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# Research on the role of Village Saving and Loan Association / Community Based Savings Groups in household's resilience

## **CARE Afghanistan**

REPORT

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Ede, the Netherlands, [30 June 2017]

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ISO 9001:2008 certified

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## List of Abbreviations

CBSG	Community Based Savings Group
CDC	Community Development Council
CSG	Community Savings and Credit Group
FFP	Foundations For Peace
FGD	Focus Group Discussion
GoA	Government of Afghanistan
HH	Households
HLU	Humanitarian Livelihoods Unit
KIIs	Key Informant Interviews
KM	Knowledge Management
MAIL	Ministry of Agriculture, Irrigation and Livestock (Afghanistan)
M&E	Monitoring & Evaluation
MEL	Monitoring, Evaluation and Learning
MoU	Memorandum of Understanding
NGO	Non Governmental Organisation
ToC	Theory of Change
VSLA	Village Savings and Loan Associations
WAFAA	Widow's Association for Advocacy in Afghanistan
WAWA	We Are Women Activists
WIGLD	Women's Income Generation through Livestock Development

# 1 Introduction

## 1.1 Background and purpose of the research

CARE International has been operational in Afghanistan since 1961 and has since worked to strengthen the self-reliance of communities while promoting human rights, gender equality and social and economic empowerment<sup>1</sup>. Since 2006, CARE has implemented Village Savings and Loan Associations (VSLA) activities targeting the most vulnerable women, such as widows, female headed households and the very poor. This intervention has been implemented across various projects and programmes. For example, in the Resilient Enhancement Program, CARE implements VSLA through its Reliance Livelihoods Project in 30 communities in Khulm and Charkint districts of Balkh province<sup>2</sup>. However, CARE not only uses VSLA approaches, but also Community Based Savings and Loan Group (CBSG) and Savings and Credit Groups (SCG) and often these approaches are embedded in Livestock Development programmes<sup>3</sup>.

The objective of the research is to foster a better understanding of the economic empowerment approach that CARE applies in its programmes and specifically zoom in on the modalities that CARE uses in this regard: Village Savings and Loan Associations, Community Based Savings Groups and Savings and Credit Groups. After having applied these approaches in various programmes and in different modalities for several years, CARE Afghanistan would like to know what the effect of these approaches is on women and their communities and what can be said about the relation between the economic empowerment interventions and the effect on resilience of women, their households and their communities. In addition to this attribution question, the research looks into what works well and should be kept and what should be improved to better strengthen the resilience of women, men and their families and communities. With the results of this research in hand, CARE Afghanistan has a starting point to make decisions on how to streamline the approach in such a way that it optimally benefits women and their communities and strengthens their resilience in a deteriorating context in Afghanistan.

The objectives of the research, as formulated in the Terms of Reference, are:

- Understand the specific impacts of the CARE Afghanistan's VSLA programming on rural women in terms of facilitation of job opportunities, income generation, and identify challenges that need to be addressed;
- To evaluate how VSLAs helped improve resilience in the face of man-made disasters or natural disasters shocks for women and their households and communities;
- Identify and measure the indirect impacts of the VSLA in terms of socio economic aspects of the work on rural women;
- Evaluate how VSLA has affected the community in shaping up of positive or negative attitudes;
- Evaluate impact of VSLA on welfare on households (in particular women);
- To evaluate sustainability of CARE Afghanistan's VSLA program in its target areas.

## 1.2 Research design

### 1.2.1 Research questions

This research focuses on a set of key questions, each with a set of sub questions. The main cause-effect relationship that this research aims to test/ explore is:

To what extent has all the work around VSLA/ Community Based Savings Groups/ Savings and Credit Group made a (positive) change at household level and how did this strengthen resilience?

<sup>1</sup> CARE first established its mission in Afghanistan in 1961, but suspended activities after the Russian invasion of 1979. Resuming activities in 1989 from a new base in Peshawar, Pakistan, CARE delivered assistance to Afghanistan from across the border until 2002 when it shifted its main office back to Kabul (<http://www.care.org/country/afghanistan>)

<sup>2</sup> For a complete overview of CARE's projects in Afghanistan which include VSLA, please refer to Annex 1

<sup>3</sup> Such as the Women's Income Generation through Livestock Development projects of which Community Based Savings Groups form part

The underlying question in studying this cause-effect relationship is: which elements of the approach are crucial in strengthening the resilience of the women? To find an answer to these questions, we focused on assessing the effectiveness, impact and sustainability of the VSLA approach. These research criteria encompassed the following:

Effectiveness: To what extent did the Village Savings and Loan Associations, Community Based Savings Groups and Savings and Credit Groups lead to increased household income and increased women's participation?

Impact: To what extent did the VSLA/ CBSG/ SCG lead to more resilience of the women/ household/ communities against shocks?

Sustainability: To what extent is it likely that the VSLA/ CBSG/ SCG will continue to exist and which elements should be added/ left out to increase communities' buy in and enhance sustainability?

These key questions have been operationalised in an evaluation matrix containing 17 sub questions<sup>4</sup>. This evaluation is of an explorative nature, which means that rather than assessing the accountability question, it looks for learnings, sense making and thoroughly understanding how the economic empowerment approach has been applied and can be optimised so that it optimally contributes to the desired results.

### **1.2.2 Methodology**

This research has been co-designed between MDF and CARE Afghanistan and can be seen as a participatory evaluation. It is not an independent external evaluation but rather a reflection process in which MDF has facilitated learning from past experience and supported the distillation of key follow-up points. A key feature of this research approach was the application of Appreciative Inquiry<sup>5</sup>. The research tools have been designed in such a way that the focus was on finding the strengths of the approach rather than pointing out the deficits. By focusing on the things that worked well in the approach, we intended to create positive energy so that even small steps and improvements could be noticed and appreciated. Appreciative Inquiry is specifically suitable to learn from challenging and complex environments as it generates understanding of why change happened. In this research, Appreciative Inquiry was geared towards understanding which factors of the VSLA/ CBSG approach led to a positive change in the lives of women and their communities. In other words, the aim was to find the strengths of the VSLA/ CBSG approaches - however small - and to provide CARE Afghanistan with a set of lessons learned which can inform strategic decisions and choices in an environment with high uncertainty. After having generated this information, a next step that still needs to be taken by CARE is the application of those strengths in order to shape the approach in such a way that it benefits the communities most.

The research went beyond output<sup>6</sup> level and really focussed on the (positive) changes that women, men and their communities have experienced as a result of participating in the VSLA/ CBSG (outcome). The desk study comprised a review of the key progress reports, including monitoring data at output and outcome level. When relevant, these data have been included in the report. However, data on the number of people reached and specific amounts of individual loans do not form part of this report but can be retrieved in the respective progress reports.

The data collection has been done through surveys/ questionnaires, focus group discussions and interviews with key stakeholders in CARE Afghanistan.

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<sup>4</sup> Please refer to Annex 2

<sup>5</sup> <http://www.davidcooperrider.com/ai-process/>

<sup>6</sup> Refers to the services and products directly delivered by CARE

### 1.2.1 Data collection and processing

Data collection took place on 11 and 12 June 2017 and was conducted by enumerators who were trained by CARE Afghanistan. The data collection tools were co-designed between CARE Afghanistan and MDF and focused on collecting data at outcome level. The data was collected through individual interviews with VSLA members (women), Focus Group Discussions (FGD) and interviews with CARE staff who implement the VSLA approach.

An initial analysis of the data was conducted by CARE Afghanistan and the raw data was sent to MDF for further analysis and processing. MDF summarised the key findings in a draft report which was presented to CARE Afghanistan prior to discussing the findings in detail. In the initial design of this research, a face-to-face meeting was scheduled between MDF and CARE Afghanistan. However, due to budgetary and time constraints, it was decided to meet online instead of face to face.

### 1.2.2 Sampling

A mixed method was applied to capture qualitative and quantitative data. The sample was drawn from project beneficiaries using a multi-stage random stratification process. First, the sample (n=80 HHs) was distributed proportionally according to the number of VSLAs established in each target provinces (Balkh and Kabul) by different projects CARE implemented so far. Then, the sample was distributed per district to find out how many people within each district should be interviewed. Finally, we randomly selected households from each district to be surveyed.

