic and administrative) and financial autonomy. Although 5 institutes (NIMA, ANIM, AIT, Blind School and AMI) have recently established Governing Councils, only two of these (ANIM and NIMA) have obtained the right to start running their own academic programs and only three of them have been able to open bank accounts in their own names (ANIM, NIMA and AIT). As such, only NIMA and ANIM have obtained some degree of administrative, academic, and financial autonomy. See paragraphs 21(b) and 24(d).</p>			

Indicator 4 :	Number of Voucher Beneficiaries (including females)*			
Value Quantitative	0		200	221
Date achieved	07/20/2012		06/30/2014	06/30/2014
Comments (incl. % achievement)	ACHIEVED and TARGET SURPASSED BY 11%. *This indicator was added at project restructuring. It refers to students who received vouchers.			
Indicator 5 :	Number of Project Staff and Officers trained in different functional areas (including NSDP and DMTVET*)			
Value Quantitative	N/A		300	325
Date achieved	01/31/2008		06/30/2014	06/30/2014
Comments (incl. % achievement)	ACHIEVED and TARGET SURPASSED BY 8%. *This indicator was introduced in the Table 2.1 but was not included in Table 2.2, Annex 2 of the Technical Annex. It was reintroduced in the restructuring paper (with a target of 300). It was also mentioned in the <i>Supplemental Letter (performance indicators) included in the restructuring package, submitted to the Country Director for approval on July 20, 2012</i> , but no target value was provided.			
Indicator 6 :	Number of BDS trainers trained*			
Value: Quantitative	N/A	No target was included in the Results Framework	1,633	1,652
Date achieved	01/31/2008		02/28/2013	06/30/2014
Comments (incl. % achievement)	ACHIEVED *The original indicator referred to the training of Business Development Services (BDS) trainers and of Productive Skills Officers (PSOs) but was later revised to refer to BDS trainers only because PSO training was taken over by another donor during the project (see <i>Project Restructuring Paper, paragraph 14, July 20, 2012</i>).			
Indicator 7 :	MIS is in place and MIS reports produced			
Value: Quantitative	N/A	N/A	MIS in place with 7 MIS reports produced	Management Information System (MIS) is in place in both the NSDP and DMTVET. 12 reports produced which indicate progress in the development of the system.
Date achieved			06/30/2014	06/30/2014
Comments (incl. % achievement)	ACHIEVED Although the MIS has been designed and put in place, it is in its early stages of implementation.			

Indicator 8 :	Number of tracer studies of TVET graduates completed			
Value:				
Quantitative	0		8	14
Date achieved	01/31/2008		06/30/2014	06/30/2014
Comments (incl. % achievement)	ACHIEVED and TARGET SURPASSED BY 75%. Includes 11 tracer studies of training of vulnerable people (by NSDP) and 3 tracer studies of NIMA graduates (by DMTVET).			
Indicator 9 :	Increase in the number of operational buildings and facilities for TVET*			
Value:				
Qualitative	Functional physical infrastructure at the project supported institutes was very limited and in very poor condition.		At least one building/facility rehabilitated at each of the five project supported institutes.	All five project supported institutes had at least one more operational building/facility as a result of ASDP. Several of these had more than one facility constructed/rehabilitated under ASDP
Date achieved	01/31/2008		06/30/2014	06/30/2014
Comments (incl. % achievement)	ACHIEVED In addition, ASDP renovated and constructed all physical infrastructures for NIMA. * This indicator was added at the ICR stage to more accurately assess achievements of the project.			
Indicator 10 :	Percentage of women enrolled in NIMA			
Value:				
Quantitative			33%	32%
Date achieved			02/28/2013	06/30/2014
Comments (incl. % achievement)	ACHIEVED The target of 33% is from the ARTF Grant Agreement.			

G. Ratings of Project Performance in ISRs

No.	Date ISR Archived	DO	IP	Actual Disbursements IDA Only (USD millions)
1	06/27/2008	Satisfactory	Satisfactory	1.50
2	12/29/2008	Moderately Satisfactory	Moderately Satisfactory	1.81
3	06/29/2009	Moderately Satisfactory	Moderately Satisfactory	2.53
4	07/25/2009	Moderately Satisfactory	Moderately Satisfactory	2.53
5	01/29/2010	Moderately Satisfactory	Moderately Unsatisfactory	5.45
6	09/23/2010	Moderately Satisfactory	Moderately Satisfactory	8.40
7	06/22/2011	Moderately Satisfactory	Moderately Unsatisfactory	11.22

8	12/27/2011	Moderately Satisfactory	Moderately Satisfactory	12.58
9	06/30/2012	Moderately Satisfactory	Moderately Satisfactory	14.02
10	12/26/2012	Moderately Satisfactory	Moderately Satisfactory	16.01
11	06/18/2013	Moderately Satisfactory	Moderately Satisfactory	17.11
12	12/31/2013	Satisfactory	Satisfactory	17.85
13	06/22/2014	Satisfactory	Satisfactory	19.13

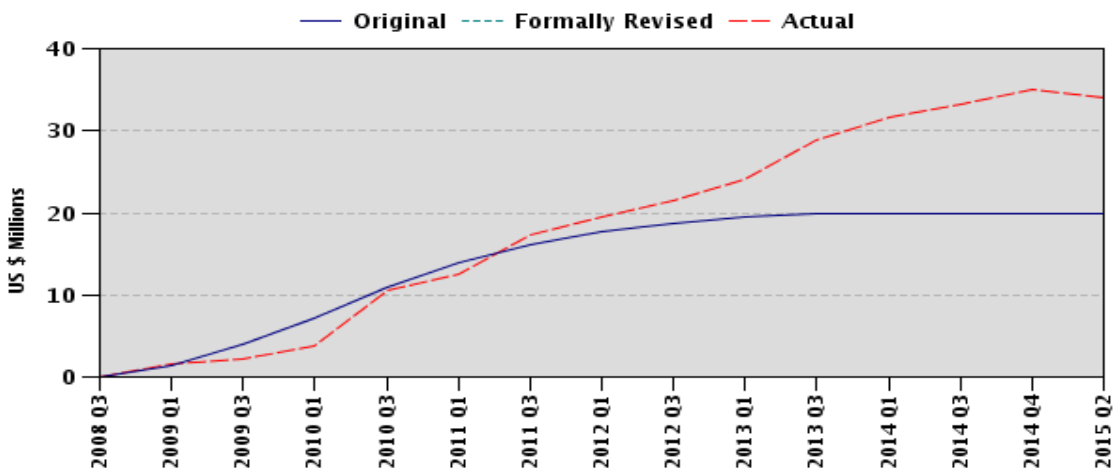
H. Restructuring (if any)

Restructuring Date(s)	Board Approved PDO Change	ISR Ratings at Restructuring		Amount Disbursed at Restructuring in USD millions	Reason for Restructuring & Key Changes Made
		DO	IP		
07/23/2012		MS	MS	14.65 (IDA) and 8.65 (ARTF)	<p>A Supplemental Letter (Performance Indicators) was included in the restructuring package. See, Office Memorandum from TTL to the CD – Restructuring Paper for ASDP, dated 07/20/2012.</p> <p>- The date of July 23, 2012 is the date of an Amendment to the Financing Agreement.</p> <p>Reasons: (a) Limited progress on developing a regulatory and quality assurance framework for TVET; (b) some indicators and targets were either too ambitious or could not be measured; (c) need for strengthening the governance framework for project supported TVET institutes; and (d) need for extension of the closing date to allow more time for completion of ongoing works contracts and for the second implementing partner of NIMA (under recruitment) to provide support to NIMA for a longer period and to supervise the graduation of additional cohorts of students at NIMA.</p> <p>Key changes made: (i) scope of Component 1 was revised to make it achievable; (ii) results indicators and targets were revised to make them realistic and measurable; (iii) covenants were added to improve the implementation of a governance framework for the TVET institutes; (iv) covenants were added to strengthen actions to ensure compliance with the</p>

Restructuring Date(s)	Board Approved PDO Change	ISR Ratings at Restructuring		Amount Disbursed at Restructuring in USD millions	Reason for Restructuring & Key Changes Made
		DO	IP		
					ESMF; (v) closing date was extended by 16 months; (vi) a pilot voucher program was added; and (vii) training of additional vulnerable persons and new training of rehabilitated injectable drug users (IDUs) were added under Component 3.

I. Disbursement Profile

(The original amount reflects IDA grant only; and the actual amount reflects both IDA and ARTF financing).



1. PROJECT/PROGRAM CONTEXT, DEVELOPMENT OBJECTIVES, AND DESIGN

1.1 Context at Appraisal

1. In 2002, Afghanistan began a process of reconstruction and recovery following the overthrow of the Taliban. In the years that followed, the country made remarkable progress on several fronts, including the establishment of a democratic government, increased access to health care, and a six-fold increase in school enrollment from about one million in 2002 to nearly six million by 2006.

2. In spite of these achievements, in 2007, Afghanistan remained at a critical stage in its recovery process, with concerns over security and the rule of law, persistent poverty, and weak institutional capacity. The country's labor force lacked the requisite skills to sustain the recovery and a skills shortage spanned all sectors. Over 80 percent of Afghan workers were employed in the non-formal economy and the vast majority lacked the basic technical competencies and literacy to take advantage of opportunities through self-employment or small enterprise development. The country was also facing an increasing demand for skilled labor to meet the immediate needs of the reconstruction process. While an influx of foreign workers satisfied this demand in the short term, pressure was mounting on the Government of Afghanistan (GoA) to ensure that there would be sufficient numbers of skilled Afghans available to take advantage of these opportunities as they emerged.

3. To address the job-specific skills shortage, GoA began to rebuild the country's Technical and Vocational Education and Training (TVET) system. This system, like others, had been neglected during the conflict. In 2004, GoA launched the National Skills Development Program (NSDP), aimed at improving the skills of the rural, largely uneducated, labor force. While the NSDP addressed one important element of the skills shortage, this did not constitute a strategic effort to address key challenges facing the country's TVET system, which included:

- a) ***Weak institutional arrangements for planning, managing, regulating and financing of the TVET system.*** While there were several institutions involved in TVET, the roles and responsibilities of each institution were not clearly defined, and the system was highly centralized.
- b) ***Low number of training opportunities for formal TVET.*** Training was dominated by informal apprenticeships offered by small and micro-enterprises.
- c) ***Inadequate quality of existing training programs.*** This was characterized by a high trainee-to-trainer ratio, time-based rather than competency-based programs, weak infrastructure with obsolete or non-functioning training equipment and a lack of regulatory mechanisms.
- d) ***TVET programs lacked relevance to the needs of the labor market.*** The curriculum in many trades was outdated with few links to workplace realities. Industry (both private and public) had little input in the formation of curricula or courses.

4. GoA requested World Bank technical and financial assistance to address these challenges and develop a high-quality TVET system. It was clear that this was a long-term effort which would have to be implemented in stages. The Afghanistan Skills Development Project (ASDP) was proposed as the first stage of this process, aimed at improving the skill level and educational profile of the country's labor force while simultaneously laying the foundation for a modern TVET system.

5. The project was approved on January 31, 2008 with a grant of US\$20 million equivalent from the International Development Association (IDA). The Afghanistan Reconstruction Trust Fund (ARTF) also approved a grant to finance the establishment of a new National Institute of Management and Administration (NIMA) under Component 2 of the project (paragraph 10(a)) – a grant of US\$9 million

was approved in April 2009, and this first grant was subsequently increased by an additional amount of US\$9 million in May 2012.

6. *Rationale for the Bank's Involvement.* There were three compelling reasons for the World Bank's support to the Skills Development Sector. First, the Bank and other development partners (DPs) were already supporting the achievement of access to quality elementary education. This put pressure on the Government to increase access to quality post-secondary education and skills training. Second, the Bank was uniquely positioned to bring comparable global experience and technical assistance to support the TVET sector. Third, the project was clearly aligned with the World Bank's country support strategy, which explicitly recognized the skills shortage in the country and acknowledged the impact of this on the country's recovery process. The project was designed to fit under all three pillars of the Bank's Interim Strategy Note (ISN) 2007-2009: (i) Building the capacity of the state and its accountability to its citizens to ensure the provision of services that are affordable, accessible and of adequate quality; (ii) Promoting growth of the rural economy and improving rural livelihoods; and (iii) Supporting growth of a formal, modern and competitive private sector.

1.2 Original Project Development Objectives (PDO) and Key Indicators (as approved)

7. The PDO (Financing Agreement) was "to increase the number of immediately-employable graduates by supporting the establishment of a high quality technical vocational education and training (TVET) system that is equitable, market responsive and cost-effective". The PDO in the 2008 Technical Annex (page 10) to the Memorandum and Recommendation of the President (MOP) was "to increase the number of immediately-employable graduates by building, in stages, a high-quality TVET system that is equitable, market responsive and cost-effective". (A Technical Annex was prepared in lieu of a Project Appraisal Document per OP/BP 8.50, as the project was developed in line with OP 8.50). The PDO in the MOP (page 5) was listed as "increased number of immediately-employable skilled persons is produced by building in stages a high-quality TVET system that is equitable, market responsive and cost-effective". In the ICR team's view, the statements of objectives in the three documents are almost identical but, in keeping with ICR guidelines, this ICR has henceforth referenced the PDO stated in the Financing Agreement. The four Key Performance Indicators (KPIs) (outcome indicators), associated with this PDO at the time of approval were as listed below (Technical Annex, Annex 2, Table 2.2, pages 25-27; additional information on results indicators, including intermediate outcome indicators, is in Annex 9):

1. Increase in the number of graduates from project-financed institutions and training centers as compared to baseline of non-reformed institutions.
2. New institutional framework for TVET is realized and functioning, including the establishment of the Afghanistan National Qualifications Authority (ANQA), independent training boards (e.g., National Technical and Vocational Education and Training Board (NTVETB)) and the National Qualifications Framework (NQF).
3. Labor market outcomes, measured by employment status of trainees, are superior to the outcomes of comparable control groups.
4. Percent of employers of trainees graduated from reformed institutions agree that employees have improved their productivity through training relative to a baseline.

1.3 Revised PDO and Key Indicators, and Reasons/Justifications (as approved)

8. While the PDO remained the same throughout the project, the *project restructuring package, including supplemental letter (performance indicators), submitted to the Country Director for approval on July 20, 2012, proposed a revision of the KPIs.* The main reasons for revising the Results Framework (RF) were as follows: (a) some indicators were too ambitious and not necessarily aligned with the PDO; and (b) some other indicators could not be measured due to data collection constraints (See Section 2.3).

The revised KPIs reflect these changes and are listed below. (Information on revised intermediate outcome indicators is in Annex 9).

1. Number of graduates from all (six) project-financed institutions in the Deputy Ministry of Technical and Vocational Education and Training (DMTVET).
2. Number of vulnerable youth, poor women, marginalized farmers and rehabilitated injectable drug users (IDUs) trained under the National Skills Development Program (NSDP).
3. Increase in average earnings of project graduates within six months of completing training (NSDP).
4. Share of National Institute of Management and Administration (NIMA) graduates employed six months after completing training.
5. New Institutional Framework for TVET developed and submitted to Parliament for legislative enactment

1.4 Main Beneficiaries: (i) NIMA and five other TVET institutes under DMTVET¹; (ii) Students, faculty and staff of NIMA; (iii) Students, faculty and staff of the other 5 TVET institutes supported under ASDP; (iv) Staff and project officers of the NSDP; (v) Project officers, staff and trainers trained under DMTVET; (vi) Poor women, marginalized and landless farmers, youth, IDUs and disabled people trained under the NSDP program; (vii) BDS trainers trained; (viii) Beneficiaries of the Voucher Program; and (ix) Teachers trained for NIMA.

1.5 Original Components at Appraisal Stage

9. Component 1: Develop Regulatory and Quality Assurance Framework for TVET (US\$1.5 million). This component was designed to create the institutional conditions for a high quality, demand driven TVET system through:

- a) The Establishment of an Afghanistan National Qualifications Authority (ANQA) (US\$0.3 million)** through an act of Parliament, as the highest regulatory and standards-setting body in the country for education and training. An interim body, the Committee on Education and Skills Policy (CESP), was to be established to initiate the establishment of the ANQA. Upon the establishment of the ANQA, all policy and other functions performed by the CESP would be transferred to the ANQA, including the development and institutionalization of the National Qualifications Framework (NQF) (see paragraph 9(b) below). All new regulatory bodies (including the Awarding Boards, see paragraph 9(c) below) were to be statutory bodies, independent of all ministerial linkages (See Component 1.1, Technical Annex to MOP).
- b) The Establishment of an Afghanistan National Qualifications Framework (US\$0.8 million)** was intended to facilitate the design, development and institutionalization of the NQF to provide a levels-based structure to map all education and training provision in the country and meaningful certification and accreditation processes.
- c) The Establishment of Awarding Boards (US\$0.4 million),** in particular the NTVETB², that will regulate and quality assure programs within specific levels of the NQF.

¹ The five other institutions were: Afghanistan Institute of Technology (AIT); the Auto-mechanical Institute (AMI); the Blind School (BS); the Afghanistan National Institute of Music (ANIM); and the Computer Technology Institute (CTI).

² GoA had also expressed an interest in establishing a Board for Secondary Education, an Islamic Education Board, a Primary Education Board and a Higher Education Board.

10. **Component 2: Improve Relevance, Quality and Efficiency of TVET (US\$18.5 million)**³. The objective of this component was to improve the relevance, quality and efficiency of TVET programs and increase the number of graduates from these programs through:

- a) **The Establishment of the new National Institute of Management and Administration (NIMA) (US\$11.0 million)** to offer post-secondary programs in three areas: (i) Management and Administration, (ii) Accounting, and (iii) Information and Communications Technology (ICT).
- b) **An Institution-Based Reform Package (US\$7.0 million)** aimed at supporting reforms and rehabilitation in selected institutes within the Department of Technical and Vocational Education and Training (DTVET)⁴ mandate.
- c) **Management Reforms in DMTVET (US\$0.5 million)** through training of its staff on the structure and functions of a modern TVET system to enable the DMTVET to become more responsive to market needs and accountable for effective vocational training delivery.