The table below shows the sampled survey respondents at each district:

Province	District	# of individual interviewed
Kabul	Kabul	23
	Bagrami	6
	Mir Bacha Kot	8
	Farza	9
	Paghman	7
	Shakardara	2
sub-total		54
Balkh	Khulm	7
	Charkint	7
	Mazar-e-Sharif	12
sub-total		26
<b>Total</b>		<b>80</b>

Table 1



Also, in order to add an extra layer of data analysis, 24 Focus Group Discussion (FGDs) were conducted with VSLA members including the chair, deputy, cashier and other members. The table below shows number of FGDs conducted at each district and provincial level:

Province	District	Total FGD held in each district
Kabul	Kabul	7
	Bagrami	1
	Mir Bacha Kot	4
	Farza	2
	Paghman	2
	Shakardara	1
Sub-total		17
Balkh	Khulm	2
	Charkint	2
	Mazar-e-Sharif	3
Sub-total		7
<b>Total</b>		<b>24</b>

Table 2

Interviewers were trained for one day on how to carry out data collection. The team leader, who was also CARE's lead officer for this research, was in contact with the field focal points on a regular basis to give technical support and to assure the quality of data collection. Finally, data was entered into data entry sheets which were designed in Microsoft Excel in advance. After data cleaning, initial analysis was done by CARE and submitted to MDF for further analysis and reporting.

### 1.2.3 Sense making

This research was executed by CARE Afghanistan with MDF in a facilitative role to support the systematic review of findings, cluster them and generate the learnings. For this, two sense making exercises took place on Skype: (1) on 22 June 2017 and (2) on 4 July 2017, in which the preliminary findings were discussed and jointly analysed in light of what this means for the future VLSA/CBSG/CSG approach of CARE in Afghanistan. This sense making exercise involved a set of questions/discussion points for clarification from the lead researcher and mostly focused on adding meaning to the findings by adding the experience of the programme officers and coordinators. The recommendations of this research were discussed with CARE on their relevance and feasibility.

### 1.2.4 Challenges in the research process

The Terms of Reference expressed a willingness to learn at outcome/ impact level, requesting insight in the relation between participating in the VSLA and women's increased resilience. However, during the research process it became apparent that the terminology of VSLA, CBSG and SCG is used inconsistently and that it is not always clear to what exactly is being referred. Data has not been collected to distinguish between the specific approaches and therefore it is not possible to compare the effectiveness/ impact/ sustainability of the different approaches as all data has been collected based on women's participation in a VSLA. Therefore, the research focuses on the changes at outcome level of the VSLA/ economic development approach and when possible, particularities of the different approaches and their strong points are pointed out.

Another challenge in the research process was that the data collection took place in Afghanistan and that MDF's research facilitator/ lead author of the report, could not visit the project areas. However, this has been solved by a strong involvement of the CARE Afghanistan office in adding meaning/ experience to the findings and involvement in report writing.

## 2 Background

### 2.1 Context Afghanistan

Afghanistan has been under conflict for over 3 decades and this scenario has created complex social, economic and political dynamics. Afghanistan is a patriarchal society where all the major institutions are controlled by men. Although there have been many endeavours to improve women's rights, the foundations of discrimination against women have not been uprooted<sup>7</sup>. The strict tribal norms, gendered values and religious extremism are embedded in the history of Afghanistan and have been associated with gross violations of the rights of women. The weak law and order in the country poses extra attention on these historical and community based structures. When the NATO forces withdrew in 2014 and the presidential elections took place, high levels of conflicts were reached with a corresponding increase in humanitarian vulnerabilities.

Formally, Afghanistan has 34 provinces, divided in 398 rural districts which are the lowest level of formal governance. The districts are headed by a district governor or woleswal. At community level, the local governance structure remains largely informal and varies widely across the country<sup>8</sup>. The National Solidarity Plan (2002), aimed to create functional, legitimate and sustainable governance institutions at local level - shuras. Shuras can be described as customary village councils/ village parliaments. The term shura is used interchangeably with Community Development Councils (CDC). They exist at village level and mainly consist of elderly villagers (men).

Three decades of conflict devastated Afghanistan's economy and drove more than 2.5 million Afghans away from their homes and livelihoods. Since that time, the Afghan economy has grown dramatically. Afghanistan's GDP is now nearly two and a half times greater than it was in 2002 and per capita GDP has increased by 70 percent in only 12 years<sup>9</sup>.

### 2.2 Village Saving Loan Associations and Community Based Saving Groups

#### 2.2.1 The VSLA concept

VSLA is an approach that was developed in 1991 by CARE International in Niger with the goal to help women participants cope with the numerous responsibilities that they faced in a challenging economic and social environment. Starting out with a very basic model where participants contributed savings to a loan fund which made small loans to group members, this matured into a model of VSLA in which a self-selected group of people, (usually unregistered) who pool their money into a fund from which members can borrow. The money is paid back with interest, causing the fund to grow. The regular savings contributions to the group are deposited with an end date in mind<sup>10</sup> for distribution of all or part of the total funds (including interest earnings) to the individual members, usually on the basis of a formula that links payout to the amount saved. This lump sum distribution provides a large amount of money that each member can then apply to his/her own needs. From this perspective a VSLA is primarily a savings club, which has proven popular worldwide<sup>11</sup>.

#### 2.2.2 VSLA in Afghanistan

Since 2006, the VSLA approach has been implemented by CARE in Afghanistan and currently this is being done under the Resilient Enhancement Programme and the Women and Girls Empowerment Programme. A VSLA is a group of 10-20 people who save together and take a small loan from these savings. The VSLA members have access to this revolving fund to initiate entrepreneurial initiatives in order to improve their economic situation<sup>12</sup>. The VSLA members are widows; women headed

<sup>7</sup> <https://www.opendemocracy.net/opensecurity/shabnam-nasimi/devastating-truth-of-women%E2%80%99s-rights-in-afghanistan>

<sup>8</sup> A. Heijmans, (2012), *Risky Encounters. Institutions and interventions in response to recurrent disaster and conflict*. Wageningen University

<sup>9</sup> <https://www.usaid.gov/afghanistan/economic-growth>

<sup>10</sup> Usually between 8-12 months

<sup>11</sup> H. Allen, C. Waterfield, (2005), *Village Savings and Loan Associations (VSLA) in Africa, Training Guide 2*. VSL Associates

<sup>12</sup> R. Teeuwen, (2015), *Draft Manual HLU Structure*

households; women whose husbands have a handicap and or addicted/ too aged; women who are very poor; women who have interest and commitment to participate; and women from same vicinity/ nearby who can easily commute to the place where groups are formed. Each VSLA have 3 key members: (1) a group's head, (2) a group's deputy head and (3) a cashier, who have been selected in consultation with all groups' members. Each VSLA meets at their established centers (held in one of the beneficiaries' houses) twice a month. During the monthly group meetings, the members discuss various issues: they discuss the rationale and rules of depositing savings into the group fund, different types of income generating projects and the most profitable business activities.

VSLAs provide vulnerable women with an opportunity to access an informal saving structure at community level. Furthermore, the VSLAs are formed to promote development of livelihood options, to increase income of vulnerable families to foster strategic savings and investment practices among poor families; facilitation of loan regularly or when needed; encouraging a spirit and culture of solidarity and mutual empowerment; and providing individual support to members to build on their skills and competencies. The VSLA concept has been implemented alongside the provision of livestock to the community as well as a stand alone intervention.

### **2.2.3 Community Based Savings Groups and Saving and Credit Group**

Another concept that CARE Aghanistan has implemented over the years is the Community Based Savings Groups/ Savings and Credit Groups approach. These two terms are used interchangeably. For example in the WIGLD project proposal to the Harold Simmons Foundation (2011), reference is made to establishing the *Savings and Credit Groups*. In the final narrative report to the Harold Simmons Foundation, the author refers to *Community Based Savings Groups*. In this project, CARE experimented with a model in which widows deposited one fifth of the price of a cow - which they receive through the project - to a SCG/ CBSG. These SCG/ CBSGs consist of women who have received livestock through the project and women who haven't. Groups could decide to use their savings to collectively buy more cows, provide equipment for individual or group milk processing, make loans to individual members for emergency care or make loans to support individual income generating activities.