11. **Component 3: Skills Development Program and Market Linkages with a Rural Focus (US\$5.0 million)**, aimed at supporting on-going activities by the NSDP and capacity building within the NSDP and the Ministry of Labor and Social Affairs, Martyrs and Disabled (MoLSAMD) to undertake reforms in technical and vocational training through:

- a) **Contracted Vocational Training Packages (US\$3.0 million)** to provide market responsive training for: (i) youth; (ii) ‘Chronically Poor Women’; and (iii) marginal farmers and landless farm laborers, through contracting local training providers.
- b) **A Training of Trainers Program (US\$1.5 million)** to create a cadre of Productive Skills Officers (PSOs) and Business Development Services (BDS) trainers.
- c) **Capacity Building for NSDP/MoLSAMD (US\$0.5 million)** to build capacity in NSDP/MoLSAMD in curriculum and materials development; and collection, collation, analysis and interpretation of labor market information.

12. **Component 4: Research, Monitoring & Evaluation (US\$1 million)** to develop a project monitoring and information system to provide routine, timely, and accurate information, to measure project progress, and to conduct impact evaluations of specific sub-components.

1.6 Revised Components

13. The components remained the same throughout the project, but the activities were revised in July 2012 (see *the project restructuring package, including supplemental letter (performance indicators) submitted to the Country Director for approval on July 20, 2012*), as follows:

14. **Component 1:** The enactment of legislation for setting up the Regulatory and Quality Assurance Framework required a level of political consensus (among key stakeholder ministries) that was difficult to secure in the prevailing political climate. As a result, the project dropped its target of establishing the ANQA as part of the regulatory and quality assurance framework. The scope of Component 1 was revised to focus only on: (a) the development and approval of a legal, policy, regulatory, and administrative framework for TVET; and (b) the design, development, and institutionalizing of the NQF.

15. **Component 2:** A pilot voucher program (US\$1 million) was added to enable deserving students (selected on the basis of merit) who had graduated from TVET institutes to pursue higher professional certificate programs in country or abroad.

³ This includes US\$12.5 million from IDA and US\$6 million expected from Norway through the ARTF.

⁴ Soon after the project was approved, the DTVET under the Ministry of Education (MoE) was upgraded and thus became the Deputy Ministry of Technical and Vocational Education and Training (DMTVET).

16. **Component 3:** Training activities under this component were expanded to include training of additional vulnerable persons and rehabilitated injectable drug users (IDUs)⁵. The training of trainers in productive skills was dropped because this training had already been supported from other sources⁶.

1.7 Other significant changes

17. At project restructuring in July 2012, several other significant changes were made, including:

- (i) Extension of the Closing Date of the project from February 28, 2013 to June 30, 2014 to accommodate GoA's request for additional time to complete ongoing civil works contracts and also to allow the new Implementing Partner (which was being recruited at the time of restructuring) to further develop NIMA and supervise the graduation of two more cohorts of students.
- (ii) Addition of Covenants for the development and implementation of a governance framework to ensure TVET institutes operate autonomously in academic and administrative matters and manage bank accounts in their own name.
- (iii) Addition of Covenants to ensure compliance with environmental and social safeguards.

2. KEY FACTORS AFFECTING IMPLEMENTATION AND OUTCOMES

2.1 Project Preparation, Design and Quality at Entry

18. The preparation, design and quality at entry of ASDP were shaped by:

- **Analytical underpinning:** Project preparation was grounded in the findings of a 2006 policy note, "Skills Development in Afghanistan", which was developed in response to GoA's request for TVET sector support. In addition, project preparation drew on: (a) the experience of GoA's NSDP; (b) the Afghanistan National Development Strategy (ANDS) which included the country's strategy for TVET; and (c) and lessons from the Bank's experience in TVET in other fragile states as well as its experience in past projects in Afghanistan. A key lesson was that, while leadership in post-conflict countries is a major driving force in the successful implementation of projects, it also has unpredictable tenure. The project's design aimed to mitigate the risk of changes in leadership by 'ring-fencing' Components 2 and 3 from each other so that a delay in one component would not slow down progress in the other. The project design (see Section 1.5), and implementation arrangements (paragraph 20) were appropriate for the needs of the TVET sector (see Annexes 5-7 in Technical Annex, and paragraphs 31-36 in MOP).
- **Government commitment:** GoA had made skills development a clear priority in the reconstruction process. To this end, in 2004, it launched the NSDP which was focused on providing skills training to the most vulnerable groups in the country. Its commitment was clearly expressed in the Afghan National Compact and the ANDS. This commitment was largely motivated by two factors: (a) recognition that a low skilled labor force would retard the pace of development; and (b) the perception that the skills shortage could create a vicious cycle whereby foreign labor would become so entrenched that local labor and skills, even when available, would be overlooked. GoA clearly recognized the need for a strong institutional and regulatory framework to support TVET provision. Key ministries and agencies (Ministry of Education (MoE), MoLSAMD, Ministry of Higher Education (MoHE), Ministry of Finance (MoF) and

⁵ GoA in its comments on the ICR observed that revised Component 3 also included training of people with disability (PwDs). The ICR team acknowledges that while the Bank did finance training of PwDs, the amended project description dated July 23, 2012 (see the Amendment to Financing Agreement) did not include training of PwDs under Component 3.

⁶ See paragraph 14 of the Project Restructuring Paper submitted to the CD for approval on July 20, 2012, and Amended Schedule 1, Part 3(b) attached to the Amendment to Financing Agreement, dated July 23, 2012.

NSDP) were actively engaged during project preparation and were enthusiastic about developing new institutional structures to oversee and regulate the development of the education and training sectors. Ministers in key ministries even signed a Memorandum of Understanding to formalize their cooperation, particularly for the development of a regulatory and quality assurance framework for TVET (Component 1, paragraph 9). GoA officials and the Bank team also held consultative sessions with national and international non-governmental organizations and representatives of the development partners such as USAID and ILO on the project design. These factors set the tone for project preparation and guided the project design.

- ***An appropriate PDO and components:*** The post-conflict reconstruction context in which ASDP was prepared created a particular challenge for the project. It was evident that the country needed to address the acute skills shortage to facilitate recovery, but there was also a need for long-term reform and capacity building in order to establish a high-quality TVET sector. The Technical Annex clearly and realistically noted that this overarching objective was not expected to be achieved in the lifetime of the project (see paragraphs 39-42 on page 9 of the Technical Annex for the strategy for development of the TVET system). Rather, the project was to be designed as the first stage of a long-term strategy aimed at addressing the acute training needs of the country, while laying the foundations for long-term development of a high-quality TVET system. The four components attempted to balance the immediate and overarching objectives.
- ***Attention to capacity building:*** The project opted to use existing GoA arrangements for project implementation to build capacity within the implementing agencies. Staff in the implementing agencies was supplemented by a financial management specialist, a finance officer and an internal auditor in DMTVET and the Grants Management Unit in the MoE and by a procurement specialist in NSDP to ensure compliance with the Bank's fiduciary requirements. The capacity of DMTVET and NSDP staff to undertake technical aspects of the project was supplemented by consultants recruited under the project and intensive implementation support from Bank staff.
- ***Targeting criteria:*** The project made equity an explicit goal in its support for both the formal and non-formal training programs. While focusing on market relevance of institutions to improve the quality and efficiency of TVET, the project also made sure to support institutions that targeted the most disadvantaged populations in the country. Equity was a particular focus of the non-formal training programs, which were mainly aimed at poor women, marginalized farmers, and disadvantaged youth in rural areas.
- ***Risk assessment and mitigation measures:*** The overall risk rating was 'Substantial', reflecting a realistic assessment of project risks, including: (a) low capacity to meet the PDO due to a lack of qualified teachers and managers experienced in modern TVET delivery methods; (b) weak implementation capacity and ambitious project design; (c) limited progress in achieving geographic diversity and female enrollment and participation due to security, social, and cultural constraints; and (d) volatility in the political and security situation. The project identified appropriate mitigation measures, including: (i) a focus on the training of trainers, upgrading of faculty and administrators and hands-on support through technical assistance and specialized TVET management and related courses; (ii) the provision of technical assistance for change management and capacity building in implementing agencies; and (iii) stipulating the need for equity (i.e., gender, social and geographic) in enrollment and outcomes. On security risks, the project design was kept flexible enough to be able to react and adjust to realities. Although political risks were substantial, there was tremendous enthusiasm among the Ministers of the key ministries at project preparation over the establishment of new institutional structures for development of the TVET sector. The design also relied on the establishment of the CESP chaired by the First Vice President (FVP) of Afghanistan for coordination among the key ministries at the political level. (See Table 2 on page 15, Technical Annex, and Proposal to the

ARTF Management Committee, August 26, 2008, for more detail on risks and mitigation measures.)

19. While many aspects of the project design were appropriate, particularly for the country context, it could have benefitted from a stronger Results Monitoring Framework (RMF). The project design could have given more attention to the realism of performance indicators and targets, and their measurement in the fragile context of Afghanistan. The design of the project's implementation arrangements could have also benefitted from more explicit attention to monitoring and evaluation mechanisms for the project (See paragraphs 25-27, Section 2.3).

2.2 Implementation

20. Responsibility for project management and implementation was placed in DMTVET (in MoE) and NSDP (in MoLSAMD) for Components 2 and 3, respectively. Component 4 was under the joint responsibility of the DMTVET and NSDP. For Component 1, a new high-level independent policy body, CESP, was established. It was chaired by the FVP and comprised Ministers of Finance, Economy, Education, Higher Education, and Labor and Social Affairs, Martyrs and Disabled. The NSDP was assigned to act as Secretariat to the CESP.

21. Factors outside the control of the implementing agencies: The post-conflict environment, elections in 2009 and a tenuous security situation presented significant challenges for implementation. There were also entrenched bureaucratic structures in place and the public TVET sector was highly centralized, as was the case in many sectors in Afghanistan. Challenges beyond the control of the project are discussed below:

(a) High turnover in the leadership of the implementing ministries and agencies: In the political environment of Afghanistan, there were frequent changes in leadership of the implementing agencies. The MoE had two Ministers, the DMTVET (under the MoE) had four Deputy Ministers (the first one being a General Director when DMTVET was a Directorate of TVET), and MoLSAMD had three Ministers and four Deputy Ministers. Three FVPs chaired the CESP over the life of the project. The MoHE also went through similar changes. These frequent changes in leadership had a direct impact on project implementation because each change meant that the project team had to spend considerable time and effort to ensure that new leadership supported the commitments made under the project or by their predecessors. Leadership changes particularly affected the implementation progress of Component 1 to develop the TVET regulatory and quality assurance framework, including the location of the CESP Secretariat, moving back and forth between the Office of the FVP and MoLSAMD; at the end of the project, the CESP's Secretariat was located in the Office of the FVP and was functioning well.

(b) Lack of Government action on granting financial autonomy to public, project-supported TVET institutes: All public TVET schools and institutes in Afghanistan lack financial autonomy and nearly all financial matters are channeled to the DMTVET for endorsement and final approval. NIMA and TVET institutes supported under the project required operational and financial autonomy for improving their performance. However, DMTVET's request to the MoF for granting financial autonomy to four project supported TVET institutes (ANIM, NIMA, Blind School and AIT) has been pending for a long period, without action. The Government has so far taken some limited action. For example, although three TVET institutes (ANIM, NIMA and AIT) have been allowed recently to establish bank accounts in the name of the institute, invoices of expenditures still require approval of the ASDP Office in DMTVET.

(c) A challenging security situation made it difficult to attract and retain good international consultants and international academic staff.

22. Project implementation was rated ‘Satisfactory’ or ‘Moderately Satisfactory’ throughout the course of implementation, except in two ISRs (out of 13) in early 2010 and mid-2011 when it was rated ‘Moderately Unsatisfactory’ because of weak fiduciary, safeguards and project management aspects of the project.

23. Factors which contributed positively to implementation performance: Progress towards achievement of PDO was rated ‘Satisfactory’ or ‘Moderately Satisfactory’ throughout the project’s implementation. The following factors contributed positively to implementation performance:

- (a) ***The decision by the DMTVET to recruit an international partner and faculty for NIMA*** contributed to the establishment of a new TVET institute in Afghanistan with an academic curriculum, improved teaching methods and examination systems of international standards.
- (b) ***A regular and sustained dialogue between the Bank and implementing agencies facilitated joint resolution of implementation challenges.*** Two examples are:
 - (i) When implementation of Component 1 suffered because of the CESP Secretariat’s failure to communicate technical work to political leadership, resulting in a lack of ownership by the key stakeholder ministries, urgent actions brought resolution. This included the appointment of a capable Coordinator of the CESP Secretariat and relocation of the CESP Secretariat from MoLSAMD to the Office of FVP. Since the second half of 2013, the CESP has met twice, and has approved the NQF and establishment of the TVET Board.
 - (ii) When it became clear that (a) DMTVET’s weak contract management capacity was affecting oversight of consultants’ implementation performance; (b) weak internal controls at DMTVET needed to be strengthened; and (c) there were safeguards issues, including inadequate sanitation, health and hygiene facilities in DMTVET institutes’ dormitories; GoA, supported by the Bank, effectively intervened, including through the recruitment of a contract management specialist and an internal auditor and the appointment of environmental and social safeguards focal persons in DMTVET’s ASDP Unit. The Bank team also strengthened covenants for effective implementation of the ESMF.
- (c) ***The April 2011 Mid-Term Review (MTR) included a candid assessment of the project’s performance with a focus on actions to facilitate the achievement of its development objectives.*** When it became clear that progress on some indicators was modest and could not be measured in the country and sector context, the MTR proposed to restructure the project to revise the results framework, including indicators and targets to reflect realities on the ground, and adjust the scope of the project and implementation arrangements (paragraphs 8 and 13-17). ***The project restructuring package, including the proposed supplemental letter (performance indicators), was submitted to the Country Director for approval on July 20, 2012.*** Based on satisfactory implementation of short-term training of vulnerable people and promising results from tracer studies, the MTR proposed to support further training of vulnerable people, including IDUs. To strengthen the management of project-supported TVET institutes and promote reform, the MTR also recommended the recruitment of coordinators for TVET institutes on a competitive basis.
- (d) ***Capacity building activities*** under the project helped build capacity of the DMTVET, NSDP and CESP teams in project management and enhanced their understanding of the structure and functioning of modern TVET systems. This was in addition to basic training in English and computer skills.

24. Factors which slowed implementation progress: ASDP was the first major development project in TVET in Afghanistan. Implementing agencies lacked the capacity and experience necessary to address implementation challenges. The project design was ambitious and although it included measures to mitigate risks, the challenges of the implementing environment were evident, particularly in the early

stages of the project. The main factors which slowed implementation and hindered progress included the following:

- (a) Infrequent meetings of the CESP initially slowed the resolution of coordination problems and differences of opinion among ministries at the political level, and by limiting oversight of the work of its Secretariat. The technical work of consultants of the CESP Secretariat is yet to be reviewed by independent consultants.
- (b) DMTVET's weak contract management capacity led to tensions in the relationship between DMTVET and NIMA consultants, and it affected progress in the early stages of implementation.
- (c) A long gap of nearly two years between two implementing partners for NIMA disrupted continuity in support for NIMA's development.
- (d) Delays in MoE's granting of academic and administrative autonomy to TVET institutes supported under ASDP slowed reform in the TVET sector. Though five TVET institutes (ANIM, NIMA, AMI, Blind School and AIT) have recently established governing councils (GCs) with private sector representation, except in ANIM⁷, they started to function only very recently. Only ANIM and NIMA have started running their own programs using a new curriculum, and only three institutes have been able to hire teachers independently while in other institutes, teachers are appointed by DMTVET.
- (e) Inadequate selection of the initial batch of Afghan teacher trainees (ATTs) for NIMA at the start of the project, combined with a lack of a clear plan for their development and low salaries, led to a large attrition of ATTs. DMTVET has recently started to address this problem by ensuring that only those ATTs are selected who are qualified and show promise to join NIMA as faculty members after structured training.
- (f) A delay of fifteen months, following the MTR, to revise the problematic results framework (indicators and targets) and make other adjustments in the project scope and implementation arrangements for the project through project restructuring is likely to have delayed the turn-around of project implementation performance (paragraph 23(c), Table 2 in paragraphs 60 and 69).

2.3 Monitoring and Evaluation (M&E) Design, Implementation and Utilization

25. M&E was challenging because the TVET sector, in 2008, lacked the basic infrastructure for data collection and information management. This meant that the project had the responsibility of developing basic capacity in this area as well as utilizing M&E processes to monitor the progress of its development objectives. This affected the design and implementation of M&E arrangements under the project. The limitations of the original Results Framework and monitoring arrangements served as a major impetus for the proposed project restructuring in July 2012 (see paragraph 23(c)). The M&E design, implementation and utilization for ASDP are most meaningfully discussed in two stages, before and after project restructuring.

26. M&E Design, Implementation and Utilization before Restructuring: The quality of the original M&E design was mixed. The project was successful in establishing clear project objectives. This is often a challenge in post-conflict and fragile contexts, where there are tensions between short-term recovery needs and long-term reform priorities. However, the project's objectives were not accurately reflected in all its original outcome indicators and targets. Although some indicators and targets were appropriate, others were overreaching or too ambitious. There was also some inconsistency between indicators laid out in the Technical Annex and those monitored during project implementation, which may have been a result of data constraints at the time. In the early stages of project implementation, there were no systematic mechanisms for collecting data within the sector and the project was constrained by both a scarcity of

⁷ The GC in ANIM however was established earlier, thanks to the efforts of its Director, and has been functioning well.

data and constraints on data collection due to security issues and a lack of technical capacity, particularly in the DMTVET, to implement the results framework. On the other hand, NSDP demonstrated satisfactory capacity to monitor implementation of Component 3, even in early stages of the project.