## 3 Findings and conclusions

### 3.1 Effectiveness

The key question that we tried to address was:

To what extent did the VSLA/ CBSG lead to increased household income and increased women participation in the targeted communities?

This question aims to investigate linkages between the output and outcome level: what do people now do differently as a result of their membership in the VSLA/ CBSG/ CSG? In order to be able to answer this question, we researched how the groups are formed, what kind of support they received from CARE and how this contributes to their well functioning and increased income and participation.

#### 3.1.1 Initiation

Before the establishment of a VSLA, CBSG or Savings and Credit Groups, CARE organizes meetings with key community influential members, including the district attorneys in the target areas. This is a common feature of CARE's approach and prepares the community for a new project intervention by seeking their agreement, support and facilitation for a successful implementation of a project. Engaging with the community at an early stage of a project also serves for the identification of potential beneficiaries, such as widows/ female headed households to participate in the VSLA/ CBSG. As can be retrieved in the overview of projects in which VSLA is a central component<sup>13</sup>, the intervention is often embedded in a broader community development approach, including livestock distribution as a source for improved livelihoods. In that sense, it can be seen as a 'community movement' aiming to improve the economic situation and resilience of its villagers, by focussing on increasing women's participation and empowerment. In order to reach this, CARE acknowledges the importance of involving community leaders, religious leaders, elders, mullahs and other relevant stakeholders. The data collected in this research shows that this is consistently done while implementing the VSLA approach and that this leads to broad acceptance of women participating in the VSLA. Interviewees expressed that this is also very necessary as in some communities there is hesitation/ distrust regarding the VSLA modality. For example, one community that participated in the research, faced a situation where the Malik disagreed for the gatherings to take place and the men didn't allow their wives to participate. Eventually, CARE managed to establish a VSLA in that community, but only after intense engagement. And this was also the VSLA where issues were faced with losing money and turnover during the project implementation period. This reconfirms and stresses the importance for an intensive and holistic approach when starting up the VSLAs.

The research findings show that CARE carefully approaches communities and intends to engage with them for a longer period of time. However, since a lot of CARE Afghanistan's funding is project based, it also depends on the donor how much time can be invested into establishing a VSLA. In some projects that formed part of this research, the timeframe for implementation was two years<sup>14</sup>. Although CARE Afghanistan puts in efforts to ensure that community engagement lasts over a longer period of time, at times this is challenging to manage. Interviews with staff confirmed that in order to set up a VSLA properly, a timeframe of a minimum of three years is needed for the groups to be properly established and take over.

#### 3.1.2 Selection process

The selection process of the group members for the VSLA is mostly done in cooperation between the community facilitator, the (prospective) chairman of the group and in some cases the Malek was involved. A common element that was mentioned in the interviews with participants is the element of trust. Besides selecting the women who would benefit most from forming part of a VSLA, the trust element is crucial and this even goes beyond the woman herself. It also includes an (informal) analysis of her surroundings, her direct family and the potential threat that this could entail. For example, if a woman has a husband or son who is less trustworthy, she may not be admitted to the group because

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<sup>13</sup> Please refer to Annex 1

<sup>14</sup> For example the WIGLD project funded by the Beyond 11th Foundation (June 2010-June 2012)

of the risk that if she takes a loan, she might not be able to pay it back. This brings up a dilemma whether to include the neediest women, even when this means that there is a risk that her husband takes the money and does not help to pay back which could lead to malfunctioning of the group. Or, whether excluding these women in a risky situation leads to discrimination and not to reaching the most vulnerable?

Having said this, the focus group discussion data shows that the selection process of the groups is being done in a very open and transparent way and that participation is key. The group members participate on a voluntary basis and their motivation to comply with the group's rules and regulations is high. This research did not point out any problems with the selection process. As the FFP MTR<sup>15</sup> shows, saving is an incentive for women to form a group, but an even bigger incentive is the ability to borrow. Each time a member submits a request for loan, the group discusses the eligibility of the member (i.e. when was the last time a loan was given out to her, what will the loan be used for, what is the possible return of the investment for which the loan is taken, how is her social standing in order to ensure loan payback, and etc). Once the loan is given out, the terms of payment are agreed upon by the borrowing member and the group. This mechanism allows for members with different economic backgrounds and different livelihood strategies to make the payments in whatever way that is convenient for them. This eligibility analysis conducted by the group is one of many reasons for high loan repayment. The other reasons are the fear of not being able to borrow again or having to leave the group when defaulting.

The fact that no ID card is required to participate in the VSLA makes the threshold for participation low. Therefore it makes VSLAs accessible for vulnerable and marginalised women because going to a regular bank for getting a loan is impossible for most rural women. Even more so, banks are often located far away from the villages where the women live and where CARE implements the VSLA approach, which makes the approach very relevant for the local context.

### 3.1.3 Decision making

Women's savings mostly come from their own income or that they receive money from their husband. In a few cases, the inputs for the savings come from their father (in law) or brother (in law). Most decisions concerning the use and repayment of the savings have been made by the women or jointly with their husband. Only in 3 cases, this was done by the husbands independently of the women (see interview summary table below). This reconfirms the strong need for not only training the women, but involving their husbands in the trainings as well. This is different from the situation in Africa, where women can make decisions more independently and have more space to manoeuvre. Because of this difference, strong involvement of the husbands is impertinent and this practice should be continued and may even be elaborated because it can be an answer to including very needy families who are at risk of not being able to pay back the loan.

Location	Decision maker for use of loan			
	Husband	Wife	both	Other
Balkh		6	7	1
Kabul	3	14	13	2
(blank)				
<b>Grand Total</b>	<b>3</b>	<b>20</b>	<b>20</b>	<b>3</b>

Table 3

### 3.1.4 Differentiation in implementing the economic empowerment approach

CARE Afghanistan implements the economic empowerment approach in different modalities: it can be embedded in an approach where also livestock, animal husbandry and/ or microfinance are provided<sup>16</sup>, it can form part of an advocacy programme with less attention to livestock development<sup>17</sup> or it is

<sup>15</sup> Mariam Jalalzada (2015), *Midterm Review Report - Foundations For Peace (FFP)*

<sup>16</sup> WAFAA Kabul, 2015-2017

<sup>17</sup> FFP Kabul, Nangarhar, Balkh, 2012-2016 Kabul, Nangarhar, Balkh

implemented stand alone<sup>18</sup>. On top of this, CARE uses different names: Village Savings and Loans Associations, Community Based Savings Groups, Savings and Credit Groups to refer to women savings and loans groups. This research included a mixture of the approaches and noted that different projects implemented the concepts differently. However, it is unclear which elements belong to which approach. One could have expected that for example the concept of VSLA would solely refer to jointly saving, loan taking and repayment with interest. Yet, in some cases, such as in the Foundations For Peace project in Balkh, Nangarhar and Kabul, VSLA is accompanied by the provision of livestock (450 dairy cows) to the most vulnerable women. These women received a cow and had to submit 20% of the costs of the cow in the VSLA box. In other projects like the WIGLD project in Kabul, Community Based Savings groups were established without the provision of livestock and in the Ghazni Livelihood Enhancement project, Community Based Savings and Loan Groups were established alongside the provision of livestock. This immediately reveals a key issue with this approach in Afghanistan: *it is being implemented inconsistently and different concepts are used to refer to the same or different thing*. However, taking the Appreciative Inquiry lens, this should not be directly seen as a problem as it also shows the ability of CARE to adjust the economic empowerment approach to a specific context. For example, establishing solely VSLAs in communities where people have very little money to save, would take a very long time before there would be a sufficient amount of money for a loan. Therefore, the cow distribution and livestock development element is seen as a very appropriate approach as it provides women with a direct source of income and nutrition and makes the CBSG/ VSLA grow faster. Nevertheless, also *within* this approach we noted some inconsistencies. For example, in some projects like in Ghazni, livestock has been distributed in the first phase to a number of beneficiaries and not in the second phase. This was perceived as unequal treatment of beneficiaries and a practice that should be avoided in the future. Although flexibility within a programme is a very positive characteristic of 'doing development' and should definitely be continued, it has to be noted that once a specific approach is taken in a community and expectations have been raised, one should comply with those. This contributes to being a credible and reliable development partner and eventually has a positive effect on the results of a programme and even beyond.

In rural communities the provision of livestock is a valuable addition when distributed to all members of the VSLA because it provides them with an asset which is a source for income and saving. In urban communities, the provision of livestock seems less suitable as families have literally less space to hold livestock. Therefore, this leads to a situation where the women who have the conditions in place to keep livestock are more eligible and therefore more likely to be included to benefit from this intervention than the ones who are not. Again, this can lead to a situation of not including the most vulnerable women in the intervention.

Besides notable advantages of embedding the VLSA with the provision of livestock, this research also brought up a few disadvantages. CARE staff noted for example that when a project starts by distributing livestock and other inputs to the women and their communities, people expect to receive something from the project. This can undermine the sustainability of the approach as the group remains dependent and expects inputs from time to time. Related to this, interviewees brought up the issue of inequality, as in the WIGLD project, a particular group<sup>19</sup> of women receive livestock and others don't. They do form part of the same group and this evokes a situation where the women who did not receive livestock feel neglected and less motivated to contribute to the savings group. Keeping in mind that the women have to make joint decisions on how to allocate the loans and what to invest in, this approach has to be very well explained to the participants. At the same time, the issue of inequality remains, which leads to less motivation of the women who did not receive assets.

Related to the above, CARE staff members raised a concern that donor requirements can be leading and that the focus should remain on the needs of the community and that any programme should be designed to meet their needs. This implies that activity plans should be designed in such a way that it leaves space for adjustments and adaptations along the way.

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<sup>18</sup> WIGLD Kabul, 2014-2016

<sup>19</sup> The most vulnerable/poor and the ones who have the conditions to hold livestock, such as space around the house. Other women, who don't receive livestock, might be slightly less poor/ vulnerable, but the differences are small.

### 3.1.5 Community facilitation

Making sure that the VSLAs will continue to exist after CARE withdrawing from the communities, requires a specific facilitation approach. The HLU Manual describes how community facilitators can guide the formation of the groups in such a way that VSLAs remain *member-managed*. This means that programme staff should not manage the VSLA, write in individual passbooks and VSLA cashbooks or touch money belonging to the VSLA<sup>20</sup>. This is easier said than done because at times, capacity of communities and VSLA members is very low and therefore, community mobilisers sometimes take over a bit of responsibility from the chairman, vice chairman or treasurer. It can well be understood that community facilitators sometimes go beyond their role of encouraging, training and supporting and are stepping in, because they want to get the groups up and running. However, keeping the long term in mind, it is important to ensure that building the competencies of the VSLA members remains the objective from the start and that community mobilisers should avoid taking on management tasks of the group.

CARE Afghanistan does adjust the intensity and amount of visits to the needs of the communities. Some communities require more support than others and therefore they receive more visits. On average, community mobilisers engage more intensely at the start of forming the groups, with plus/minus of 5-10 meetings in 3 months. Nevertheless, staff feel sometimes restricted by donor requirements, because a specific amount of budget and specific steps have been determined at the start and this limits the flexibility during implementation.

Often, the VSLA groups get a name which is agreed between the group members. This immediately provides a sense of identity and helps to create a sense of belonging as was mentioned in the interviews. In addition, it contributes to the ownership of the VSLA approach because people refer to it using their own culturally accepted term instead of the technical name. Unfortunately, the researchers did not include this question in the focus group discussions nor the interview guide so we were not able to identify correlations between putting a name to the group and for example sustainability. However, it was mentioned in the interviews with staff that this is a positive practice and they recommend it to be continued.

### 3.1.6 Effectiveness: outputs and outcomes of the VSLAs

When the VSLAs are up and running, it has notable effects on the women and their households. In first instance, the trainings have a positive effect on their wellbeing, as it makes women feel more powerful and stronger when facing day to day problems. This research could not identify a strong preference for a certain type of training, as many women mentioned several trainings that were very useful, such as literacy, business development, children's rights, women's rights, livestock and the particular VSLA management trainings. The trainings have been adjusted to the women's schedules very properly, by providing for example one hour of training a day which women can fit into their busy schedules with household tasks. This careful planning is a great sign of understanding women's realities in the communities.

The above reconfirms earlier conclusions; that the training activities empower women by providing them with an opportunity to learn and to develop<sup>21</sup>. Engaging with them, showing them a world beyond their households/ families and inspiring them to think about possibilities is a true example of empowerment.

Apart from the trainings, most women reported using the loans for starting a small business, like a food shop, bakery, tailoring or clothing shop. Loans have been taken between 1000 and 50,000 AFN. The bigger amounts of loans have been made for longer term investments, and smaller amounts (1000 – 10,000) were used for accommodating immediate needs, such as health care expenses, car repair and the reimbursement of another loan. Also, investments have been made in housing, particularly in Kabul. In addition, members used the loans in times of disaster and this increased their independency as they did not have to ask other people for support but have the means to support themselves<sup>22</sup>.

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<sup>20</sup> R. Teeuwen, (2015), *Draft Manual HLU Structure*, p. 6

<sup>21</sup> For example the Final Evaluation Report of the FFP programme (2017)

<sup>22</sup> Interview Questionnaire Responses (2017)

Location	Use of VSLA loan										
	Food	Paid off debts	School fees	Family celebration/ceremony	House improvement	Savings	Health	Business	Assets	Gave to spouse	Other
Balkh	2	1		1			2	8			
Kabul	6	2	6		11		6	13		1	5
(blank)											
<b>Grand Total</b>	<b>8</b>	<b>3</b>	<b>6</b>	<b>1</b>	<b>11</b>		<b>8</b>	<b>21</b>		<b>1</b>	<b>5</b>

Table 4

The women who participated in the FGDs stressed the importance of being a member of the VSLA group because it contributes to their dignity, confidence and the solidarity between the participants. In the researched communities, only relatively small disasters took place, for example a car crash or health issues. These emergency loans have been distributed on a rotational basis and the amount was sufficient to relieve the immediate shock. Groups jointly decide on allocating a loan in such an emergency case and this seems to work well. The VSLAs established by CARE were not designed to address larger emergencies as the scope of VSLA does not allow to cover for an emergency situation affecting all members at the same time. In cases of emergencies at family level, only VSLA members and their households can benefit from VSLAs which indirectly benefits the communities as well. CARE has an emergency and humanitarian programme for provision of assistance for larger emergency cases.

All of the members noted that there were changes in their food security levels; i.e. it either remained the same or increased. While only 12.5% of the members took loans specifically to purchase food, two thirds of those interviewed mentioned an increase in their food security. At the same time, one third mentioned that they had problems with satisfying their and their families' food needs in the past year. Out of the 21 individuals who took loans to start businesses, 76% indicated an increase in food security. Overall no respondent indicated a worsening of their food security levels.

Although improving the health status of women and their families is not a direct focus of the VSLAs, it does come in as a side effect of the approach. When the income of households increases as a result of the VSLA, the family members are enabled to buy and use more nutritious food which has a positive effect on health.

The following indirect effects on households' health situation were identified:

- Using and providing nutritious food for their families and children;
- Enabling women to go to hospital or have a consultation with a qualified doctor in case of illness and emergencies at an earlier stage while in the past they could not because of lack of resources (money);
- Using quality medicine;
- In the group meeting besides saving, debate and income generation activities, women discuss different topics and lifeskills so the considerable topic is personal and environmental hygiene and health.

The FGD also included questions on which challenges the VSLAs have experienced during their implementation. Most participants mentioned that they had not faced any challenges, while others referred to some members not being able to repay the loan in time or the (very) slow pace of the group to have a substantial amount of funds for loans. Interestingly enough, VSLA members included a solution in their answers, which indicates that they have the intention and capacity to solve issues as a group.

### 3.2 Impact

Under impact, we researched the question:

To what extent did the VSLA/ CBSG lead to more resilience of the women/ household/ communities against shocks?