27. M&E Design, Implementation and Utilization after Restructuring: The MTR in April 2011 flagged some of the weaknesses in the original Results Framework (noted above) and recommended a revision of this framework. In mid-2012 (about fifteen months after the MTR), in response to these recommendations, the implementing agencies and the Bank proposed a revision of the original results framework. The design of the revised results framework was stronger, with indicators and targets more closely aligned to the project development objectives, and more reflective of ground reality (*see Supplemental Letter (Performance Indicators) included in the restructuring package submitted to the Country Director for approval on July 20, 2012*). The five outcome indicators, together with intermediate outcomes, more clearly captured the PDO. However, the revised results framework would still have benefitted from greater specification on the intermediate outcomes, and consistency in reporting baseline and target values and in comments on the status of indicators in the Implementation Status and Results reports (ISRs) during implementation.

28. Project monitoring improved significantly over the course of the project as the Bank team and GoA counterparts ensured more systematic and reliable information management. The project management team in the DMTVET also developed a Project Management Information System (PMIS) as part of its effort to develop an MIS. The PMIS has several data collection tools to collect and process data from different sections of the project and it can also generate regular reports for project management and monitoring. The Bank team also initiated measures to verify data, particularly monitoring data, to ensure more accurate assessment of the project's progress. The ASDP Unit in DMTVET instituted a system of reporting to capture both semi-annual and monthly project progress in its reports. Monitoring arrangements included tracer studies, and by the end of the project, both the DMTVET and the NSDP had conducted a series of tracer studies on graduates to assess the impact of the formal and non-formal training programs. As before project restructuring, monitoring of performance of Component 3 activities and additional tracer studies by NSDP remained satisfactory. In light of security constraints, particularly in provinces such as Kandahar and Khost, the inaccessibility of rural Afghanistan and a general lack of M&E capacity, the completion of tracer studies by NSDP was a significant achievement.

2.4 Safeguards

29. The project was appropriately classified as Category B and triggered OP/BP 4.01. There was no land acquisition. An Environmental and Social Management Framework (ESMF) was prepared and environmental guidelines for contractors were included in the contractual agreements. During project implementation, there were occasional delays in compliance due to low institutional capacity and weak cooperation among different DMTVET departments and units. This was reflected by downgrading the safeguards rating to 'Moderately Unsatisfactory' in the ISR in June 2011. Environmental issues related primarily to construction and inadequate water, sanitation and health hygiene facilities in dormitories. Close supervision through Bank missions ensured steady improvement, with a 'Moderately Satisfactory' rating, starting in the ISR of December 2011 and a 'Satisfactory' rating as of June 2013. These ratings continued through the rest of the project's implementation period. To further strengthen the project's safeguards aspects and implementation capacity, DMTVET: (i) appointed an environmental and social safeguard focal person from within its engineering team; (ii) translated safeguard documents into local languages for wider use; (iii) conducted staff training; (iv) instituted screening of civil works and the preparation of site-specific environmental and social management plans; (v) required contractors to implement site-specific environmental management plans; (vi) introduced regular reporting to the Bank on the status of ESMF compliance and site-specific plans; and (vii) provided an annual budget for maintenance and repairs to ensure compliance with health and sanitation standards. Grievance Redress

Committees were established at DMTVET and at the sub-project level whose functionality improved over time.

30. Proactive efforts by the DMTVET and the NSDP Unit in MoLSAMD to improve gender equality and sensitivity to the needs of women in their TVET programs contributed to high shares of women in both formal and non-formal training programs (see paragraph 61).

2.5 Financial Management

31. Financial management of the project was in accordance with Afghanistan's established system using the MOF's Special Disbursement Unit. The ASDP unit in DMTVET was responsible for all project financial management functions. NSDP in MoLSAMD maintained separate financial records for project activities under NSDP. These were integrated into the project financial management records kept by the ASDP unit. DMTVET and NSDP recruited and retained adequate numbers of well qualified staff familiar with the MoF and World Bank procedures for financial management. ASDP's finance team, given its technical expertise, was involved in financial management of the development budget of DMTVET.

32. Coordination and information sharing among the ASDP unit and NSDP was initially weak. This was flagged during Bank implementation support missions. Later, project units met regularly to share project information and reconcile financial data. Financial management was well implemented at the start, but gradually deteriorated. In the ISR of January 2010 and again in the ISR of June 2011, the Bank team rated it 'Moderately Unsatisfactory', mainly due to inadequate procedures for annual budgets and work programs and excess payments to consulting firms due to poor control over invoice processing. Vigorous intervention of the Bank team and effective implementation of the Bank's recommendations by DMTVET and NSDP, including measures to strengthen financial management capacity and the recruitment of an internal auditor, addressed these weaknesses. Excess payments to consultants were recovered and adjusted in subsequent payments and budgeting processes improved. The internal audit report for the period December 21, 2012 to December 20, 2013 highlighted control issues concerning documentation and compliance with procurement guidelines for which immediate management action was taken. Annual audited statements were submitted on time, except for the first-year audit which was submitted four months after the due date. Audit observations up to 2013 were promptly resolved. Financial management capacity improved following the Mid-Term Review, starting with a rating of 'Moderately Satisfactory' in December 2011 and rising to 'Satisfactory' in December 2012, which continued through the rest of the project's life.

2.6 Procurement

33. Capacity assessments during design pointed to the inexperience of procurement staff in the Grant Management Unit (GMU) of the MoE and the NSDP in MoLSAMD. The design envisaged that along with GMU procurement officers, two international procurement specialists who were being hired under the Education Quality Improvement Program II would also provide cross-support to ASDP, and that a procurement specialist would be hired to carry out procurement under Component 3 and to train NSDP procurement staff. Initial weakness in the supervision of civil works contracts due to inadequate resources allocated for it was resolved through restructuring the design team in DMTVET. Only a small essential team was retained in the design team to complete the design of the remaining construction activities. Most engineers and architects were assigned to provide construction supervision support. By the time of the MTR, the ASDP Unit in DMTVET had strengthened its procurement capacity with one senior procurement officer and two assistant procurement officers. This was considered adequate for carrying out remaining procurement activities. For NSDP's procurement activities, initial work on contracted-out training became systematized and was managed well by the NSDP's procurement staff with support from procurement specialists in the ASDP Unit.

34. At the time of the MTR, contract management and oversight were still weak for the supervision of both works and services contracts. The Bank maintained a ‘Moderately Unsatisfactory’ rating from June 2009 to June 2011. Implementation by DMTVET of recommended actions, including adequate management of procurement information, led to steady improvement in procurement management. The rating was upgraded to ‘Moderately Satisfactory’ in December 2011 and to ‘Satisfactory’ in June 2013. Out of a total of 21 civil works contracts, all were completed except the auditorium for ANIM, which will now be completed under ASDP II (paragraph 36). DMTVET and NSDP procurement staff received training in contract management and procurement processes both in-country and abroad.

2.7 Post-completion Operation/Next Phase

35. GoA remains strongly committed to TVET. About two years before the project closed, GoA asked for Bank/ARTF support to continue development of the TVET sector. The Afghanistan Second Skills Development Project (ASDP II) for US\$55 million was approved in March 2013 in support of formal TVET, and the Non-Formal Approach to Training, Education and Jobs in Afghanistan (NATEJA) project for US\$15 million was approved in March 2014. Both projects built on the experience and lessons of ASDP and also introduced new features to: (i) sharpen the focus on market-driven TVET programs;(ii) grant autonomy to TVET institutes under DMTVET in a phased manner; (iii) improve teacher competencies through technical and pedagogical training; (iv) ensure that the private sector is represented on TVET institutes’ governing councils and schools’ management committees;(v) help prepare practical curricula and teaching materials; and (vi) improve the quality of non-formal training and labor market outcomes for trainees.

36. Implementation of the new projects has started well. The new projects have benefitted from the systems put in place and increased human resource capacity built under ASDP. The consulting contract for the implementing partner for NIMA is continuing under ASDP II. The adequacy of budget provision for operations and maintenance costs of public TVET institutes and schools is uncertain due to GoA’s overall fiscal situation that has become challenging and forecasts for economic growth in the near- to mid-term are lower than before because of the tenuous security situation, political uncertainty and the overall fragile context of the country.

3. ASSESSMENT OF OUTCOMES

3.1 Relevance of Objectives, Design and Implementation

Relevance: *High*

37. Objectives: The project objective was and remains highly relevant to the development needs and priorities of Afghanistan and is closely aligned to the Bank’s current country support strategy (ISN 2012-2014). The country’s commitment to TVET remains strong, as evidenced in its policy priorities and programs such as NSDP. The World Bank’s ISN 2012-2014 identifies three pillars, which form the core of the Bank’s support to Afghanistan: (1) building the legitimacy and capacity of institutions; (2) equitable service delivery; and (3) inclusive jobs and growth. It is clear from the PDO and project activities in each component that ASDP is aligned with these strategic pillars.

38. Design and Implementation: The project design also remains highly relevant to Afghanistan’s development needs. As is the case in most post-conflict and fragile contexts, this project was confronted with the task of balancing the country’s immediate priorities for recovery, such as addressing a skills shortage, with the overarching objective of building a high-quality TVET sector. The project’s design was responsive to both and reflects an appropriate balance between addressing short- and long-term priorities. Taking this into account, the project was appropriately designed as the first stage of a long-term plan to develop the TVET sector, and the priorities in this first stage were clearly identified as two-fold: meeting short-term training needs and laying the foundation for long-term development of a modern, demand-driven TVET sector (Technical Annex, paragraphs 39-40, page 9).

3.2 Achievement of Project Development Objectives

Rating against revised project indicators/targets: *Substantial*

Rating against original project indicators/targets (Annex 9): *Modest*

39. The project's development objective was "to increase the number of immediately-employable graduates by supporting the establishment of a high-quality TVET system that is equitable, market-responsive, and cost-effective". In accordance with the ICR guidelines, *Annex 10 presents a detailed assessment of the achievement of the project objective against original indicators and targets* (this analysis has been factored into the assessment of the overall project outcome which is discussed in Section 3.4). *A detailed assessment of project outcomes against its revised indicators and targets is discussed below.*

Outcome 1: Increased number of immediately-employable TVET graduates -

Substantial Achievement

Indicators (outcome and intermediate outcome):

- Number of graduates from all (six) project financed institutions in DMTVET- *Fully Achieved*
- Share of NIMA graduates employed six months after completing training - *Substantially Achieved*
- The number of diplomas awarded by NIMA - *Highly Achieved*
- Increase in the number of operational buildings and facilities for TVET- *Substantially Achieved*
- The number of voucher beneficiaries (including female) – *Highly Achieved*
- Number of TVET Institutes operating under the agreed governance framework - *Modestly Achieved*
- Percentage of women enrolled at NIMA - *Substantially Achieved*

40. The two associated KPIs clearly indicate that the project has *substantially achieved* its first objective. The total number of graduates from the six project-supported TVET institutes increased sharply from 398 in 2008 to 7,720 by the end of the project, significantly exceeding the project's target of producing 5,380 graduates. Ninety-nine percent of these graduates had degrees in focus-sectors.⁸ Also, 75 percent of NIMA's first cohort was employed within six months of graduation; this was an achievement of one of the project's key indicators. The discussion below highlights the project outputs and inputs that contributed to this outcome, and to the long-term objective of establishing a high-quality TVET system.

41. **Project Outputs and Inputs:** The project aimed to achieve its first objective by improving the quality, relevance and equity of TVET provision.

42. **Quality:** NIMA was established in 2008 to provide high-quality, market-relevant training. To achieve this, NIMA's academic program was designed and implemented in line with international standards (i.e., up-to-date curricula, teaching methodology, learning resources, and well-qualified staff). The institute also introduced measures aimed at improving its links to the job-market - among these, a visiting lecture series that introduces business leaders and topics in the market and an internship and job placement program. To give its graduates another competitive edge, NIMA was designed as an English medium institute and a special English language program was implemented to help students improve their English language proficiency. Today, NIMA is considered a first choice among Afghan students who want to fast-track their careers in management and business administration, accounting or ICT. Since its establishment, the institute has produced 1,714 graduates with internationally and nationally recognized diplomas, exceeding the project's target of producing 1,150 diploma holders.

⁸ The Technical Annex identifies a set of "focus-sectors" that address the perceived needs of the Afghanistan's market place. They include: accounting; ICT; basic engineering skills (such as construction related trades, metal work, and mechanical repairs); management and administration; and agriculture and related sub-sectors.

43. The project also supported basic quality improvement in five existing TVET institutes. The project made a substantial contribution to the quality of infrastructure and teaching and learning facilities (see Annex 2 for details). In addition, a few of the institutes had their curriculum upgraded, and a significant number of their teachers trained in modern teaching methods. ASDP also provided technical assistance to help develop management capacity at each of the institutes.

44. **Relevance and Efficiency:** Institutional (i.e., operational and financial) autonomy is an essential precondition for market relevant and cost-effective TVET provision. In the highly-centralized administrative governance context of Afghanistan, public TVET institutes had neither. The project's goal was to improve operational autonomy, such that the day-to-day operations would be managed solely by the institution, without Government interference. The project's achievements in this area were mixed. By the end of the project, five of the six institutes had established Governing Councils (GCs). The GC mechanism was designed to facilitate the operational autonomy of the institute and promote private sector participation in the governance of TVET institutes. Although GCs have been established with private sector representation, the role of these representatives remains limited. Overall, the operational autonomy of the five institutes also remains limited⁹. Only two institutes have been granted the right to manage their own academic programs (ANIM and NIMA) and three have been allowed to open individual bank accounts (ANIM, NIMA and AIT). Any movement towards private sector engagement and increased operational autonomy in Afghanistan's public TVET provision is significant because it represents a movement away from a supply-driven system towards a demand-driven system.

45. In another effort to improve market-responsiveness and ultimately increase the employability of graduates, ASDP also introduced a merit-based voucher system for TVET graduates to enable them to pursue further professional training. A total of 221 students were supported through the voucher program, surpassing the project's target of providing 200 vouchers to support skills-training.

46. **Equity:** Equity was a priority in the project's strategy to improve the quality of TVET provision and this was one important criterion for choosing which institutes to support. As a result, the Blind School and ANIM were chosen to improve equitable access to TVET for the disabled and for vulnerable youth. ASDP also made special efforts to increase women's participation in NIMA, including on-site residential facilities for women. As a result of such efforts 32 percent of those who enrolled at NIMA in 2014 were women. Although this fell just short of the project's target of 33 percent, it is still an important achievement in Afghanistan, where rates of women's participation in higher education and formal TVET are much lower (approximately 19 percent in each sector).

Outcome 2: Increased number of immediately employable non-formal training beneficiaries - Substantial Achievement

Indicators (outcome and intermediate outcome):

- Increase in average earnings of project graduates within 6 months of completing training (NSDP) - *Substantially Achieved*.
- Number of vulnerable youth, poor women, marginalized farmers, and IDUs trained under NSDP - *Highly Achieved*
- Number of BDS trainers trained - *Substantially Achieved*

47. The project *substantially achieved* its second objective of increasing the number of immediately-employable non-formal training beneficiaries. Over the course of the project, 9,676 vulnerable youth,

⁹ The Borrower's views on the current status of the role played by governing councils (GCs) in project-supported institutes in paragraph 17, Annex 7 (Summary of Borrower's ICR) differ from the assessment of the ICR. The ICR describes the Bank's assessment of the status of operational and financial autonomy at project closing (paragraphs 21(b), 24(d), 44, 72 and 73).

poor women, marginalized or landless farmers, people with disability (PwDs), and IDUs were trained, surpassing the project's target of 9,000. It is important to note that in Afghanistan, as in many places, most people in the informal sector claim some sort of employment, regardless of whether it provides a sustainable living. As such, in the case of non-formal training, which was targeted at people in the informal sector, earnings provide a better indicator of employability than employment rates. As a result of the training, the average earnings of each of the target groups increased significantly: chronically poor women's earnings increased from AFN 0 to AFN 2,766 per month, and youth's average earnings increased from AFN 998 to AFN 8,475 per month following their training. The average earnings of marginalized or landless farmers increased from AFN 3,076 to AFN 7,779 per month¹⁰. The project achieved this objective by improving the market-relevance and quality of non-formal TVET. The specific outputs and inputs, which contributed to the outcome and to the overarching objective, are discussed below.

48. **Project Outputs and Inputs:** ASDP's efforts to provide non-formal training were meant to complement the Government's ongoing NSDP, but with a particular focus on equity, quality and the market-responsiveness of non-formal training. Market-responsiveness was the guiding principle in designing the training programs. To achieve this: (a) each training program was designed for the needs of the local target population; and (b) a rapid assessment of local market needs and consultations with village leaders formed the basis for the design. Most of the training programs were evaluated by a tracer study. This allowed for a simple, but effective means of evaluating the impact and as such, the efficacy of these training programs. Over the course of the project, 11 tracer studies were conducted to assess the impact of the non-formal training programs. Building evaluation capacity in the non-formal training program will clearly be a legacy of the project. As another capacity building measure, the project trained a total of 1,652 business development service trainers, which was an important contribution to the non-formal training program in the country as a whole. In response to the cultural constraints for women in the Afghan labor force, the skills training for women focused on activities that would enable them to work from home (e.g., carpet weaving, embroidery, horticulture, and food-processing). Equity was also an underlying principle of ASDP's support for the non-formal training program. The training beneficiaries included: 3,150 chronically poor women, 2,500 marginalized or landless farmers, 3,526 youth, 200 rehabilitated injectable drug users (IDUs) and 300 people with disability (PwDs).

Outcome 3: Improved institutional and regulatory framework for TVET - *Modest Achievement*
Indicators (outcome and intermediate outcome):

- New Institutional Framework for TVET developed and submitted to Parliament for legislative enactment - *Modestly Achieved*
- The NQF developed and approval of the DMTVET Plan - *Substantially Achieved*

49. To support the establishment of a high-quality TVET system, the project aimed to develop both the institutional and regulatory frameworks for TVET. The targets were ambitious: (a) design and establish an institutional framework (i.e., ANQA and independent awarding boards [e.g., NTVETB]); and (b) develop and implement a NQF (a levels-based structure to map all education and training competencies). These targets were revised in July 2012 when it became clear that the political realities on the ground were not conducive to achieving these targets. The project's revised target was to develop the

¹⁰ The baseline and target values for this indicator in project documents are inconsistent with the revised indicator of market responsiveness, the intent of which was to measure the difference in earnings as a result of the vocational training. As such, the ICR team chose to report the pre-training and post-training earnings of the vocational training beneficiaries under ASDP, which provide a more accurate assessment of this indicator.

institutional framework and the NQF, along with draft legislation, and to submit these draft frameworks for legislative enactment.

50. Despite early challenges, significant progress was made towards this objective in 2013 and 2014. By the end of the project, a basic design for a new institutional framework and the NQF had been developed. These were approved by the CESP, signifying the endorsement of all relevant stakeholders. Draft legislation for enacting this framework (including the establishment of the NTVETB) and establishing the NQF was also developed. Although the legislation is yet to be submitted for Parliamentary approval, the Government is considering interim provisions to establish the NQF and the institutional framework by Cabinet authority. This is not a fully satisfactory outcome, since the legislation for establishment of the NTVETB, as an independent entity with its own budget code, has yet to be tabled before Parliament. Nevertheless, it is clear that there has been significant progress towards achieving this objective, particularly in light of the political turbulent climate of Afghanistan in the last year. Achievement of this outcome is rated as *Modest*.

51. **Project Outputs and Inputs:** The CESP was established in 2008 to oversee the development and implementation of the institutional framework and the NQF. This Committee, chaired by FVP, has been responsible for overseeing the process of drafting the institutional framework and the NQF. A key element of the new institutional framework is the establishment of the NTVETB to facilitate and apply TVET regulatory policy. It was originally intended to function as an independent entity with its own staffing, budget and functions. It is, however, unclear whether it will be granted this status in the current political environment.

52. An important output was the development of the NQF to help in recognizing prior learning, bringing much needed standardization, providing a clear signal to employers on the abilities and skills available, and allowing trainees to develop a commitment to life-long learning. Developing this framework was in itself an achievement. The process was complicated. It called for extensive consultations with all stakeholders to define relevant levels in the framework, and the generic learning outcomes associated with each level. The NQF has now been developed and approved by the CESP. Since the establishment of the ANQA was dropped at restructuring, the CESP is expected to function as an interim body to oversee the implementation of the NQF as well as the establishment of the NTVETB. Another important contribution to the regulatory framework was the development of the National Occupational Skills Standards (NOSS). The NOSS describes the minimum standards to which an individual is expected to work in a given occupation. Under ASDP, 170 NOSSs have been developed. Benchmarking of NOSSs to international standards is now being developed under ASDP II (paragraph 35).

Outcome 4: Strengthened M&E and program management capacity - *Substantial Achievement*
Indicators (outcome and intermediate outcome):

- MIS is in place and MIS reports produced - *Substantially Achieved*.
- Number of Project Staff and Officers trained in different functional areas (for both DMTVET and NSDP) - *Highly Achieved*.
- Number of tracer studies of TVET graduates completed – *Highly Achieved*.

53. A high-quality TVET system is one that is capable of recognizing and responding to market demands. This, in turn, requires: (a) strong mechanisms for monitoring and evaluating information on market needs and program effectiveness; and (b) sufficient human resource capacity to utilize this information for strategic planning, management, and decision making. Like all other elements of the system, the mechanisms for information management were almost non-existent, and program management capacity was very weak. The project *substantially achieved* its objective by strengthening

both M&E and program management capacity. These achievements, expressed in terms of outputs and outcomes, are noted below.

54. **Projects M&E Outputs:** The project designed and implemented a Management Information System (MIS), with two main components: the first component (the Project Management Information System (PMIS)) is designed to capture project management related data. The other component (the TVET Management Information System [TMIS]) is designed to capture information on TVET institutes under the DMTVET (See Annex 2 for details). Currently, the PMIS has been implemented well enough to generate on-demand reports on most aspects of the project management. Capturing data on formal TVET provision in the country is a much more complicated and challenging task and as such, the implementation of the TMIS is at a more nascent stage. At this stage, the TMIS is able to collect data from four of the six project supported TVET institutes (NIMA, ANIM, AIT and the Blind School). The establishment of the MIS is an important achievement because it lays the groundwork for future planning and strategic management of the TVET sector.

55. The project also succeeded in building capacity for program evaluation. Under the project, 14 tracer studies were conducted through both the NSDP and the DMTVET. This was an ambitious undertaking, not only because of the low capacity, resource-constrained environment, but also because several of these studies were conducted in remote and insecure areas. The impact of the training programs was assessed on the basis of the pre- and post-training earnings of the treatment groups. Tracer studies were new tools for the sector and therefore it is not surprising that the NSDP and the DMTVET experienced a few challenges in carrying them out. Nevertheless, introducing this methodology in a fragile context was in itself an achievement which has ultimately served to build evaluation capacity in MoLSAMD.

56. Finally, the project also took steps to improve management capacity of the implementing agencies (DMTVET and MoLSAMD/NSDP) by training 325 management staff, surpassing its target of training 300 management staff. Apart from training ministry staff for managing the country's TVET program, the project also built capacity in the project-supported institutes by providing dedicated technical assistance to train management and administrative staff and technical teachers in TVET institutes.

3.3 Efficiency

Rating: *Substantial*

57. Efficiency in achieving the project objective in terms of Net Present Value (NPV) and Internal Rate of Return (IRR) is substantial. A cost-benefit analysis has been implemented to calculate the NPV and IRR of the project, and assumptions are given in Annex 3. Data collected from tracer surveys provided the basis for some of these assumptions.

58. According to the analysis, the NPV under the base case is US\$20.8 million at a discount rate of 10 percent, and the IRR is 22 percent. Since this IRR is substantially larger than the cost of capital (10 percent), the analysis suggests that ASDP was a project worthy of investment. There was no economic analysis at the appraisal stage and therefore it is not possible to compare the estimated IRR with the expected one to evaluate whether the project exceeded previous expectations.

59. Key improvements included increased internal efficiency, as the total number of beneficiaries increased from 398 to 17,617 by the end of the project¹¹, and also increased external efficiency due to a

¹¹ As articulated in Annex 3, beneficiaries include 7,720 students that graduated from the selected six TVET institutes and 221 students that received vouchers to pursue further professional technical education (under Component 2), and 9,676 marginalized workers who were trained under Component 3.

greater presence of skilled labor force in the economy. Benefits from Component 2 were derived from the number of students who graduated from the project-supported six institutes, including NIMA, and the introduction of the Voucher Program. Component 3 yielded high socio-economic benefits because most of the targeted marginalized workers started from a baseline of negligible earnings and substantially increased their income.

3.4 Justification of Overall Outcome Rating

Rating: Moderately Satisfactory

60. The project outcome rating *against its revised indicators and targets* is assessed as *Satisfactory* because: (a) the PDO and design remained Highly Relevant throughout project implementation and continue to remain Highly Relevant today; and (b) its efficiency and efficacy were both Substantial. The project outcome rating against *original indicators and targets* is assessed as *Moderately Unsatisfactory* (See Annex 10 for details). In line with the ICR guidelines, the project’s final outcome rating is based on a weighted assessment of the two outcome ratings in proportion to the share of actual grant disbursements made in the periods before and after approval of the revision. Table 1 below reflects this analysis. As a result, *the overall outcome is rated as Moderately Satisfactory*.

Table 1: Analysis of Project Performance against Original and Revised Indicators and Targets

	Performance weighted against original indicators and targets	Performance weighted against revised indicators and targets	Overall	Comments
Project Outcome Rating	Moderately Unsatisfactory	Satisfactory	-	Substantial Improvement after indicators and targets were revised.
Rating Value	3	5	-	
Weight (% disbursed before/after restructuring)	69%	31%	100%	
Weighted Value	2.1	1.6	3.7	
Final Project Outcome Rating (rounded)			Moderately Satisfactory	Restructuring ¹² was undertaken 15 months after the Mid-term Review. Had this restructuring taken place earlier or even well before the MTR, the project’s performance may have been assessed as more satisfactory.

Note: Following values were assigned to outcome ratings for the purpose of this analysis: 6 = Highly Satisfactory; 5 = Satisfactory; 4 = Moderately Satisfactory; 3 = Moderately Unsatisfactory; 2 = Unsatisfactory; and 1 = Highly Unsatisfactory.

3.5 Overarching Themes, Other Outcomes and Impacts

(a) Poverty Impacts, Gender Aspects, and Social Development

61. The objectives of increased female enrollment in project-supported TVET institutes of DMTVET and in non-formal training programs by NSDP were achieved: the share of female students enrolled in NIMA was 32 percent in 2014; and 40 percent of vulnerable people trained in rural areas under the NSDP programs were women. Twenty nine percent of students at ANIM are female. Students at NIMA represent nearly all provinces in the country, including insecure areas. ANIM also made special efforts to attract orphans and children from very poor backgrounds, including street children, to its student body

¹² See the restructuring package (including Supplemental Letter – Performance Indicators) submitted to the Country Director for approval on July 20, 2012. The MTR was in April 2011.

and transform them through quality training in both music and general education. Some provinces covered under the NSDP training programs such as Kandahar and Khost were highly insecure.

(b) Institutional Change/Strengthening

62. Institutional strengthening was significant. GoA decided to place responsibility for project implementation and management within the existing arrangements in the implementing ministries, supplemented by consultants as needed for the project. This design supported a learning-by-doing process. Facilitated by persistent dialogue, despite Afghanistan's highly centralized structure, GoA initiated, with support from the Bank, actions to grant autonomy to project-supported TVET institutes. A new institute, NIMA, based on international standards, has also been established.

(c) Other Unintended Outcomes and Impacts (positive or negative)

Not applicable.

4. Assessment of Risk to Development Outcome

Rating: *Significant*

63. Sustaining and further improving the project's development outcome will depend on a number of factors. Technically, although changes in the approach to TVET were new, they are being further supported and pursued under the new projects, ASDP II and NATEJA (paragraphs 35-36). There is, however, a risk that further progress could be slow due to centralized structures and political uncertainty. Financially, a sharp slowdown in Afghanistan's economic growth in 2013 and 2014, increased security related expenditures and reduced revenues created a large unfinanced fiscal gap, which is likely to persist well into the future. This could undermine implementation of essential TVET activities because of reduced support for operating costs for the TVET sector. Socially, the project has been supported and appreciated by beneficiaries and there has been no significant negative impact on stakeholders. Continued stakeholder support is likely. Politically, there is strong support at the highest levels of government for TVET efforts. Institutionally, awareness has been raised at various levels of government about the key elements of a modern TVET system and ownership has taken root.

5. Assessment of Bank and Borrower Performance

5.1 Bank Performance

(a) Bank Performance in ensuring Quality at entry

Rating: *Moderately Satisfactory*

64. As discussed in Section 2.1, the strategic relevance and approach of the project were strong. Technical aspects of the project were grounded in the Bank's analytical work, the experience of GoA's NSDP and ANDS, lessons learned from the Bank's experience in Afghanistan drawn from its entire portfolio and TVET operations in fragile states. Bank inputs and processes drew on the expertise of a multi-disciplinary team and benefitted from collaboration with other DPs. Fiduciary and safeguards aspects were properly assessed and addressed in the project's design. On institutional aspects and implementation arrangements, the project relied on existing government capacity, supplemented by fiduciary staff and consultants. For implementation of Component 1, responsibility was placed in the new CESP chaired by the FVP. This was done to build consensus and coordinate across several ministries, including MoE, MoHE, MoLSAMD, MoF and the Ministry of Economy, as well as other Government agencies. The risk assessment was realistic and proposed appropriate mitigation measures.

65. At the project preparation and design stage, there were, however, some limitations that could have been more effectively addressed. There was slight variation in the PDO statements in the MOP, Technical Annex and Financing Agreement (paragraph 7). In the ICR team's judgment, these formulations were almost identical. As noted earlier, on M&E, the project design could have benefitted

from a stronger results monitoring framework. More attention could also have been given to the realism of the indicators and targets themselves and of the feasibility of their measurement in the fragile situation of the country. Project implementation arrangements could have benefitted from more explicit attention to monitoring and evaluation mechanisms.

(b) Quality of Supervision

Rating: *Moderately Unsatisfactory*

66. Considering the fragile country situation and a demanding project design, Bank supervision following the MTR was regular and intense, with short missions in between semi-annual missions. Following the MTR, the Bank recruited an Operations Officer to work on the project in the Country Office. During six and one-half years of project implementation, though there were four Task Team Leaders, continuity was maintained in the teams, particularly including staff in the Country Office. As of late 2013 and until recently when security did not allow mission travel to Kabul, the Bank team conducted a supervision mission in Dubai. In early 2011 during the MTR, it became clear that the NIMA sub-component needed to be strengthened, including its management team, and urgent action was required to move forward. Corrective actions were taken by the Government with support from the Bank team, including the appointment of a capable management team for NIMA on an acting basis.

67. Based on implementation experience, the Bank was responsive to the need to assist deserving students (who had graduated from project-supported TVET institutes) in pursuing further professional training in market-relevant areas. To this end, the Bank agreed to GoA's proposal to add a Pilot Vouchers Program for students selected on the basis of merit. The Bank team also worked with GoA to strengthen actions under the project to support enhancement of the autonomy of TVET institutes, strengthen the application of the ESMF, increase attention to water, sanitation and health hygiene facilities in dormitories, and increase the frequency of project progress reporting.

68. Supervision of fiduciary and safeguards aspects of the project was appropriate. At the recommendation of the Bank, DMTVET recruited a contract management specialist and implemented other mitigation measures, including training. Supervision of financial management issues was thorough and focused on improving financial management capacity and performance. The Bank also closely supervised environmental safeguards aspects of the project and provided recommendations to correct any shortfalls. Fiduciary and safeguards ratings in ISRs were adjusted to reflect compliance performance.

69. On M&E, however, the systematic collection of baseline and other data to track progress, and quality of monitoring and reporting should have received more attention starting from the time of project approval (see Section 2.3). An overall lack of capacity to undertake such activities, the country's fragile situation and the tenuous security environment in which the project was implemented, which culminated in a 'fire-fighting' *modus operandi*, may have contributed, in part, to this oversight. However, more careful attention to the progress and challenges in monitoring the project's progress in achieving KPIs and to clearly document the M&E issues in the ISRs throughout the life of the project could have helped focus the Bank's attention to the issues to trigger remedial actions, and to help enhance the project's developmental impact in a timely manner. Following the MTR, which, among other findings, focused on how to address weaknesses in the original results framework, 15 months elapsed before a revised results framework was proposed as part of the project restructuring (*see Supplemental Letter (Performance Indicators) included in the restructuring package submitted to the Country Director for approval on July 20, 2012, and paragraph 8*). In a fragile country like Afghanistan, the results framework should have been revised as soon as it had become clear that some indicators and targets were too ambitious, no longer relevant or meaningful or could not be measured. Timely course corrections by processing adjustments to the project's indicators and targets through project restructuring immediately following the MTR or

preferably even well before the planned MTR could have helped the project get back on track more quickly. Despite adequacy of supervision inputs and processes, supervision of fiduciary and safeguard aspects, and the role in ensuring adequate transition arrangements (see Section 2.7), quality of Bank supervision is rated *Moderately Unsatisfactory* because of weaknesses in following up on the M&E system and in the M&E ratings.

(c) Justification of Rating for Overall Bank Performance

Rating: *Moderately Satisfactory*

70. The Bank's performance in ensuring quality at entry is rated *Moderately Satisfactory* and the quality of supervision is rated *Moderately Unsatisfactory*. Since the overall project outcome is rated *Moderately Satisfactory*, the overall Bank performance has been rated *Moderately Satisfactory* in line with the ICR guidelines.

5.2 Borrower Performance

(a) Government Performance

Rating: *Moderately Satisfactory*

71. Government ownership and commitment to this project were strong given that: (i) social and economic costs to the country from a poorly skilled labor force were well known; and (ii) GoA launched the NSDP in 2004 to provide targeted social protection for vulnerable groups and training to build capacity in the labor force. GoA actively collaborated with the Bank team to prepare the policy note for TVET in 2006 and the project was grounded in its findings. When the project was designed, additional evidence of GoA's commitment to it included its decision to establish the CESP to be chaired by the FVP.

72. The CESP was established soon after project effectiveness. After elections in 2009, the CESP however did not meet as regularly as expected. This delayed the resolution of policy issues pertaining to coordination among interest groups and thus progress on the development of a regulatory and quality assurance framework for TVET (i.e., the establishment of ANQA, NQF and awarding boards starting with the NTVETB). Toward the end of the project, however, the Office of the FVP agreed to relocate the CESP Secretariat to the Office of the FVP and held two meetings of the Committee. The Committee approved the establishment of NQF and an awarding board for TVET. The establishment of the TVET Board as an independent board with its own budget, however, requires Parliamentary ratification. In addition, progress has been slow in the granting of financial autonomy to the project supported TVET institutes by the MoF. Although three TVET institutes (ANIM, NIMA and AIT) have been allowed to open bank accounts in their own names, invoices of expenditures still continue to require approval of the DMTVET.