With regard to measuring the impact of VSLAs/ CBSG on women's and their household's resilience, it is important to first define resilience. At the country office or programme level, CARE has not defined the concept of resilience specifically. Nevertheless, the common understanding is that resilience is about: 'empowering/ enabling households to adapt or respond to disasters/ conflicts and



stand on their feet'. This is in line with the emerging international understanding of the concept of resilience: 'the capacity that ensures stressors and shocks do not have long lasting adverse development consequences'<sup>23</sup>.

### 3.2.1 Contribution to impact at household and community level

This research could not measure the increase in income of the VSLA members as compared to a baseline measurement because baseline data about income from the researched groups were not available. Nevertheless, the respondents did report an increase in their income as a result of the VSLA, but the specific amounts should be further investigated if needed. In addition, FGDs and the interviews showed that women benefitted from participating in the VSLAs in various ways. They indicate that they being part of the VSLA particularly helped them:

- in times of disaster: being part of the group provides them with a safety net/ supporting network. For example in case of illness, treatment or an urgent car repair, loans are being taken which prevents the members from selling assets;
- with information: through the trainings, women and their families are better aware of entrepreneurial opportunities, business skills and marketing;
- by making women less dependent on their husbands: before participating they had to request money from them and now they have access to own resources;
- by providing them with information in more general terms: being informed about women's rights and being up to date to community developments through the information that is being shared within the group by the members;

In addition to contributing to changes at household level, VSLA also contributed to changes at the community level. For example, the table below provides the data from the interviews on improved social status of the VSLA members:

Respondents' status change in their community since joining VSLA				
	Status change frequency			
Location	Improved	Stayed the same	worsened	I don't know
Balkh	25	1		
Kabul	45	6		
(blank)				
<b>Grand Total</b>	<b>70</b>	<b>7</b>		

Table 5

*"The unity and respect in community is increased, every opinion is respected by villagers"* - Focus Group Discussion Mir Bacha Kot district, Kabul (2017)

The above statement and interview data provides strong evidence that the VSLA approach contributes to changes beyond the household level and makes a difference in the position of women at community level. Starting with economic empowerment activities can thus pave the way for changes in relations, perceptions and eventually lead to shifts in power and empowerment.

### 3.2.2 Conflict prevention and resolution

VSLAs can be seen as a very appropriate mechanism to reduce conflicts at household- and community level as the informants in this research unanimously indicate a reduction in conflicts at family- as well as community level:

*"In the past I took money from my husband, sometimes it makes conflict between our family, now I solve my problem through the saving group"* - Focus Group discussion District 13, Kabul (2017)

Although not specifically mentioned in the statement, we can assume that the respondent is referring to solving a problem in the economic sphere. She indicates that before joining the VSLA, she always

<sup>23</sup> IDS Working paper (2015, #459), Design, Monitoring and Evaluation of Resilience Interventions: Conceptual and Empirical Considerations

had to request money from her husband, which led to discussions because he may have questioned the usefulness of allocating the money according to her proposal. Her access to the VSLA has provided her with resources that help her to address particular (economic) needs independent of her husband and this led to decreased conflict/ quarrels at household level.

In addition, the VSLA also supports members in learning from each other in how to solve conflicts at family level:

*"In the past we had some problem and conflict but by participating in group meetings and sharing ideas and experiences, now the level of conflict decreases in family"* - Focus Group Discussion 9th District Kabul (2017)

*"Since the establishment of the group our information increased, we do small business, and conflict decreased"* - Focus Group Discussion Farza District Kabul (2017)

The FGD and interview data show that the VSLA groups function as a social safety net for the women as they can share issues of their concern and have a pool of advice within the group. In order to be able to share, women need to feel safe within the group. The FGD data indicates that this condition is met because the women share their issues and feel that they can exchange ideas within the group<sup>24</sup>. A factor contributing to this may be the fact that the VSLA group meetings take place in the house of the president of the group or one of the other VSLA members. Meeting in the surroundings of one's home without the presence of men, provides women with a great platform for sharing and contributing to solidarity.

In addition, the individual interviews and FGD data show the positive contribution of VSLA to women's self confidence and agency, as mentioned for example:

*"Participating in the group helps us in improving our self-confidence, we participate in decision making process of family and we can go out easier than before"* - Focus Group Discussion Praghman District Kabul (2017).

### **3.2.3 Involving men**

Involving men in women empowerment programmes is crucial as it does not only generate space for women to expand their activities beyond household level; it also leads to the emancipation of both groups.

*"VSLA has a positive impact on women, families and our environment. We could even solve men's problems: at first they disagreed with this kind of gathering (VSLA, red.) but now they support us"* - Focus Group Discussion Mir Bacha Kot District, Kabul (2017)

The FGD quote displayed above represents the discourses in the FGD data on this topic: involving men in the VSLA intervention is a prerequisite for it to function well and should receive continuous attention.

An important aspect in this regard came out of the FFP evaluation (2016). This external evaluation on CARE's economic and social empowerment programme implemented from 2012-2016 in Afghanistan, showed that there is another chief reason for seriously involving men in economic empowerment programmes with a focus on women. Evaluation data showed that the focus on women for the economic activities was in some cases perceived as 'discrimination'. Although it is seen as positive discrimination by some, men indicated they felt by passed and would have wanted to be included in the economic empowerment activities as well<sup>25</sup>. This was picked up by the programme team and therefore the third and fourth year of the programme allowed for more orientation sessions with male community members, aimed at increasing their understanding of women's rights to economic empowerment. The FFP evaluation noted that this contributed positively

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<sup>24</sup> For example: Focus Group Discussion 9th District Kabul

<sup>25</sup> Final Evaluation Report of the FFP programme (2017), p. 27

to the results and this practice should be continued and expanded while implementing the VSLA approach.

In addition to the above, a lot of positive impacts at women's personal level, their households and communities came out of the research:

*"We feel a positive effect in our community, it improves the relationship of community members and solves our problem easier"* - Focus group discussion, Khulm district, Balkh province (2017)

*"In the past if someone asked loan from others if they don't had in hand they become upset, as well as our male were close mind now these problems become solved"* - Focus Group discussion, Farza district, Kabul (2017)

Women reported a significant increase in cooperation within the household. Many women take a loan to invest in a small business that is being run by her son or husband and they have to work together to make it successful. This causes small yet important shifts in household dynamics. It may be expected that a sense of shared responsibility for taking care of the family and the household does lead to increased resilience.

### 3.3 Sustainability

Under sustainability, we researched the question:

To what extent is it likely that the VSLA/ CBSG/ SCG will continue to exist and which elements should be added/ left out to increase communities' buy in and enhance sustainability?
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Sustainability of project approaches is a crucial, yet very challenging element in many development project activities. CARE's VSLA activities include a strong component of managing the groups towards self reliance and ensuring that they take over. How this is exactly done did not come out of this research as we did not include interviews with community mobilisers nor was long term observation part of the research process. The experiences shared by CARE programme staff, led to an assessment that encouraging the groups towards self management and eventually sustainability could be done better, eventhough the graduation out approach is known to staff and applied by community mobilisers. CARE staff indicated that no VSLA manual for CARE Afghanistan existed but that this would be very useful. It is expected that having a manual describing the approach and steps for implementation would greatly benefit the implementation and sustainability of the approach. The HLU Manual from 2015 doesn't seem to be in use, although it provides many good tips and tricks for the graduation out approach that is inherent to leading the VSLA approach to function independently and becoming sustainable.

#### 3.3.1 Phasing out and trusting the Institute

The duration of a VSLA programme varies from 1 to 4 years and staff mentioned that in order to ensure a well functioning VSLA, CARE has to engage with the groups for a minimum of 3 years. In such a set up, the first year can be dedicated to trust building, establishing the relationship within the communities, providing trainings and starting the VSLA selection and orientation. In the second year, the community mobilisers can encourage women to think about business plans and taking a loan to start their business. During this time, a lot of attention can be focused on capacity building. In the third year, training on financial issues, accounting, marketing, value chain training should take place. Taking a more extensive approach to the implementation of the VSLAs rather than establishing them quickly is seen as a prerequisite for sustainability. Often, trust has to be built and this takes time and investing in a relationship with the community.

CARE applies a graduation approach towards making the groups independent after the support. A core group of staff members received training in this graduation approach and they are responsible for conducting assessments of the strengths and capacities of the VSLA/ CBSG. This assessment is conducted to decide on the steps to be taken on the path towards independence and sustainability. However, it was noted that the support of CARE's community facilitators is quite extensive and that in some cases they take over some management responsibilities from the VSLA committee. This has a negative effect on the sustainability of the groups.