(b) Implementing Agency or Agencies Performance

Rating: *Moderately Satisfactory*

73. Implementing agencies were committed to achieving the PDO and worked hard and efficiently, despite numerous challenges in the enabling environment given the country's fragile situation and GoA's bureaucratic procedures. The capacity for overall project management, procurement, financial management and adherence to environmental and social safeguards showed significant and steady improvement in the latter stages of project implementation. Compliance with covenants was generally satisfactory. Fiduciary performance was adequate and improved over time with close Bank implementation support and guidance. There were, however, some challenges in the early stages of implementation due to: (a) weak performance of the CESP Secretariat in communicating its technical work at political level in the relevant ministries so as to receive feedback and help build consensus on policy actions; (b) delays in granting operational and financial autonomy to TVET institutes; (c)

inadequate selection of the initial batch of ATTs for NIMA at the start of the project; and (d) weak capacity for M&E in DMTVET. Though some progress was made, more efforts will be needed under the follow-on ASDP II project for further progress.

(c) Justification of Overall Borrower Performance

Rating: *Moderately Satisfactory*

6. LESSONS LEARNED

- **Strong commitment and leadership are critical for successfully steering reforms in a TVET institute.** Thanks to its dynamic and reform oriented director, ANIM was the first TVET institute under DMTVET to establish a satisfactory governing council and open a bank account in the name of the institute. This continues to serve as a model for similar reforms in other project-supported TVET institutes.
- **Sustained implementation support and supervision by the Bank in a fragile situation is likely to lead to improved project implementation.** Starting with the MTR in April 2011, the Bank carried out nearly one supervision mission every six weeks. This resulted in tracking implementation progress in real time and in helping to resolve implementation problems.
- **Even in a challenging fragile situation, institutional capacity can be enhanced.** At the design stage, the Bank team decided to work within existing institutional arrangements with the support of consultants as needed. The Bank team provided implementation support throughout the project life. These efforts contributed to building capacity in DMTVET and NSDP to implement project activities and assume responsibility for the management of the two new projects, ASDP II and NATEJA.
- **Progress on improving gender equity is feasible even in situations with substantial cultural constraints.** Recognizing the severe restrictions on females until 2001, one of GoA's and the project's main objectives was to provide females with economic and social opportunities. With targeted efforts, NIMA was able to increase the proportion of females to 32 percent of enrollment in 2014, and 40 percent of beneficiaries of non-formal training, through NSDP, were poor women.
- **Timely project restructuring can play a pivotal role in improving project implementation.** Adjustments to the project's activities, indicators and targets were proposed to the Country Director for approval in July 2012, fifteen months after the MTR. In fragile situations, since development progress is rarely predictable or linear and cannot be fully mitigated through design, frequent and timely course corrections through project restructuring even well before the planned MTR can help a project stay on course.
- **Projects can achieve good results even in remote and insecure areas in a fragile context.** Through its model of contracting out the delivery of skills training and strong engagement, NSDP provided non-formal skills training for vulnerable people in several insecure provinces, such as Kandahar and Khost, to achieve the project's objectives. This project confirms that good results can be achieved despite remoteness and insecurity.

7. Comments on Issues Raised by Borrower/Implementing Agencies/Partners

(a) Borrower/implementing agencies.

74. The Borrower's Completion Report is included in Annex 7. GoA reviewed the ICR and concurred with the assessment. No substantive issues were raised (see Annex 7 for GoA's comments that

were received). The ICR team has taken into account GoA's observations in the ICR. The ICR team's comments on main observations of GoA are given at the end of Annex 7.

(b) Co-financiers

Not applicable.

(c) Other partners and stakeholders

Not applicable.

Annex 1. Project Costs and Financing

Project Cost by Component (in USD million equivalent)

Components	Appraisal Estimate for Original IDA Financing (USD millions)	Appraisal Estimates for ARTF Financing (USD millions)	Total Estimated Cost (USD millions)	Actual /Latest Estimate (USD millions)	Percentage of Total Estimate
1. Develop Regulatory and Quality Assurance Framework for TVET	1.5		1.5	1.45	97%
2. Improve Relevance, Quality and Efficiency of TVET ¹³	12.5	18.0	30.5	26.91	88%
3. Skills Development Program and Market Linkages with a Rural Focus	5.0		5.0	4.95	99%
4. Research, Monitoring & Evaluation	1.0		1.0	0.70	70%
Total Baseline Cost	20.0	18.0	38.0		
Total Project Costs	20.0	18.0	38.0	34.01	
Total Financing Required			38.0	34.01	90%

Financing by Source (in USD million equivalent)

Source of Funds	Appraisal Estimate (USD millions)	Actual/Latest Estimate (USD millions)	Percentage of Appraisal
IDA	20.0 ¹⁴	18.76	94%
Afghanistan Reconstruction Trust Fund	18.0	15.25	85%
Total	38.0	34.01	90%

¹³ Component 2 includes the voucher program (US\$1 million) that was added during project restructuring.

¹⁴ This amount is based on the exchange rate between SDR and USD at the time of approval.

Annex 2: Outputs by Component

Component 1: Develop Regulatory and Quality Assurance Framework for TVET

Achievement: This component was designed to lay the foundations of a Quality Assurance system for TVET in Afghanistan by establishing an institutional framework to regulate the provision of TVET and a National Qualifications Framework (NQF) (a framework for the development and classification of qualifications according to a set of criteria applicable to specified levels of learning outcomes). The original goal was to institutionalize the regulatory framework (i.e., the regulatory bodies) and the quality assurance framework (i.e., the NQF). During implementation, it became increasingly apparent that the target of “institutionalizing” these mechanisms (an inherently political process) was too ambitious in light of the complex political environment of Afghanistan. In July 2012, this component was modified to reflect a more realistic assessment of the timeline for institutionalizing the regulatory bodies and the NQF. The two sub-components listed below reflect the changes made. The project’s revised target was to ensure that the institutional regulatory framework would be developed, along with draft legislation, and submitted for legislative enactment. Despite significant political challenges, progress was made on this component in 2013 and 2014. The CESP has now approved the NQF and the establishment of the NTVETB; however, the draft legislation has not yet been submitted for Parliamentary ratification. The key outputs listed below reflect the project’s achievements in this component.

Subcomponent 1.1: Development of the institutional framework for TVET

Key Outputs:

- The Committee on Education and Skills Policy (CESP) (chaired by the First Vice President with representation from the MoE, MoLSAMD, MoHE, MoF and the Ministry of Economy) was established to oversee the development of the institutional framework (ANQA and NTVETB) and the NQF. The CESP is an apex body for TVET, pending the establishment of the ANQA.
- A document has been drafted to clarify the roles and responsibilities of every government entity that works in the area of TVET. This document aims to strengthen coordination among all stakeholders in order to support the establishment of the TVET Board and institutionalization of the NQF
- An Action Plan and Rules of Business for the CESP Secretariat have been developed.
- Legislation for establishing a National TVET Board has been developed.
- Documents for establishing the ANQA have been drafted and approved by the CESP.
- A National TVET strategy was developed and launched in January 2014.

Sub-Component 1.2: Development of the Afghan National Qualifications Framework

Key Outputs:

- An Afghanistan National Qualifications Framework has been developed and approved by the CESP.
- Levels of the NQF pertaining to TVET have informally been adopted by MoE and MoLSAMD.
- 170 National Occupational Skills Standards have been developed.

Component 2: Improve Relevance, Quality and Efficiency of TVET

Achievement: The aim was to improve the relevance, quality and efficiency of TVET in order to produce more immediately employable graduates. The project achieved its objective by establishing a new institute: the National Institute of Management and Administration (NIMA). NIMA alone made a

substantial contribution to the relevance, quality and efficiency of TVET provision. In addition to this, the project provided support to improve the physical infrastructure, teaching and learning facilities, teaching methods, and governance processes in five existing institutions. In July 2012, the project added a Voucher Program (a merit based system) to enable deserving students to pursue more specialized TVET in priority areas. These actions contributed to the goal of increasing the number of immediately employable graduates. The outputs listed below are a direct result of investments under the project and demonstrate that ASDP increased the number of immediately employable graduates by improving the quality and relevance of formal TVET.

Sub-component 2.1 Establish the National Institute of Management and Administration (NIMA)

Development of Institutional Infrastructure, Teaching and Learning Facilities

- Reconstruction/Rehabilitation of an existing campus to house NIMA.
- Construction of a new library and computer center.
- Rehabilitation of a student cafeteria and a staff dining hall.
- Construction of several toilet facilities for NIMA.
- Construction of class rooms.
- Construction of a power station, storage facilities, parking facilities and a boundary wall.
- Renovation of a dormitory.
- Installation of video-conferencing equipment.
- An electronic Course Management System (CMS) is being developed.
- The campus is equipped with internet facilities.

Academic Program, Curriculum Development and Teaching Materials

- NIMA is the only English-language medium public TVET institute in Afghanistan.
- It is a two-year post-secondary training institute (Grades 13 and 14) with programs in three areas: Management and Administration, Accounting, and Information and Communications Technology. Curriculum has been developed for all three programs.
- There is a heavy emphasis on English language proficiency (both for teachers and students) to ensure that students are competitive in the market place.
- To build English language skills, the international Implementing Partner has designed and implemented a special English language program.
- Currently, there are 34 International faculty on staff at NIMA
- 26 Afghan teachers are being trained by the new Implementing Partner to take over teaching - the training program covers technical subjects and also English language skills to ensure that Afghan teachers are sufficiently qualified in English.

Quality Assurance (including regulatory framework, standards and student assessments)

- Methodology developed for assessing students by International Standards.
- Entrance and exit exams developed and implemented.
- A teacher evaluation system developed.

NIMA applied for accreditation through the Accreditation Council for Business Schools and Programs (ACBSP), which is an international accrediting body headquartered in the United States. The process was initiated in November of 2013 and is currently underway for completion by end-2016. NIMA has already achieved the Candidacy status.

Graduates

- 3,167 students enrolled in 5 cohorts between 2009 and 2014.
- 1,714 students have completed their two year course of study (graduated).
- 1,060 received International diplomas; 51 received international certificates; and 603 students received certificates from MoE-DMTVET.

Other Activities

- An internship and job placement program.
- A visiting lecture series to introduce students to market-relevant topics and persons.

Sub-component 2.2 Institution-Based Reform Package

Rehabilitation of Institutional Infrastructure, Teaching and Learning Facilities

- **Afghan Institute of Music (ANIM)** - Construction of an auditorium for the music school (partially completed; it is now being completed under ASDP II).
- **ANIM** - Renovation of existing buildings.
- **Auto Mechanical Institute (AMI)** - Construction of classrooms, rehabilitation of Technical Training Workshops, boundary wall and renovation of hostel.
- **AMI** - Rehabilitation of a boundary wall.
- **Blind School** - Renovation of physical infrastructure.
- **Afghanistan Institute of Technology (AIT)** - Renovation of the Practical Training Workshop and construction of learning spaces.
- **Computer Technology Institute (CTI)** - Construction of classrooms.

Operational Autonomy

- Governing Councils have been established at NIMA, ANIM, Auto Mechanical Institute, AIT and the Blind School.
- Strategic Business Plans have also been developed by NIMA, ANIM, Auto Mechanical Institute, AIT and the Blind School.
- Bank accounts have been set up by NIMA, ANIM, and AIT.

Faculty and Staff Development

- 802 technical teachers were trained in pedagogical skills, including teachers from all five of the institutes targeted for reform under ASDP.
- In addition, to improve the capacity of teachers in specific subject areas, technical training was also provided through the Technical Teacher Training Institute (TTTTI). 25 Teachers from CTI, AIT, and the Kabul-Auto Mechanical Institute were among those that received training.

Curriculum Development

- Under ASDP, a new curriculum was developed for several institutes.
- NIMA and ANIM have developed and implemented new curricula, which is aligned with international standards

Sub-component 2.3 Management Reforms in DMTVET

- 233 administrative staff trained in various areas of management (e.g., i.e., procurement, finance, etc.)

Sub-component 2.4: Voucher Program

- 221 students received vouchers for further professional training trainer in-country and abroad (through distance learning)
- 47 (22%) of the total number of vouchers were granted to female students

Component 3: Skills Development Program and Market Linkages with a Rural Focus

Achievement: This component aimed to support the Government's existing NSDP program by: (a) expanding access to non-formal training; and (b) improving the quality of the training programs. ASDP achieved its objective by increasing the number of vulnerable people trained, substantially increasing the earnings of the training beneficiaries, and building capacity of the NSDP by training BDS trainers and MoLSAMD staff. The following outputs are a result of ASDP's investment.

Sub-component 3.1: Contracted Vocational Training Packages for youth, marginalized farmers and chronically poor women

- 3,526 vulnerable youth trained (405 female and 3,121 male).
- 2,500 marginalized farmers trained (120 female and 2,380 male).
- 3,150 chronically poor women trained.
- 200 IDUs trained (60 female and 140 male).
- 300 disabled people trained (120 female and 180 male).

Sub-component 3.2: Training of Trainers program and Materials Development

- 1,652 BDS officers trained (848 female and 804 male).

Sub-component 3.3: Capacity Building for NSDP/MoLSAMD

- 2 NSDP staff participated in a Skills Summit in India in 2008.
- 7 members of the Technical Advisory Group (TAG) under CESP were given an exposure visit to Malaysia -- 3 in 2011 and 4 in 2012.
- In addition, 83 other NSDP staff and project officers were trained in various areas of administration and project management. The main areas of training included: procurement and financial management; ICT and data management; project management; and training in TVET.

Component 4: Research, Monitoring & Evaluation

Achievement: This component aimed to improve the information management and evaluation system for TVET. The project achieved its objective by designing and launching a Management Information System (MIS) to monitor the progress of as well as management of TVET institutes under the DMTVET. The project also contributed to the development of evaluation capacity at the DMTVET and the NSDP by introducing impact evaluation methodology to assess the impact of both formal and non-formal training programs. The main outputs in this area are listed below.

Key Outputs:*MIS:*

- A Management Information System (MIS) has been developed for ASDP.
- The MIS has several data collection tools. Some of these are used to collect and process data from different sections of the project and produce regular reports for project management. The offline system contains: (a) budgetary information, including the total budget, commitments, disbursements, budget balances, etc.; (b) information on works and goods, including contract details, specifications, physical progress, etc.; and (c) consultancy services, including contracts, consultancies, salaries, contract amendments, etc.
- The ASDP MIS team has produced quarterly and on demand reports for the HR, Procurement and Finance since March 2013.
- An MIS is also designed to house data on DMTVET students, teachers and academic records - currently, the MIS contains information on 4 institutes (NIMA, ANIM, AIT, and the Blind School).
- A website has been developed for ASDP (<http://www.asdp.af>) to disseminate information on ASDP.
- A report on the baseline data of quality of TVET provision in Afghanistan was published by NSDP.
- A report on labor market supply and demand in media, tourism and hospitality sectors was published by NSDP.

Project Impact Evaluation:

- Database for Tracer Studies established.
- 11 tracer studies conducted by NSDP (including one by a third party) of the training programs for vulnerable youth, poor women and marginalized farmers.
- 3 tracer studies conducted on NIMA graduates (first cohort).

Annex 3. Economic and Financial Analysis

A. Introduction

1. Afghanistan has undergone significant political instability and sustained insecurity, which have adversely affected its business climate. In such a fragile situation, jobs are among the most pressing issues for growth. They are the key to restore the livelihoods of families affected by the war, jump-start economic activity, and reconstruct social networks. They are also crucial in breaking cycles of violence by increasing the opportunity costs of illegal or insurgent activities. In a country like Afghanistan emerging from conflict, a major obstacle for job-led development is represented by the loss of skills due to poor access to education facilities or disruptions in schooling. As a result, most of the workers lack basic technical and literacy competences to remain productive in the labor market. Many of them remain unemployed or underemployed and are caught in poverty traps.

2. The ASDP was designed to tackle this issue and help poor young adults become more productive workers. The project offered skills training to both students and the rural population through TVET institutes and non-formal training. The assumption is that technical vocational education and training can be a powerful tool for improving labor market outcomes and help prospective workers acquire the skills needed to take advantage of employment and/or self-employment opportunities.

3. ASDP focused not only on the formal TVET sector by enhancing the quality and management of selected TVET institutes and by providing financing for meritorious students who wanted to pursue further professional training, but it also covered the rural population. This characteristic of the project is particularly important since, in Afghanistan, the non-formal economy employs the majority of the workers (over 80 percent). More specifically, ASDP focused its training activities on vulnerable groups from rural areas, including unemployed youth, poor women, marginalized or land-less farmers, disabled people, and IDUs.

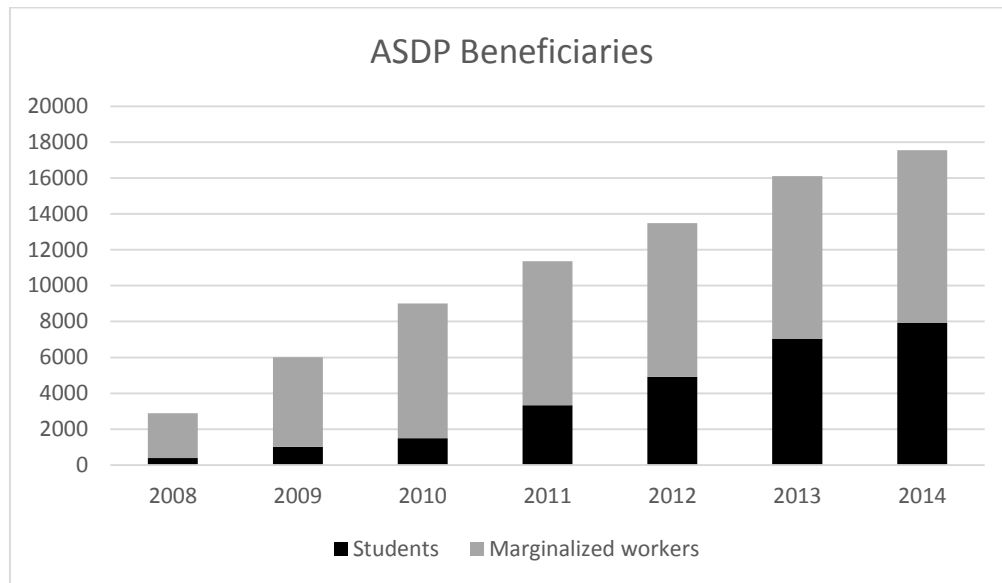
B. Methodology

4. Applying the Bank's standard approach to economic evaluation, a cost-benefit methodology is employed to estimate the Net Present Value (NPV) of the project and the Internal Rate of Return (IRR). The cost-benefit analysis calculates the net benefits generated by each project activity on an incremental basis. These net benefits are equal to the difference between the incremental benefits and the project costs, where the incremental benefits are defined as the positive effects induced by the project. They are therefore identified comparing two scenarios, the "with project" scenario vs. the hypothetical "without project" scenario.