Interview data show that most women intend to continue being a member of the VSLA:

Table 10: Respondents willingness to continue saving		
Province	Willing to save	
	Yes	No
Balkh	21	5
Kabul	52	
(blank)		
<b>Grand Total</b>	<b>73</b>	<b>5</b>

Table 6

The FGD data also provide a positive outlook on sustainability as out of the 21 group discussions 3 groups indicate that they have dissolved their group or the group will be dissolved on a short notice and 2 groups are hesitant and request more support. Nevertheless, 16 groups express their confidence that they will sustain the group independently from CARE and they make strong statements:

*"100%, we are going to keep activate our VSLA group after project completion as it helps us to tackle our problem"* Focus Group Discussion, Mir Bacha Kot, Kabul (2017)

The groups who mentioned their groups had been dissolved related this to the fact that the VSLA groups were linked to a reputable institute which created trust and when the project ended, and CARE withdrew, members did not trust the group anymore. They were afraid that without the backing of a trusted organisation, the women would not repay their loans. The MTR of FFP added that there are many reasons for VSLA groups' unwillingness and fear to be on their own: One, the head of the group does not want to take the responsibility of managing the savings and loans, recording, and facilitation of the sessions. According to them, not only it is a lot of work, but also more importantly, it is risky. They don't want people coming to their door at random times asking for loan or other requests. In addition, when CARE is still involved in managing the groups, the VSLA heads/treasurers can easily disregard unreasonable requests for loans (high amount, higher frequency, etc) by feeling compelled to abide by the rules that are monitored by the Community Mobiliser.

### 3.3.2 Facilitation of the groups

It is difficult to find a correlation between the specific management style of the community facilitator and the likelihood that a group remains functioning after CARE phasing out. This has not been explicitly researched. However, CARE programme staff expressed that every effort in the establishment and guidance of the VSLAs should be geared towards making the groups function independently and encouraging them to continue without CARE. The more CARE invests in increasing the VSLAs management skills and confidence, the more likely it is that they will continue to see the importance and use of the groups.

### 3.3.3 Leadership and trust among group members

Groups that are confident about the likelihood that their group remains active indicate that there is strong leadership within the group. Most of the FGD participants have seen the positive effects of the VSLA approach in the past and therefore have the motivation to continue. Another ingredient for sustainability is trust: the more women trust the group and have had positive experiences in the past, the more likely they assess that the VSLA groups continue without support of CARE.

### 3.3.4 Literacy as a prerequisite for sustainability

Since the majority of women, especially in rural areas, are illiterate, the provision of adult literacy services is recognized as a priority to be incorporated in the training modules. A rapid assessment from community based savings groups (2012) showed the need to pay attention to women's life skills,

including literacy<sup>26</sup>. Possessing these skills contribute to enhancing the quality of health, improving livelihoods, fostering the ability to actively participate in society, and contributing to overall happiness and general wellbeing. Writing and speaking enhances project participant's basic literacy and numeracy skills to carry out transactions for their small income generation initiatives, monitor their savings and loans activities and to enhance their capacity to achieve their rights and engage in advocacy efforts.

While some women working at the livelihood level require access to finance in order to purchase inputs for their businesses, many have a greater need for numeracy skills and financial literacy to help them make good financial decisions. As observed in the bazaars, many women do not understand profit margins for pricing goods and some cannot negotiate with customers because they do not know their numbers. Even if they can obtain microfinance loans, their lack of numeracy inhibits them from knowing how to make a profit, understand a business plan, or obtain a loan from the bank. As a result, women who do grow and improve their businesses are often dependent on the male members of their households for assistance and lose control over their own finances.

Literacy is therefore seen as an essential component for VSLA sustainability:

- Women need financial literacy and numeracy skills to be able to run small businesses;
- Women should have sufficient knowledge of business management including marketing skills, negotiation and bargaining skills with potential customers. This facilitates women to compete in local markets and improve their businesses;
- Women at the livelihoods level also need basic financial literacy skills, including numeracy, pricing, and calculation of profit.

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<sup>26</sup> CARE International Afghanistan, *Report on Literacy Project for CBSG members* (2014)

## 4 Recommendations

### 4.1 Recommendations for CARE Afghanistan

#### 4.1.1 Developing a Theory of Change for Resilience

This research revealed that a lot of work on economic empowerment is being implemented and that the effects on women, their families and communities are notable. It can be said that participating in a VSLA scheme brings changes in women's agency as they have more decision making power, are more respected by their husbands and/ or community and that it brings them solidarity and a platform for sharing and growing. We also noted a positive effect on food security and increased income. The amount of work that CARE Afghanistan has done in this regard is impressive and provides a good point of departure for the future.

With regard to implementing the VSLA/ CBSG/ CSG approach in the future, it is recommended that CARE Afghanistan conducts a bigger stock taking exercise and pays particular attention to developing a detailed Theory of Change. This research included the review of 11 different projects and it was noted that these projects have all been carried out in different ways and did not include detailed pathways of change in the project proposals. It is recommended to jointly develop a Theory of Change, outlining a common understanding of the pathway of change towards resilience. This should include detailed assumptions and as such can provide the basis for a monitoring framework. This will enable CARE Afghanistan to collect monitoring data on specific strategies and their relation to results. For example, this research shows that one of the key assumptions is that involving men leads to more decision making power and space for women. In future programmes, it is recommended to specifically collect data on the level between output (e.g. awareness training to men) and the outcome level (women making their own decisions). In this way, CARE will be better able to steer the programme at results level and eventually be better accountable for results. More importantly, developing a Theory of Change and careful monitoring at results level, provides space for learning and adjusting the programme during implementation.

#### 4.1.1 Integrated programming

In order to make the VSLA approach function optimally, it should be programmed in an integrated way. Especially in the context of Afghanistan, economic empowerment can't be achieved apart from social empowerment. Developing a Theory of Change for resilience will contribute to doing this and ensure that interventions will not be implemented in silo. Therefore, it is recommended to develop integrated programmes where both components are programmed in a similar timeframe and within the same communities. This does have implications for the way how CARE works with partners because at times, CARE works with partner organisations who take responsibility of one aspect, either economic or social empowerment. As such, CARE has to invest in making the programme logic explicit (in a Theory of Change) and closely guide partners because in this way, the outcomes of both social and economic empowerment interventions can reinforce each other.

With regard to developing lifeskills and support women in developing their own businesses and taking agency over their future, literacy training stood out as an important skill for women. It helps them to become more self-dependent and understand the world around them better. Literacy trainings do not always have to be part of the VSLA approach, but in areas with low literacy rates, this is a prerequisite for sustainability and therefore it is recommended to include literacy trainings into the VSLA package and implement when necessary.

Involving men is another aspect that is closely linked to a successful establishment of the VSLAs. Men play a crucial role in granting women more space and freedom and therefore the activities related to involving them have been so valuable and instrumental. This research showed that this has been carefully done and that a lot of attention was paid to engaging men and various relevant stakeholders. It is recommended to continue to do this and expand the orientation programme for men in order for them to (even) better understand the focus on women in the VSLA approach and their supportive role in this regard.

#### **4.1.2 Apply the concept consistently**

All the 11 projects that formed part of this research were all related to improving women's empowerment and community resilience, but all applied the concept differently. It is recommended that CARE streamlines the approach and defines common elements. This will provide clarity to CARE staff but also at community level. In addition, one can expect efficiency gains because specific manuals can be developed/ used for a specific approach. Having these documents on the shelf will support the full process, from proposal writing, implementation to reporting. It also provides clarity to the donor community, which may have a positive effect on their contributions. Nevertheless, this recommendation does not imply a one size fits all approach as CARE should not focus on implementing 'best practices'. The fact that CARE Afghanistan really engages with communities, makes an effort to understand their constraints and potential, should be appreciated by CARE staff and may even be seen as a distinguishing factor as compared to other NGOs. In the current paradigm of development, stressing this approach of 'doing development differently', connecting with what works and not instilling a tested approach from somewhere else, can even be used more in external communication.