C. Costs and Benefits

5. The cost of all the activities under the project was US\$34 million disbursed over 6.5 years beginning in 2008. The activities under ASDP yielded benefits, first of all, by increasing the number of graduates and of marginalized workers from rural areas who can be productive in the labor market. Beneficiaries of ASDP included: (1) graduates of the project supported TVET institutes under DMTVET; (2) voucher beneficiaries; and (3) trained marginalized workers. In total, during ASDP activities, 7,720 students graduated from the selected TVET institutes, 221 students received vouchers to pursue further technical education, and 9,676 marginalized workers were trained. Figure 1 illustrates the number of students (graduates from the formal sector) and of marginalized workers (trainees from the non-formal training programs) that benefitted from ASDP activities (the numbers per year have been approximated and 2008 is considered as the first year of activities).

Figure 1. Number of students and individuals from vulnerable groups trained under ASDP



6. The increased productivity of the beneficiaries is measured by the compensation after training relative to what they could have earned without the additional education, in case of the students, or relative to the compensation before training, in case of the marginalized workers. The benefits are calculated under the standard assumptions: (1) the productivity of the beneficiaries remains higher over their active life time (40 years for the graduates and a standard 25 years for marginalized workers), (2) the deflation rate for the period under consideration is, on average, four percent, (3) the discount rate for the future benefits is 10 percent, and (4) exchange rates from AFN to US\$ are calculated based on the historical rate on the date the AFN values were measured.

7. For the graduates of the selected DMTVET institutes, the benefits of the program are estimated based on the results of a tracer survey of NIMA graduates by an independent firm in September 2013. The survey shows that graduates have an estimated 75 percent probability of being employed six to nine months after graduation and that, if employed in the formal economy, they earned about AFN 24,259 or US\$466 a month (US\$5,592 a year). According to the National Risk and Vulnerability Assessment (NRVA) survey conducted in 2007/2008, this corresponds to an increase in earnings of roughly AFN 14,000 with respect to students that only completed high school. Under the base case scenario, it is assumed that the improvements in training quality and market relevance induced by the project were responsible for five percent of such an increase in earnings.

8. For the voucher beneficiaries, in the absence of a tracer survey, the incremental benefits of the project are estimated using the NRVA survey as a secondary source. These benefits are discounted by the income that graduates of grade XIV could have earned on the market during the two years of their studies. Given the high market relevance of the technical skills acquired by voucher beneficiaries, it is assumed that voucher graduates have a 90 percent employment rate for the first year after graduation and a full employment rate after that.

9. For the trained marginalized workers, the benefits of the program are estimated based on the NRVA survey and the results of a tracer survey collected among a sample of them in September 2010. The tracer study shows that the training increased the earnings of the beneficiaries on average by AFN 5,104, suggesting that the outcomes on the labor market for these marginalized workers substantially improved as a result of the training. The incremental benefits are estimated using the values of the NRVA survey for employed workers with no education.

D. Results and Sensitivity Analysis

10. Under the above-described base case scenario, the project yields an IRR of 22 percent and a NPV of US\$20.8 million. Under the more positive assumption of an earnings' increase of seven percent, the project would yield an IRR of 23 percent. Similarly, under the assumption of a three percent increase in earnings, the IRR would be equal to 21 percent. Overall, the results indicate that ASDP was a project worth investing since the IRR is substantially larger than the cost of capital (10 percent).

	Earnings increased by 3% per year (Low Case)	Earnings increased by 5% per year (Base Case)	Earnings increased by 7% per year (High Case)
Internal rate of return, IRR (%)	21	22	23
Net present value, NPV (US\$ million)	20.2	20.8	21.6

Annex 4: Bank Lending and Implementation Support/Supervision Processes

(a) Task Team Members

Name	Title	Unit
Lending		
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¹⁵ Prepared Annex 3: Economic and Financial Analysis and Section 3.3 on Efficiency.

(b) Staff Time and Cost (BB & BBTF only)

Stage of Project Cycle	No. of Staff Weeks	USD Thousands (including travel and consultant costs)
Lending		
FY07	32.24	163,961
FY08	35.52	135,945
Total	67.76	299,906
Supervision/ICR		
FY08	0.35	13,620
FY09	21.80	67,450
FY10	33.99	98,918
FY11	35.76	129,568
FY12	54.33	277,299
FY13	53.30	137,822
FY14	48.30	242,555
FY15	3.34	8,955
Total	251.17	976,187

Annex 5. Beneficiary Survey Results

Not applicable.

Annex 6. Stakeholder Workshop Report and Results

Not applicable.

Annex 7: Summary of Borrower's ICR

A. Project Description

1. The Afghanistan Skills Development Project (ASDP) is funded to GoA by the World Bank through IDA and ARTF. The said project was aimed to establish a high quality, equitable, market-responsive and cost-effective technical and vocational education and training system in order to increase the number of immediately employable Afghan graduates. The ASDP is a multi-functional project managed through four components, and executed by different government agencies i.e. CESP chaired by the Vice President; Deputy Ministry of TVET at the Ministry of Education and NSDP at the MoLSAMD. The DMTVET implements Component 2 of the ASDP project, which is comprised of: (a) establishment of the NIMA; (b) institution-based reform packages; and (c) management reforms in DMTVET. NIMA aims to be a model TVET institute for management and administration, accounting, and information technology.

2. The ASDP has been implemented by Skills Team Unit operating under the leadership of DMTVET, Ministry of Education. They have been profoundly supported by DMTVET to work smoothly with target TVET institutes and other partners such as CESP and MoLSAMD.

3. The project development objective (PDO) of the project was to increase the number of immediately-employable graduates by building, in stages, a high quality Technical Vocation and Education Training (TVET) system that is equitable, market responsive, and cost-effective. This above project development objective was intended to be achieved through the project components described: Component 1: Develop Regulatory and Quality Assurance Framework for TVET which will create the necessary institutional conditions for a quality TVET system that is demand driven and oriented towards labor market needs; Component 2: Improve Relevance, Quality and Efficiency of TVET which will improve the relevance, quality and efficiency of TVET programs, and to increase the number of graduates from these programs, through the establishment of a new institute, and by undertaking rehabilitation and reforms of a select number of other institutions. Initially, training programs will be contracted out to experienced, national and international training institutions through partnership arrangements; Component 3: Skills Development Program and Market Linkages with a Rural Focus which aims to support a slice of the on-going activities by the NSDP, and build the capacity within National Skill Development Program and MoLSAMD to undertake reforms in technical and vocational training, labor market assessments, and to strengthen industrial and market linkages; and Component 4: Research, Monitoring & Evaluation which will provide routine, timely, and accurate information on program implementation and allow for the measurement of longer term impacts and independent research.

B. Key Achievements

Component 1: Develop Regulatory and Quality Assurance Framework for TVET

4. The CESP board has been established and several productive meetings have been held of which recently a meeting chaired by the First Vice President of Afghanistan took place, as a result of presentation given by CESP Secretariat, the ANQF was approved, while a very strong political support and willingness has been gained for the approval of TVET Legislative framework. The five member ministries that are MoE, MoHE, MoLSAMD, MoF and MoEc agreed to work jointly under the umbrella of CESP for the establishment of TVET and other awarding boards. As per the meeting decision, shortly TVET legislative document for the ANQF formalization and TVET board establishment would be processed through issuance of a letter by H.E First Vice President of Afghanistan in order to submit it

directly for cabinet approval skipping the lengthy processing of TAQNIN department in the Ministry of Justice.

5. The establishment of NVETB has been transferred to ASDP-II which is supposed to be recognized as an independent budget entity as decided by CESP. The approval of legislative document for ANQF formalization will pave the way to accelerate the establishment of NVETB. Since, the NVETB is mandated to institutionalize and implement the ANQF throughout the entire TVET institutions across the country. It will be the first of education awarding boards which is placed to be established. Following the establishment of NVETB, the other four awarding boards that are higher education, intermediate education, literacy and religious education would be established.

6. The priority has been given to the establishment of NVETB due to ASDP efforts for gaining political support in CESP. As per the CESP decision NVETB will be established prior to ANQA. However, the ANQF covers the entire five Awarding Boards. Similarly, the ANQA which will be established shortly after initiating work on the NVETB which would work as a steering committee for the entire Awarding Boards. Thus, by ANQF and establishment of ANQA the fundamental documentation and institutional structure would be already completed for other four awarding boards, so it will take comparatively less effort and time to be established. According to the financial sustainability strategy projected by CESP, the NVETB will achieve financial self-reliance within a time period of 10 years.

7. Meanwhile, the secretariat of TVET affairs has been transferred to CESP in order to become an independent entity. Till the establishment of NVETB and ANQA, the CESP secretariat will function as the interim entity to pilot the ANQF. Eventually, the lessons learned would be incorporated into ANQF for enhancing its effectiveness.

Component#2: Improve Relevance, Quality and Efficiency of TVET

Sub-component 2.1: National Institute of Management and Administration (NIMA)

8. NIMA was founded in 2008 through ASDP support which is currently the most professional TVET institute for Management Studies. It has been continuously supported in terms of academic development, civil works, staffing, international certification and employment oriented modern education. It is a two-year (Grade-14) diploma offering-institution, designed to offer students a quick pathway to the job market. Due to highly qualified faculty and comparatively short course duration, it has become the first choice of students interested in Management, Accounting and ICT—the disciplines the institution offers. With high quality courses taught in English, its graduates carry proper market-driven skills and knowledge that increase their capability to secure desired positions in the tough market competition particularly for fresh graduates and leave them in a stronger position relative to other graduates from other disciplines.

9. In total, 1,714 students have graduated from NIMA in two batches. The graduates include 84% males and 14% females. The students graduated from the fields of Accounting, Management and ICT. Besides this, the number of students currently enrolled on courses reaches 729, with 233 to 496 female to male proportions. The next batch will graduate in October 2014, with around 193 graduates.

10. In the recent tracer study of NIMA 1st batch graduates conducted in May 2014, 950 students were reached out of 1,460 students who graduated in 2011. The tracer study shows that 712 out of 950 graduates are currently employed by different organizations. The employed graduates are 124 females and 588 males. The students employed from management faculty are 288 which include 144 males and 14 females of which 33% are working in private sectors, 12% in international organizations, 35% in

governmental organizations and 10% in NGOs, 349 students are employed from Accounting Faculty which includes 296 males and 53 females, of which 52% are working in Private sector, 30% in Governmental organizations, 12 % in International Organizations and 6% in NGOs, 75 students are employed from ICT faculty which includes 72 males and 3 females, of which 49% are working in Private sector, 49% in governmental organizations and 2% in international organizations. The employment rate of the graduated students is (75 %) and the earning rate is (AFN 21,000 per year).

11. The NIMA Governing Council was formed in December 2013 through the ASDP support. It is chaired by Mr. Sajidullah Sherzai consists of 11 members representing the government, NGOs and private sector organizations. The GC is responsible to provide consultation to improve the quality of education and administrative procedures. Alongside, GC is mandated to struggle for mobilizing various donors for fund raising to allocate NIMA with additional fund other than ASDP.

The project had been strongly committed to fulfill the entire infrastructure, capacity building, equipment and staffing needs of NIMA.

NIMA International Partner (Ball States University)

12. ASDP has contracted the Ball States University as a NIMA International Partner to accredit it through reviewing its curriculum, academic instruments/facilities, faculty structure and qualification, regulations and training the Afghan Technical Teachers as well as issue internationally recognized certificates to graduates after passing a standard exit examination. The NIMA graduates undergo the examination of Ball States University to meet their standards in order to obtain their internationally recognized certification.

13. Ball States University is a United States Institution of Higher Learning located in Muncie Indiana, USA established in 1918 which offers degrees in more than 180 majors, including Bachelors, Masters and PhD degrees. It has been working with NIMA to make it Afghanistan's first internationally accredited public education institute.

14. Up to until now, the Jyvaskyla University, Finland and Ball States University, United States have certified 1060 and 51 NIMA graduates respectively. Thus, 1,111 out of 1,714 NIMA graduates have been internationally certified in two batches that overall constitute 63% of the institution's graduate students.

15. The BSU has been working with NIMA on updating curricula, award of accreditation and certification, enhancement of library and E-Library, teaching methods, increasing enrollment of new students, establishment of Institutional Research Office, private sector involvement, refresher course on mathematics and English, installation of SIS and MOODLE, recruitment of international faculty, award of Int'l Diploma/Certificate to NIMA graduates, examination and evaluation in entrance and exit examinations, academic management support, improvement of academic and administrative management practices and strengthening of NIMA administration and placement cell.

Afghan Technical Teachers (ATT)

16. The 27 ATTs transferred to NIMA by DMTVET have been in English language training since May 2014, conducted by IP's Teacher Training Expert. They began additional English language training at AUAF on 25 August. Two of the ATTs are also enrolled in training at TTTI. Some of them will be ready to begin their Master's program in October 2014. Three universities in Kabul offer the MBA degree, which the ATTs can complete within 18 months. NIMA IP has requested permission from DMTVET to recruit 40 more ATTs with English proficiency. Similarly prior to this, 100 ATTs were sent abroad for technical training in their respective fields of study.

Sub-component 2.2: Improving Quality and Relevance in other schools of DMTVET

17. The Skills Team is working with DMTVET to grant institutional autonomy to aided institutes. For doing so, Governing councils (GCs) were established within NIMA, ANIM, Auto-Mechanical Institute, Blind School and AIT. The GCs comprise private sector representatives from relevant industries, civil society organizations, students' representative and potential donors functioning in the respective fields. GC engages in making decisions on improving the institutes performance, transparency, financial management, and compliance to academic standards, publicity to attract students' enrollment, financial sustainability and assist/consult Institutes in developing and updating curricula based on the market needs. In addition, GCs are playing vital role to promote relations with potential donors for fund raising and placement of the institute graduates in relevant industries. In this way, they have been taking strategic decisions independently at institute level, but within the scope of national TVET policy and regulations imposed by DMTVET.

18. Similarly, separate joint bank accounts have been opened for NIMA, ANIM and AIT, while under process for the other aided institutes. The operational budget is transferred to institutes bank account which is directly processed by institutes for operational expenditures. The money is withdrawn upon the approval of ASDP Institutes Coordinator along with administrative personnel authorized by GC. Eventually, the invoices of made expenditures are submitted to ASDP office for clearance and record.

19. Five years Business Plan has been formulated for NIMA, ANIM, AIT, Blind School and Auto-Mechanical Institute. It is aimed to direct institutes to channelize their budget expenditure in specific priority areas which includes bringing institutional reform, institutionalize market driven skills, increase number of enrollment and women participation, improve learning equipment/workshops, achieve institutional autonomy and financial sustainability. In addition, Business Plan has been almost developed for 15 other TVET Schools/Institutes awarded with Recognition Grant under ASDP II.

20. ANIM was founded in 2008. Currently, there are 191 students enrolled at ANIM including 55 females and 136 male students. More than 50% of them are from financially weak background. The school was not properly equipped and structured according to the modern music needs. It was lacking essential music instruments and infrastructure capacity. The extended support of ASDP enabled ANIM to upgrade ANIM from school to institute level and institutionalize both eastern and western music education in a modern way. The project has provided the institute with workshop for repairing music instruments, music library, sound recording studio, multi-media room, computer lab, instrument storage, rehearsal spaces for large ensembles, sound-proofed practice rooms, rehearsal building boasting 20 practice rooms, community center and a residence hall for 200 girls, high speed internet and Distance Learning Center for virtual meetings with its partners including the Espoo Music Institute and long-distance lessons with music instructors. Supported through ASDP II, construction work of a 300-seat Concert Hall (auditorium) and an Orphan hostel is underway. ANIM has been provided with required human resources, 11 personnel including Coordinator, Admin Assistant, Program Assistant and 8 Faculties have been recruited for ANIM.

21. Through its partnership with a local orphanage ANIM has enrolled students from a wide range of provinces including Nuristan, Bamyán, Farah, Kunar, Faryab, and Jalalabad. Students are taught in 17 specialized fields including Jazz instruments, Aoba, Piano, Trompt, Chillo, Dilruba, Rubab, Recorder, Saxphone, Sitar, Sarod, Ghichak, Flot, Klarent, Korno, Guitar and Violin.

Similarly AIT, Blind School, Auto-Mechanics and CTI have been profoundly supported through providing management/technical personnel, fundamental documentation, equipment and civil works.

Safeguards & Environment:

22. ESMF monitoring across all stages of sub-project implementation was conducted regularly in order to ensure proper safety measures and protection in civil works. Routine monitoring guarantees the proper observation and obedience of required rules and regulations. Regular monitoring has enabled the engineering team and contractors to minimize and prevent casualties during the civil works through following the imparted to the site engineers. In strict adherence to the regulation on following the measures aimed at expediting environmental clearances and in case of new construction—if I started—it has been ensured that the required land is free of any squatters, encroachers other claims and encumbrances. Based on daily basis of face to face discussion with contractors and engineering sites assistance and guidance, instructions have been provided to the contractors to understand and implement the concept of Occupational Health and Safety issues at their working environment and site. It must be added that alongside the guidance to the engineering sites a fair amount of—in deed—enough amount of information and hand-outs has also been shared and sent to various institutes; to make sure that how to keep environment neat and clean. Site Incident Reporting form has been distributed to all site engineers so they can report on any incident or case that might crop up at the projects. In addition, these forms will enable us to track and address the confronting issues related to safety and environment that would be checked and signed daily by the responsible site engineers assigned by ASDP.

Sub-component 2.3: Management Reforms in DMTVET

23. In line of structural reform, the TVET Directorate got promoted to Deputy Ministry TVET. Initially, it was composed of four directorates. A firm was hired to assess both departmental and personnel structures. Based on the recommended reforms, the six new directorates were institutionalized including Donor Coordination & Relations, Policy and Program Design, Curriculum, School Affairs, Teacher Training, National Center for Educational & Vocational Research, Hostels Affairs, M&E, Non-formal TVET, and Market Analysis. Similarly the number of DMTVET staff has been expanded from 150 to around 600 personnel.

24. The draft of TVET Plan & Strategy is almost prepared mapping the DMTVET activity and coordination mechanism for five years. For the sake of comprehension and practicality, it has been intended to conduct workshop sessions in six provinces to present the draft before stakeholders which will be contributing to its implementation. As a result of workshop sessions, the inputs and consultation of stakeholders will be collected in the specific areas. Subsequently, the draft will be reviewed to incorporate the valid inputs from provincial stakeholders. Meanwhile, the draft M&E framework for the TVET Plan & Strategy has been prepared by UNESCO. The ASDP Advisor for TVET Plan & Strategy has been a member of the technical committee for its formulation; therefore he has been attending regular consultation meetings. An international consultant will be hired for this purpose to finalize these documents and to review the current document on Strategic Plan. The Terms of Reference for the international consultant have been developed and the position has been advertised. The final selection and negotiation is under process.

25. The establishment of M&E system for DMTVET/Monitoring & Inspection department The TMIS is completely developed and formally launched yesterday Dec 10, 2014 by HE Asif Nang, Acting Minister of Education. In addition MIS is fully developed and currently functional in all ASDP aided institutions, the ASDP project and ASDP II project also having PMIS. Beside other technical and financial assistance, the project facilitated essential short term capacity building programs in order to enhance the capacity of DMTVET, Institutes, ASDP, NSDP and CESP staff. The capacity building training programs were organized both outside and inside Afghanistan. The selection of training

participants was based on staff capacity need assessment and recommendation of their supervisors. According to the post training evaluation and comments most of the trainees were well satisfied of the facilitated sessions. Besides learning the multiple topics they shared lessons learned and experiences with the international participants from various countries. As a result of post training assessment, a noticeable improvement has been noticed while undertaking the assigned functions at their respective institutions. Upon the training completion, participants used to prepare a presentation and deliver it to rest of relevant staff.

26. The DMTVET ASDP, NSDP and CESP staffs have been supported for a number of trainings abroad and inside Afghanistan. In total, 325 project staff has been supported for short term certification, capacity building and exposure programs. These trainings covered areas like Procurement Process, Management & Administration, Advance Financial Management, Selection Recruitment process, Strategic HR Management, Contract Management, Civil Engineering, Electrical Engineering, Civil Technology, Receiving Grant & Operational Autonomy, Impact Evaluation, Effective Teaching Skills, Quality Assurance, Need Assessment and Project Management in Emergency

Component#3: Skills Development Program and Market Linkages with a Rural Focus

27. The project targeted poor and vulnerable groups of people to educate them on employable vocational skills in 18 provinces across the country. The training beneficiaries are selected based on poverty, unemployment, under-employment, interest and capability for the relevant vocational training. The priority is given to the provinces with high unemployment and under-employment rate. The process of registration took place for each group of beneficiaries to register interested applicants for the relevant vocational trainings. A selection committee was formed of representatives from provincial directorates of MoLSAMD, MoWA, DM of Youth Affairs and local leaders in order to screen the applicants and select the most eligible individuals considering the set ceiling for number of training beneficiaries. The committee was also engaged in community mobilization and monitoring of the training delivery. The following group of people has been benefited from market oriented skills and business development trainings delivered in different provinces throughout the project:

- a) 3150 chronically women trained in Ghazni, Bamyan, Jawzjan, Badakhshan and Paktika provinces.
- b) 2500 marginalized and land less farmers trained in Helmand, Faryab, Kunduz and Baghlan provinces.
- c) 3526 youth trained in Khost, Zabul, Kandahar, Urozgan, Laghman, Kunduz, Ghor, Takhar and Paktya provinces.
- d) 200 rehabilitated IDUs in Kabul. Vocational training package for people with Disabilities (PwD) is delivered to 300 persons with disabilities.
- e) ToT on Business Development Services to 1652 community mobilizers in 20 provinces.

28. The outcomes of vocational trainings is determined through random sampling tracer study of 25% of the total graduates considering all aspects i.e. location, trade, gender and training delivery approach. The tracer study was conducted by third party through a comprehensive questionnaire covering general and technical employment related information of vocational training graduates. The tracer study result shows that: The tracer study conducted on vocational training graduates shows that:

1. 87.8% of 3,150 of chronically women trained in Ghazni, Bamyan, Jawzjan, Badakhshan and Paktia provinces are employed with AFN 2,766 increase in their average monthly earnings.
2. 100% increases in seasonal income of 2500 marginalized and land less farmers trained in Helmand, Faryab, Kunduz and Baghlan provinces with a 4,704 increase in their average monthly earnings.

3. 70% of 3526 youth trained in Khost, Zabul, Kandahar, Urozgan, Laghman, Kundoz, Ghor, Takhar and Paktya are employed with a 7,477 increase in their average monthly earnings.

Component 4: Research, Monitoring & Evaluation

29. The ASDP progress has been regularly monitored and evaluated to support decision making process. The M&E is conducted both internally and through third party. The periodical, special and need-based reports such as RF, Report Card, Progress Report, IP Review Report, Tracer Study Report, Success Stories and Training Reports have been produced to reflect the program achievements.

30. The tracer study of NIMA first and second batch as well AIT graduates has been conducted through designed questionnaire and the reports are produced. In this way, the status of graduates was tracked in terms of employment status, nature of employment/employer and higher education progress etc. The tracer study of previous and upcoming graduates will be performed periodically after every six month or annually. The progress of aided institutes' on Governing Councils, Business Plan development and obtaining institutional autonomy has been also monitored and supervised on continuous basis. Similarly, the tracer study on income generation status of informal vocational training graduates including vulnerable women, youth, disables, marginalized farmers and ToT on Business Development Services to Community Mobilizers and rehabilitated IDUs was conducted through third party. The tracer study covered 25% of the beneficiaries in Ghazni, Bamyán, Jawzjan, Badakhshan, Paktia, Helmand, Faryab, Kundoz, Baghlan, Khost, Zabul, Kandahar and Urozgan provinces.

31. The performance of NIMA IP has been tracked on a periodic against their contract obligations as well as pledges made in their inception report. Similarly, the entrance and exit examinations taken by NIMA IP have been closely monitored to ensure compliance to the agreed standards. The IP audit and activity review matrix had been prepared and shared for their response on found deviations. Similarly the progress of Voucher program has been regularly monitored. Monthly or quarterly reports are regularly received from the contracted international institutes that cover students' attendance, grading progress and changes.

32. The PMIS for ASDP has been designed and developed in 2 shapes (web-based and SQL), currently it is operational and could generate various report accordingly. Till date, 11 institutes including NIMA, ANIM, AIT, BS, Auto-mechanical, Kabul Agriculture and Veterinary, Administration & Economic School of Jamhoriyat, Institute of water and energy, Kabul Mechanical Institute, Vocational Institute of Commerce and ATVI have been entering their performance data on students status, budget expenditure, tracer studies, voucher program, inventory and other assistance through online access to PMIS.

C. Challenges:

1. The project and NIMA faced several problems with NIMA Ex-IP (Maxwell Stamp) performance and responsiveness due to repetition of examinations several times, students' complaints about the IP's behavior, late distribution of chapters, incomplete curriculum, inadequate number of teachers, lack of Internet connection, library and computers, lack of coordination between the IP and Client, limited action has been taken by IP for building administrative capacity of NIMA.
2. Voucher program was initiative of ASDP project; the process was very new to DMTVET and control department of Ministry of Finance. Therefore, project faced lots of problems due to conflict with DMTVET policy and scope of Ministry of Higher Education.
3. CESP secretariat was not very independent due to its existence at the MoLSAMD, because it was influenced by one of Ministry while the MoE and MoHE was not taking interest to work under the CESP umbrella.

4. Coordinators for some supported institutes were not considered at the start of project which caused difficulty in effective utilization of investment.
5. Government centralized, bureaucratic system and lengthy procurement process had affected the operational autonomy of ASDP supported institutes.
6. Problematic and workload on procurement, HR and finance team due to other project's work assigned by DMTVET.
7. The procurement process was slow and unprofessional due to assigned, and recommendation of, unqualified members in procurement committees (Purchasing and Evaluation) by Govt.
8. Lack of proper financial management information system caused difficulty in systematic record of expenditure threshold according to the MoF budget coding system.
9. Lack of proper space for project departments caused inadequate space for hard documentation and placement of required staff.
10. Lack of standard construction companies and construction materials caused slow progress and low quality of civil works.
11. Unprofessional intervention of government officials in construction works caused disruption in the intended sketch.
12. Slow procurement process due to lack of coordination between project and government procurement staff caused delay in awarding and implementation of construction projects.
13. Lack of sufficient vehicles caused delay in routine tasks of departments and supported institutes such as meetings, procurement, payment processing and activity monitoring etc.

D. Lessons Learnt:

1. Implementing Partners should be closely monitored against contractual obligations. Compromise and flexibility makes the partners feel irresponsible against the expected outputs. It was clearly found that even well-reputed partners feel relax while working in Afghanistan believing that international standards is not supposed to be met perfectly due to challenging situation. The contract payment should be based on deliverable or milestone bases rather than advance which can result into weak responsiveness.
2. The DMTVET leadership and Ministry of Finance responsible staff is clearly briefed on the scope and purpose of voucher program to ease the process of payment. Eventually the voucher program is running smoothly.
3. CESP secretariat has been transferred to the office of First Vice President to make it an independent entity for working towards qualification system for education awarding boards.
4. Coordinators should be hired for each supported institute to increase effectiveness of investment and efficient utilization of provided resources.
5. DMTVET was convinced on rapid capacity building of ASDP supported institutes as model TVET institutions by providing operation autonomy. For doing so, separate bank accounts are opened for NIMA, ANIM and AIT to achieve the operational autonomy and skip government bureaucratic system.
6. Additional staff should be recruited for procurement and finance departments to speed up the process and cope with other projects work assigned by DMTVET.
7. The DMTVET is should introduce qualified persons to participate in procurement committees to enhance efficiency of procurement process.
8. Systematic Financial Management Software (FMIS) is required to record allocation and disbursement of fund according to the MoF budget coding system.
9. Building of second floor over ASDP building would resolve the office space problem up to some extent. Enough and noiseless space for office improve work efficiency.

10. Evaluation of contractor's capacity, investigation of contractor's past performance and mentioning of quality standards for imported construction materials in contract is required to ensure efficiency and quality of civil works.
11. Agreement of high level officials should be obtained to restrict non-technical government officials from intervention in civil works in order to complete the construction projects according to the planned design and features.
12. Considerable review of procurement process is the most important element required to speed-up awarding of construction and other projects.
13. Availability of sufficient vehicles is very essential to avoid delay and difficulty in routine activities of the project, since vehicle shortage can cause postponement or even cancellation of urgent tasks.

Borrower's Comments on Draft ICR:

I. From DMTVET, Ministry of Education

I went through the ICR document. There are few minor things such as No. of graduates are reported 7,322 instead of 7,720 (actual figure) that will rise our percentage achievement from 73% to 77%. Similarly institutions reform is 5 out of 5, but rating is given "Modest Achievement" instead of "Substantial", but they have justified this rating but i did not get it. According to my overall analysis the correction of very minor things will not take our rating to the next level, therefore ICR will not favor it.

Actually, the overall rating is affected by the following three things:

1. Original indicators and targets has caused the whole problem. It was set unrealistic with a very rough estimation. The RF that we have been working upon was the revised one. Our achievement according to the revised RF comes "Satisfactory". However, our achievements against the original one that was designed at the beginning is "Moderately Unsatisfactory". Thus, the average rating is MS.
2. Secondly, the delay in establishment of ANQA and approval of legislative framework due to slow progress by CESP and legal objections by MoJ has hugely affected the rating. Still it is a political issue rather than technical.
3. Not issuing the financial autonomy to aided institutes which means no involvement of DMTVET in its process has also greatly affect the rating. In my view, it might be in conflict with MoF and DMTVET rules and procedures, therefore it is not related to the project.

To sum up, looking to the original indicators and targets, the ICR rating is valid. However, looking to the revised indicators and targets both mentioned points# 2&3 are political issues. However, still there is no justifiable comments if we stick to the results based rating approach which means if something is planned and not achieved; it is not achieved and carries low rating regardless of justifications.

II. From the Ministry of Labor and Social Affairs, Martyrs and Disabled (MoLSAMD)

1. The pre-restructuring target for outcome 2 was 7,500, whereas, after restructuring the target reached to 9,600, so the original target was not 15,000 as it is mentioned the report above.
2. The number of people with disability who received skills training is 300 not 228. (Of the 300 persons, 120 were female and 180 were male).

3. The below 3 studies conducted by NSDP have not reflected under key output of component 4.2, i.e. (i) A third party tracer study conducted for non-formal vocational training graduates, (ii) A report published on Baseline Data of Quality of TVET provision in Afghanistan, and (iii) A report published on labor market supply and demand in media, tourism and hospitality sectors.
 4. In Section 1.6 of the ICR, sentence “The training of trainers in productive skills was dropped because it was being undertaken by another development partner” should be replaced by “The materials/manuals development for productive skills was dropped because it was being undertaken by another development partner.”
 5. Revise the Borrower’s ICR, paragraph 27(d) to state that 300 persons with disability were trained (in place of 228 persons), and paragraph 27(e) to add “in 20 provinces” at the end of the sentence.
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Bank’s comments on the comments received from the Borrower:

- GoA observed that the increase in the number of graduates from project-financed institutes should be 7,720 and not 7,322 as indicated in Table 3, Annex 10. The ICR team arrived at the increase in the number of graduates by deducting the baseline value of 398 from the total number of graduates of 7,720, resulting in an actual increase of 7,322.
- GoA noted that the achievement of the indicator, “number of DMTVET institutes awarded reform package upon meeting reform conditions,” should be “Substantial” and not “Modest” because actual number of the project supported institutes was five which is equal to the target. The ICR team maintains the assessment of this indicator at “Modest Achievement” because the Bank financing (except for ANIM) is very likely to have been extended well before the TVET institutes met the reform conditions. Some of the project-supported institutes are yet to undertake meaningful reform actions. (See definition of the indicator in Table 2.2 in Annex 2 of the Technical Annex, and design parameters in paragraphs 54 and 55 (on page 12) of the Technical Annex, Report No. T7709-AF, dated January 4, 2008.)
- GoA observed that the original target of vulnerable youth, poor women, marginalized farmers and IDUs trained under NSDP was not 15,000 but a lower figure of 7,500. The ICR team has maintained the original target at 15,000 which is included in the Supplemental Letter, Performance Monitoring Indicators, dated March 10, 2008, in reference to the Financing Agreement for the project. The original target value of 15,000 is also consistent with Table 2.2 (Arrangements for Results Monitoring) in Annex 2 of the Technical Annex.
- GoA observed that the sentence in Section 1.6 of the ICR, “Training of trainers in productive skills was dropped because it was being undertaken by another development partner,” should be replaced by “The materials/manuals development for productive skills was dropped because it was being undertaken by another development partner.” The ICR team’s statement in Section 1.6, paragraph 16 is based on paragraph 14 of the Project Restructuring Paper submitted to the CD, for approval on July 20, 2012, and Amended Schedule 1, Part 3(b) attached to the Amendment to Financing Agreement, dated July 23, 2012.
- GoA observed in paragraph 17 of its ICR (Annex 7) that the Skills Team (or the ASDP Team) has been working with the DMTVET to grant institutional autonomy to project-supported institutes. To this end, GCs in five of the six project-supported TVET institutes have been established and they are already playing a vital role in improving nearly all aspects of the institutes’ academic, administrative and financial affairs and are making strategic decisions at the institute level, but within the scope of the national TVET policy and regulations imposed by DMTVET. As noted in the ICR, analysis of the operational (academic and administrative) and financial autonomy to the

project-supported institutes in the ICR (in paragraphs 21(b), 24(d), 44, 72 and 73) reflects the ICR team's assessment of the progress during the project life (6.5 years) and the status at project completion. The ICR team is aware that significant work is still needed in this important area and the Bank is continuing to support DMTVET under the new follow-on project (ASDP II), approved on March 19, 2013.

Annex 8. Comments of Cofinanciers and Other Partners/Stakeholders

Not applicable.

Annex 9: Additional Information on Results Indicators

A. Intermediate Outcome Indicators associated with the PDO at approval were the following:

- (1) Regulations and legislation for the formation of an independent Afghanistan National Qualification Authority (ANQA);
- (2) Establish the ANQA through an Act of Parliament;
- (3) The framework and the generic learning outcomes (knowledge, skills, and competences) associated with each level developed;
- (4) Boards administer/tests, publish results, and award certificates;
- (5) Number of graduates from the National Institute of Management and Administration (NIMA);
- (6) Number of Department of Technical and Vocational Education and Training (DTVET) institutions awarded reform package upon meeting reform conditions;
- (7) Percent of girls enrolled in post-basic programs under DTVET;
- (8) Average earnings of trainees self-employed or wage employed 9 months after completion of training compared to control groups (for contracted vocational training packages, Component 3);
- (9) Number of BDS trainers trained;
- (10) Number of PSOs trained;
- (11) MIS in place and regularly updated; and
- (12) Follow-up surveys and evaluations undertaken in Year 3 and Year 5.