#### **4.1.3 Knowledge management**

CARE staff mentioned that no guide/ manual existed on how to implement VSLA and that this contributes to inconsistently applying the concept in line with the above recommendation, it is recommended to use a contextualised and preferably translated into Dari/ Pashto. This does not have to be developed from scratch as there is a manual available from the Humanitarian Livelihoods Unit which explicitly describes how to implement a VSLA and how community mobilisers can facilitate this process. This manual was not in use but can be a very good starting point for further streamlining the VSLA work. With the relatively high number of staff turnover in CARE Afghanistan, it is crucial to document implementation processes and ensure that information and knowledge is being transferred/ available for new staff. This recommendation relates to knowledge management and implies that this requires specific attention with regard to the VSLA approach.

#### **4.1.4 VSLA and livestock**

The livestock activities have been instrumental for the vulnerable women who have participated in the projects. Within the highly conservative context of Afghanistan, livestock development is an activity that women can easily engage in with the full support of their families and communities. Perhaps most importantly, they become self-reliant and no longer dependent on support from others and 'charity'. CARE also provided a viable livelihood for elderly women who were unable to learn the vocational skills or trades, such as tailoring. CARE provides livestock to vulnerable widows and women who are able to join VSLAs. By selling the dairy products they can save in the group and repay the loans. This research did not bring up any issues with the repayment of loans when the VSLA was connected to the livestock development component. It is recommended to continue to do this, taking into account the selection process (making sure that when there are different rounds of provision of livestock, all women receive and preferably making homogeneous VSLA groups of women who all received livestock) and the fact that this approach works better in rural areas.

#### **4.1.5 Baseline, endline and monitoring**

For any future programme on VSLA, it is recommended to conduct a baseline study and an end line evaluation and compare the data. In the current research, no baseline data on income, women's skills, awareness etc has been gathered. Although you can still measure the perceived change, it is more valuable and insightful to compare this information to a baseline situation before the implementation of the intervention.

The same accounts for measuring the effectiveness of the trainings and methodologies used by community mobilisers; although trainings have been received with great enthusiasm, it would be good to review their effectiveness and based on this reflection, make improvements. An easy to use model for this is Kirk Patrick's model Four levels of learning evaluation (1996)<sup>27</sup>.

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<sup>27</sup> <https://educationaltechnology.net/kirkpatrick-model-four-levels-learning-evaluation/>

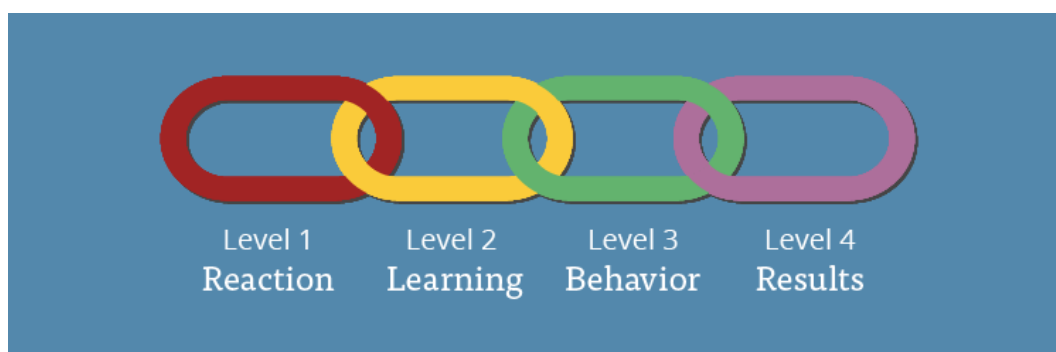


Figure 1

*Level 1 Reaction* measures how participants react to the training (e.g., satisfaction?). *Level 2 Learning* analyzes if they truly understood the training (e.g., increase in knowledge, skills or experience?). *Level 3 Behavior* looks at if they are utilizing what they learned at work (e.g., change in behaviors?), and *Level 4 Results* determines if the material had a positive impact on the business / organization.

Measuring the effectiveness of trainings within VSLA projects will become easier when a ToC has been established as the monitoring system can be designed accordingly and can be geared to finding out which information needs to be gathered to understand what people now do differently in their lives as a result of the training.

In addition, it is recommended to conduct an impact evaluation to see the effects of the VSLAs after more than 10 years of operation. This concerns an evaluation of the long lasting effects of the current VSLAs. In this research we focused on assessing the sustainability of the VSLA groups, but an impact evaluation would go beyond this and investigate the impacts of the outcomes (behavioral change) over a longer period of time. The impact evaluation could already be scheduled as the VSLAs have been in operation for more than 10 years now and results at impact level should be available by now.

#### 4.1.6 Selection process

The selection process of potential members of the VSLA is being done in a very participatory way and contributes to the homogeneity of the groups. The more homogeneous a group is, the better it seems to function. When the socio-economic level of the members is similar, it helps to promote a democratic culture where rights and responsibilities are equally valued and internalised during the process of collective learning<sup>28</sup>. It is recommended to continue to invest in the relationship building and delegate decision making power to the communities when it concerns the selection of members.

#### 4.1.7 Disconnecting VSLA and livestock development

One option to solve the issues with livelihood and VSLA in the future is to disconnect the livestock element from the VSLAs. This does not mean that inputs should never be provided to very poor communities but that either a community receives the full package - all VSLA members receive a cow - or that the focus is solely on establishing and maintaining VSLAs.

For example, in some projects like in Ghazni, livestock has been distributed in the first phase to a number of beneficiaries and not in the second phase. This was perceived as unequal treatment of beneficiaries and a practice that should be avoided in the future.

## 4.2 Recommendations for Government

To accept and formalise the VSLA structures and ensure a system is developed to regulate and monitor the various groups in place. This needs to be operationalised by putting in place carefully designed oversight structures and a regulatory body and responsive systems to redress grievances. Since the

<sup>28</sup> R. Teeuwen, (2015), *Draft Manual HLU Structure*



VSLA can be an opportunity to improve the rural economy, provision of technical assistance and capacity building to these groups along with regular monitoring coupled with access to financial services in line with Islamic modes of financing and appropriate levels of management could be extremely useful.

### **4.3 Recommendations for donors**

Most donors like to fund a programme with a clear set of outputs, outcomes and impacts and would like to see the changes attributed to the programme they have funded. However, it should be noted that in the complex context of Afghanistan, there is a need for flexible and adaptive programming. The unpredictable environment makes that CARE need to be able to make adjustments while implementing and the realities on the ground provide the starting point for programming. This also means that accountability takes more the form of collective contribution, rather than single agency attribution. CARE and donors should be in contact on a regular basis and developing a detailed Theory of Change of the total programme will support making the collective efforts visible.



## **ANNEX 1**

List of projects under review

Program	Project	Duration		Target province	Type of support to SAL			
		Start	End		Name of formed Structure	Trainings	Livestock distribution	Linkage
Resilient Enhancement Program (Previously called Humanitarian Rural Assistance Program [HRAP])	Resilient Livelihoods Projects	01-Jan-15	31-Dec-17	Balkh	VSLA	VSAL orientation, business development, gender,	To the most vulnerable women	DAIL, MoWA
	Ghazni Livelihood Enhancement Project for IDPs, Returnees and those Vulnerable to Displacement II	01-Aug-13	31-Oct-14	Ghazni	Community Based Savings and Loan Groups (CBSLGs)	Literacy, business development and marketing, livestock training		
	Ghazni Livelihood Enhancement Project for Internally Displaced Persons (IDPs), Returnees and those vulnerable to displacement.	01-Aug-12	31-Jul-13	Ghazni	Community-based Savings and Loan Groups (CBSLG)	livestock care and production, Business Development, saving and loan management	Poor women	
Women and Girls Empowerment Program (Previously called Humanitarian Assistance for Women of Afghanistan [HAWA])	Widows Association for Advocacy in Afghanistan	01-May-15	31/01/2016 & with extension to Dec 2017	Kabul	VSLA	Women's right, literacy	(150 cows)distributed to the most vulnerable women	
	Literacy Project for Community Based Saving Groups	01-May-13	31-May-14	Kabul		Literacy		
	Women's Income Generation through Livestock Development	01-Jan-12	31-Dec-14	Kabul	Community Based Saving Groups	Livestock husbandry, Group Formation & operational Procedures, Business Development	To women	Linkage with Field Veterinary Units (VFUs)
	Widows' Income Generation through Livestock Development	Jun-10	May-12	Kabul	Savings and Credit Groups	Savings and credit, Leadership, livestock husbandry, Business Development	To widows	Linkage with MAIL
	Widows' Income generation through livestock Development	01-Jan-07	31-Dec-07	Kabul	Savings and Credit Groups	animal husbandry, microfinance, marketing, savings and credit	To widows	
	Widows Associations For Advocacy in Afghanistan			Kabul, Balkh				
	Women's Income Generation through Livelihood Development	Aug-14	2016	Kabul	Community Based Saving Groups	business planning, Literacy and numeracy training	No livestock	Linkage with Microfinance Association (AMA),
	Foundation For Peace (FFP)	1-Jul-12	30-Jun-16	Kabul, Balkh, Nangar	VSLA	marketing, savings and credit, basic literacy and numeracy, livestock rearing, Improved hygiene	(450 cows)distributed to the most vulnerable women	