B. The Supplemental Letter to the Financing Agreement, dated March 10, 2008, listed six performance monitoring indicators, four of which were essentially the same as the outcome indicators listed in paragraph 7 of the ICR and two of which were listed as intermediate outcome indicators in the Results Framework (in Table 2.2, Annex 2, Technical Annex). The targets were consistent with those listed in Table 2.2 of Annex 2, Technical Annex, with the exception of the target for “increase in the number of graduates from project-financed training programs under DTVET. This target was listed as 10,000 in the Supplemental Letter to the 2008 Financing Agreement and listed as 10,468 in the Technical Annex (Annex 2, Table 2.2). In keeping with evaluation guidelines, the target in the Supplemental Letter was used to assess the project’s achievements against original outcome targets.

C. The revised intermediate outcome indicators were follows (see proposed Supplemental Letter (performance indicators), included in the restructuring package, that was submitted to the Country Director for approval on July 20, 2012):

- (1) The National Qualifications Framework developed and approval of the DMTVET plan;
- (2) Number of diplomas awarded by project funded institutes (NIMA). See Data Sheet in the ICR, Intermediate Outcome Indicator 2;
- (3) Number of TVET institutes operating under the agreed governance framework;
- (4) Number of BDS trainers and PSO trained;
- (5) MIS in place;
- (6) Number of MIS reports produced;
- (7) Number of tracer studies of TVET graduates completed;
- (8) The summary of the revised Results Framework in the *project restructuring package* also include one more indicator: Number of Project Staff and Officers trained in different functional areas (including NSDP and DMTVET). The ICR team has also included this in the revised list; and
- (9) The ICR team also added the following intermediate indicator in order to more fully assess the outcome of the project: Increase in the number of operational buildings and facilities for TVET.

Annex 10. Achievement against Original Indicators and Targets

Table 2: Results Framework Analysis against Original Indicators and Targets

Indicators (from Table 2.2 in Annex 2, Technical Annex) ¹⁶	Baseline Value	Original Target Value (February 28, 2013)	Actual Value at Completion (June 2014)	Efficacy
Outcome 1: Increased number of immediately-employable formal TVET graduates				
1. Increase in the number of graduates from project-financed institutions and training centers as compared to baseline of unreformed institutions (DMTVET).	398 ¹⁷	10,000 ¹⁸	7,322	Modest Achievement (73% of target) ¹⁹
2. Labor market outcomes, measured by employment status are superior to the outcomes of comparable control groups.	No baseline	No target in the Technical Annex ISR #1 target: Superior to the outcomes of comparable control groups	75% ²⁰	Substantial Achievement
3. Percent of employers of trainees graduated from reformed institutions agree that employees have improved their productivity through training relative to baseline.	No baseline	No target in Technical Annex. ISR #1: Improved employees' productivity through training relative to a baseline	No data available	Cannot be assessed.
4. Number of graduates from NIMA.	None ²¹	5,218 ²²	1,714	Modest Achievement (33% of target)
5. Number of	0	5	5	Modest Achievement.

¹⁶ The Results Framework in Table 2.2 of Annex 2 in the Technical Annex provides a total of 16 indicators (4 PDO indicators and 12 intermediate outcome indicators). Two of the PDO indicators are used to assess both Outcome 1 and Outcome 2 and as such, they are listed twice in this table.

¹⁷ The baseline value refers to graduates from all project-supported institutes. For NIMA, the ICR team assigned a baseline value of zero because it was a new institute, yet to be established under the project. (The Results Framework in Table 2.2, Annex 2, Technical Annex, however, provides a baseline value of 718 for NIMA but it is unclear what that number refers to).

¹⁸ See Supplemental Letter to the original Financing Agreement (dated March 10, 2008). Target increase in Table 2.2 in Annex 2, Technical Annex is 10,468.

¹⁹ Data for baseline for non-reformed TVET institutes is neither available nor applicable.

²⁰ This number is for NIMA graduates only. No control group data was available.

²¹ Based on the Supplemental Letter (Performance Indicators) in the Restructuring Package, submitted to the Country Director for approval on July 20, 2012. NIMA was a new institute to be established under the project.

²² Not clear from the Results Framework (see Table 2.2 in Annex 2, Technical Annex). This target is based on the ICR team's judgment and is derived from data in Table 2.2, page 26 of the Technical Annex. At appraisal, it was planned that NIMA would offer (a) one-year Certificate Programs, (b) two-year Diploma Programs, and (c) short-term courses for those who are unable to participate in longer-term programs due to work commitments. In the end, based on student demand, NIMA offered only a two-year diploma program. The target of graduating 5,218 was too high for this two-year Diploma program (paragraph 40, pages 34-35, Annex 3, Technical Annex).

Indicators (from Table 2.2 in Annex 2, Technical Annex)¹⁶	Baseline Value	Original Target Value (February 28, 2013)	Actual Value at Completion (June 2014)	Efficacy
DMTVET institutions awarded reform package upon meeting reform conditions.				(Bank financing is likely to have started before TVET institutes (except ANIM) met reform conditions.)
6. Percent of girls enrolled in post-basic programs under DMTVET.	8%	30%	19%	Modest Achievement (However, 32% of students enrolled at NIMA are women)
Outcome 2: Increased number of immediately-employable non-formal training beneficiaries				
7. Increase in the number of graduates from project-financed institutions and training centers as compared to baseline non-reformed institutions. (NSDP)	2,435	15,000	9,676	Modest Achievement (65% of target) ²³
8. Labor market outcomes, measured by employment status are superior to the outcomes of comparable control groups.	No baseline	No target in the Technical Annex. ISR #1 target: Superior to the outcomes of comparable control groups	This indicator, in reference to the non-formal training program, is essentially the same as the one below. (See paragraph 47 in Section 3.2 of the ICR for further explanation.)	Substantial Achievement
9. Average earnings of trainees self-employed or wage-employed 9 months after completion of training compared to control group.	N/A	N/A	Average monthly earning of women rose from 0 (pre-training) to AFN 2,766; of youth rose from AFN 998 (pre-training) to AFN 8,475; and of marginalized farmers rose from AFN 3,076 (pre-training) to AFN 7,780.	Substantial Achievement
10. Number of BDS trainers trained.	N/A	No target in the Technical Annex. ISR #1: The training of BDS trainers is	1,652	Substantial Achievement

²³ Data for baseline for non-reformed TVET institutes is neither available nor applicable.

Indicators (from Table 2.2 in Annex 2, Technical Annex) ¹⁶	Baseline Value	Original Target Value (February 28, 2013)	Actual Value at Completion (June 2014)	Efficacy
		determined on the basis of consultation with local communities and upon the determination of economic growth sectors.		
11. Number of PSOs trained.	N/A	The training of PSOs is determined on the basis of consultation with local communities and upon the determination of economic growth sectors	No PSO's trained (PSO training was taken over by another donor during the project)	N/A
Outcome 3: Improved institutional and regulatory framework for TVET				
12. New institutional framework for TVET is realized and functioning, including the establishment of the independent Afghanistan National Qualifications Authority (ANQA), independent training boards (e.g. National Technical and Vocational Education and Training Board) and the National Qualifications Framework (NQF).	N/A	ANQA and NQF have been established (in year 3)	ANQA and NQF are yet to be established. (Work has been completed for the establishment of ANQA and NQF and approved by CESP but is yet to be submitted for enactment of legislation. ^{24,25})	Modest Achievement
13. Regulations and legislation developed for the formation of an independent ANQA.	N/A		Regulations and legislation developed	Substantial Achievement
14. Establish the ANQA through an act of Parliament.		Enact legislation and establish the ANQA	Legislation is yet to be submitted to Parliament for ratification. GoA is considering the possibility of having the CESP	Negligible Achievement

²⁴ Until the legislation is submitted to Parliament for ratification, the Government is considering the possibility of allowing the CESP Secretariat to function as an interim entity to pilot the ANQA.

²⁵ Establishment of Awarding Boards is covered in Indicator number 16 below. As per the Supplemental Letter dated March 10, 2008, there were to be four Awarding Boards (for Secondary Education, TVET, Islamic Education and Higher Education).

Indicators (from Table 2.2 in Annex 2, Technical Annex) ¹⁶	Baseline Value	Original Target Value (February 28, 2013)	Actual Value at Completion (June 2014)	Efficacy
			Secretariat function as an interim entity to pilot the ANQA.	
15. The framework and generic learning outcomes (knowledge, skills and competencies) associated with each level developed.	N/A	NQF developed	NQF has been developed	Substantial Achievement
16. Boards administer tests, publish results and award certificates.	N/A	Awarding Boards are operational	Boards are not yet established and operational	Negligible Achievement
Outcome 4: Improved M&E and program management capacity				
17. MIS in place and regularly updated	No baseline	No Target	Project MIS is in place in both the NSDP and DMTVET. Twelve (12) reports have been produced which indicate progress in the development of the system. The MIS is being enhanced under ASDP II.	Substantial Achievement
18. Follow-up surveys and evaluations undertaken in Year 3 and Year 5	N/A	Evaluation	11 tracer studies of training of vulnerable people (by NSDP) and 3 tracer studies of NIMA graduates (by DMTVET) have been undertaken.	Substantial Achievement

1. The four project outcomes have been assessed according to both original and revised outcome indicators and targets separately for the entire duration of the project – not just the period for which each set of indicators and targets was in effect. *The assessment of outcomes against the revised indicators and targets is presented in Section 3.2 of the ICR and in the data sheet (pages ii-vii). A brief discussion of the assessment of outcomes against original outcome indicators and targets is given below.*

Outcome 1: Increased number of immediately-employable formal TVET graduates - Modest Achievement

2. The total number of graduates from project-financed institutes increased by 7,322 (73% of the project's original target of 10,000). Though no data for comparable non-reformed institutes is available, the restructuring paper submitted for approval to the Country Director on July 20, 2012, stated that this would not have been a meaningful comparison because the size and capacity of each institute is unique.

The labor market outcomes were strong for NIMA graduates as indicated by their employment rates (75% of the first cohort of NIMA graduates secured employment within six months of graduation). Again, there is no control group data, but the employment rate of NIMA graduates confirms the immediate-employability of project graduates. Although the project did not assess labor market outcomes for graduates of the other five TVET institutes, 96 percent of those graduates had degrees in highly-market relevant areas (focus sectors) and so they too may be considered immediately-employable.

3. The project's achievements on the intermediate outcome indicators were mixed. Though five TVET institutes received support from the project, it is not clear whether the support was given after the institutes had met reform conditions or that the support was given on the basis of their ability to meet reform conditions. Therefore, this indicator may only be considered a partial achievement. The number of graduates from NIMA was 1,714 (33% of the project's original target of producing 5,218 NIMA graduates). The target was set in light of NIMA's original plans to offer (a) one-year Certificate Programs, (b) two-year Diploma Programs, and (c) short-term courses for those who are unable to participate in longer-term programs due to work commitments. Hence the target of 5,218 was high for only a 2 year Diploma program that NIMA finally offered based on the demand of students (paragraph 40, pages 34-35, Annex 3 of the Technical Annex). Therefore, this indicator may be considered a partial achievement. The percentage of girls in post-basic TVET programs rose from 8% at baseline to 19% by the end of the project. This was short of the project's target of 30% but is still a substantial increase in women's enrollment in TVET; in particular because the target of 30% was a sector target applying to over 210 TVET institutes under DMTVET in early 2013 and the project supported only six institutes, including NIMA. Moreover, the percentage of girls in project-supported institutes was much higher -- 32% of students enrolled in 2014 at NIMA are female, a particularly significant achievement in the Afghan context. In light of the project's achievements on each of the outcome and intermediate outcome indicators, the overall achievement of this objective is considered *Modest*.

Outcome 2: Increased number of immediately-employable non-formal training beneficiaries - *Substantial Achievement*

4. A total of 9,676 vulnerable people (poor women, youth, marginalized or landless farmers, persons with disability, and rehabilitated IDUs) were trained under the project. This was a substantial achievement, but fell short of the target of training 15,000 people by 35 percent. The labor market outcomes of the non-formal training beneficiaries, measured in terms of earnings, were very strong. Each of the beneficiary groups substantially increased their earnings compared to pre-training earnings (see ICR paragraph 47). The project also made a substantial contribution to capacity building in the non-formal training program by training 1,652 BDS trainers. On balance, the project *substantially achieved* its objective of increasing the number of immediately-employable non-formal training beneficiaries because although it fell short of the target, it still succeeded in training a substantial number of vulnerable people; and the training was clearly very effective as evident in the strong increase in earnings of the training beneficiaries following training. As noted earlier in the ICR (paragraphs 47-48), the project also contributed to the establishment of high-quality non-formal training programs by: (a) integrating solid monitoring and evaluation mechanisms into the non-formal training programs; (b) ensuring a strong equity focus in all programs; (c) adopting a market-responsive approach to non-formal training which resulted in improved earnings of the training beneficiaries; and (d) building overall capacity in the non-formal training program by training 1,652 BDS trainers.

Outcome 3: Improved institutional and regulatory framework for TVET - *Modest Achievement*

5. The original target was to ensure that a new institutional framework is realized and functioning, including the establishment of the independent ANQA, independent training boards²⁶ (e.g., National Technical Vocational Education Training Board) and the National Qualifications Framework (NQF). The project was unable to achieve this original target, which was dependent on the political environment and as such, was beyond the control of the project. Currently, neither the ANQA nor the Awarding Boards have been established, and the NQF is also yet to be implemented. However, the project still made substantial contribution to the establishment of a high-quality TVET system because the design of the institutional framework (i.e., the ANQA and the Awarding Bodies) has been developed and legislation for enacting this framework has been drafted. The NQF has also been developed. These are, in themselves, substantial achievements in any context including developed countries, but especially in Afghanistan. Developing these frameworks was challenging from both a technical and a political viewpoint. From a technical perspective, the process required extensive research and deliberations with the various stakeholders to develop a sound framework that was aligned with international best practice but also appropriate for the Afghan context. From a political perspective, the process required a long and painstaking dialogue between various ministries and stakeholders in the Afghan TVET system to build consensus for both the institutional framework and the NQF. Although these frameworks have not yet been submitted to Parliament for ratification, they have been approved by the CESP and temporary institutionalization of both the National TVET Board and NQF is under consideration. GoA is also considering the possibility of having the CESP Secretariat function as an interim entity to pilot the ANQA. In light of these considerations, the project made a *Modest* contribution to improving the institutional and regulatory framework for TVET.

Outcome 4: Improved M&E and program management capacity - *Substantial Achievement*

6. This objective and target remained the same throughout the life of the project. Section 3.2 (see ICR paragraphs 53-56) provides a more in-depth discussion of the project's achievements in this area and these are not reported here. It is sufficient to say that the project substantially achieved its objective of improving M&E and program management capacity by developing and implementing an MIS (both for project management as well as for information management in the formal and non-formal TVET sectors) and surpassing its target of training 300 administrative and management staff at both NSDP and DMTVET in various functional areas of the TVET.

Justification of overall outcome rating based on original (pre-restructuring) indicators and targets

Rating: Moderately Unsatisfactory

7. The project objectives, design and implementation remained Highly Relevant throughout the entire duration of the project and remain Highly Relevant today (discussed in Section 3.1 of the ICR). The project was also Substantially Efficient (as discussed in Section 3.3 of the ICR and Annex 3) in achieving its objectives. However, its Efficacy, when evaluated against original (pre-restructuring) indicators and targets, is deemed *Modest*. As a result, the overall outcome rating against the original (pre-restructuring) indicators and targets is rated as *Moderately Unsatisfactory* (as per the evaluation guidelines).

²⁶ Per the Supplemental Letter (Performance Monitoring Indicators), dated March 10, 2008, four Awarding Boards (for Secondary Education, TVET, Islamic Education and Higher Education) were to be established.

Annex 11: List of Supporting Documents

1. International Development Association (IDA) and International Finance Cooperation (IFC) (2012). *Interim Strategy Note for Islamic Republic of Afghanistan (2012-2014)*. Report No: 66862-AF. Afghanistan Country Management Unit, South Asia Region, IDA and Middle East and North Africa Department, IFC. Washington DC.
2. Islamic Republic of Afghanistan (2012). *National Priority Program 1: Sustainable Decent Work through Skills Development and Employment Policies for Job-Rich Growth*. 2012 draft.
3. World Bank (2007). *Interim Strategy Note for Islamic Republic of Afghanistan (2007-2008)*. Afghanistan Country Management Unit, South Asia Region, the World Bank. Washington DC.
4. World Bank (2008). *Skills Development in Afghanistan*. Discussion Paper Series: Report 25. The World Bank, Washington DC.
5. World Bank (2008-2014). Documents in the Project's Electronic File, including the Memorandum and Recommendation of the President, Report No. P7709-AF; Technical Annex, Report No. T7709-AF (in lieu of the Project Appraisal Document per OP 8.50); Documents submitted to the Management Committee of the ARTF; Grant Agreements; Legal Amendments; Supplemental Letter – Performance Monitoring Indicators dated March 10, 2008; Aide-Memoirs; Project Status and Results Reports; Mid-term Review Aide Memoire; Quality Enhancement Review (QER) report; and Financial and Project Procurement Assessments. The World Bank, Washington DC.
6. World Bank (2012). ASDP - Restructuring Package, including Supplemental Letter – Performance Indicators. Submitted by Bappaditya Chakravarty, Task Team Leader to the Country Director, for Approval on July 20, 2012. The World Bank, Washington DC.
7. World Bank (2013). Higher education in Afghanistan: An Emerging Mountain Scape. Working Paper Series 80915. The World Bank, Washington DC.
8. World Bank (2013) *Second Skills Development Project (ASDP II) Project Appraisal Document*. The World Bank, Washington DC.
9. World Bank (2013). *Non-formal Approach to Training Education and Jobs in Afghanistan (NATEJA) Project Appraisal Document*. The World Bank, Washington DC.
10. World Bank (2014). *Afghanistan Economic Update: October 2014*. Macro-Economic and Fiscal Management Global Practice Group. The World Bank, Washington DC.