## **ANNEX 2**

### Evaluation Matrix

EVALUATION CRITERIA	EVALUATION QUESTIONS	MEANS OF VERIFICATION / INDICATORS	SOURCE OF VERIFICATION	DATA COLLECTION METHODOLOGY
<b>Effectiveness : Key question: To what extent did the VSLA/ Community based Savings Groups lead to increased household income and increased women's participation?</b>	1. What do you (the woman/ family) do with the resources that you get from the VSLA/ Communitybased Savings Group?	<b>Inventory of expenditures/ allocation/ use of the funds</b>  <b>% of the VSLA funds in comparison to total household income</b>	Targeted women/ men (community members Targeted government officials Targeted CSOs	Focus group discussions Questionnaires Interviews
	2. How do the VSLA/ Communitybased Savings Group support you in time of disaster?	<b>Inventory of what the group did for the members in dire times</b> <b>Inventory of how the funds have helped in dire times (these can be qualitative examples)</b>	Targeted women/ men (community members Targeted government officials Targeted CSOs	Focus group discussions Questionnaires Interviews
	3. What disasters (man-made/ natural/ other) did you experience over the past project period?	<b>Inventory of shocks/ disasters faced by individual/ communities</b>	Targeted women Community members (incl men) Local government representatives	Focus group discussions Questionnaires Interviews
	4. Which trainings were most effective and why?	<b>Inventory of trainings and feedback on importance/ relevance</b>	Targeted women Community members (incl men) Local government representatives	Focus group discussions Questionnaires Interviews

	5. What are the additional services that the VSLA/ Communitybased Savings Group bring to you? And what is the quality?	<b>Inventory of additional services</b>	Targeted women/ Community members (incl men) Local government representatives	Focus group discussions Questionnaires Interviews
	6. To what extent have women benefitted from the VSLA?	<b>Inventory of how women have used the funds</b> <b>Inventory of how women have influenced household decision making</b> <b>Inventory of who pays back the loan/ contributes to the savings groups?</b>	Targeted women/ Community members (incl men) Local government representatives	Focus group discussions Questionnaires Interviews
	7. To what extent does the inclusion of women in the VSLA/ Community based Savings Groups contribute to conflict prevention and resolution?		Targeted women/ Community members (incl men) Local government representatives	Focus group discussions Questionnaires Interviews
<b>EVALUATION CRITERIA</b>	<b>EVALUATION QUESTIONS</b>	<b>MEANS OF VERIFICATION / INDICATORS</b>	<b>SOURCE OF VERIFICATION</b>	<b>DATA COLLECTION METHODOLOGY</b>
<b>Impact : Key question: To what extent did the VSLA/ Community based Savings Groups lead</b>	1. What effects did the VSLA/ Community based Savings Groups bring to you and the community?	<b>Inventory of positive effects</b> <b>Inventory of negative shocks</b>	Targeted women Community members Local government representatives	Focus group discussions Questionnaires Interviews

to more resilience of the women/ household/ communities against shocks?	2. What has been the most significant change for you since you joined (control question), in other words: How did you respond differently to shocks/ hazards than before joining the VSLA/ Community Based Savings Groups?	<b>Inventory of shocks and how individual/ household / community responded</b>  <b>What have been the responses to shocks? And how are they different from before?</b>	Targeted women Community members Local government representatives	idem
	3. What has been the change in the wellbeing of women?	<b>Inventory of food security indicators (compared to baseline)</b> <b>Inventory of nutritional indicators (compared to baseline)</b> <b>Inventory of income/ expenditures (compared to baseline)</b>	Targeted women Community members Local government representatives	idem
	4. What has been the change in the wellbeing of the household?	<b>Inventory of food security indicators (compared to baseline)</b> <b>Inventory of nutritional indicators (compared to baseline)</b> <b>Inventory of income/ expenditures (compared to baseline)</b>  <b>Inventory of the changes in wellbeing (also qualitative:</b>	Targeted women Community members Local government representatives	idem
	5. What has been the change in the wellbeing of the community?	<b>Inventory of food security indicators (compared to baseline)</b> <b>Inventory of nutritional indicators (compared to baseline)</b> <b>Inventory of income/ expenditures (compared to baseline)</b>	Targeted women Community members Local government representatives	idem

<p><b>Sustainability: Key question: To what extent is it likely that the VSLA / Community based Savings Groups continue to exist and to what extent will the resilience remain?</b></p>	1. When you think about the VSLA, how confident are you that it will stay active after project completion?	<b>Inventory of responses</b>	Targeted women Community members Local government representatives	idem
	2. When you think about the changes that the VSLA/ Community based Savings Groups brought about, will they remain? If yes, Why and if no, Why not?	<b>inventory of responses</b>	Targeted women Community members Local government representatives	idem
	3. Do you know of a VSLA that has been dissolved in your community and the reasons why?	<b>inventory of responses</b>	Targeted women Community members Local government representatives	idem
	4. Does the group have any plans or goals for the next few years? How will you proceed to achieve that plan/goal?	<b>inventory of responses</b>	Targeted women Community members Local government representatives	idem
	5. Is there anything else you would like to say about the VSLA program?	<b>inventory of responses</b>	Targeted women Community members Local government representatives	idem





## **ANNEX 3**

List of people interviewed

<b>Name</b>	<b>Position</b>	<b>Organisation</b>
Mohammad Wakil	Sr. Program Coordinator	CARE Afghanistan
Wahidullah Wahid	Sr. Program Coordinator	CARE Afghanistan
Nabila Ahmadi	Gender Advisor	CARE Afghanistan
Saeeda Serat	Deputy Project Manager	CARE Afghanistan
Dr. Mari Abdi	Sr. Provincial Representative of Balkh province	CARE Afghanistan
Mustafa Taheri	Project Manager Resilient Livelihoods Program	CARE Afghanistan
Josephine Saminakuu	Assistant Country Director Programs	CARE Afghanistan



## **ANNEX 4**

### Documentation

Below CARE's project documents/reports that were consulted during the research:

Project Name	Duration of the Project		Target province
	Start Date	End Date	
Resilient Livelihood Project for Vulnerable Rural Communities in Balkh Province	01-Jan-15	31-Dec-17	Balkh
Ghazni Livelihood Enhancement Project for IDPs, Returnees and those Vulnerable to Displacement II	01-Aug-13	31-Oct-14	Ghazni
Ghazni Livelihood Enhancement Project for Internally Displaced Persons (IDPs), Returnees and those vulnerable to displacement.	01-Aug-12	31-Jul-13	Ghazni
Widows Association for Advocacy in Afghanistan	01-May-15	31-Dec- 2017	Kabul
Literacy Project for Community Based Saving Groups	01-May-13	31-May-14	Kabul
Women's Income Generation through Livestock Development	01-Jan-12	31-Dec-14	Kabul
Widows' Income Generation through Livestock Development	01 -Jun-10	31-May-12	Kabul
Widows' Income generation through livestock Development	01-Jan-07	31-Dec-07	Kabul
Women's Income Generation through Livelihood Development	01-Aug-14	30- Sep-2016	Kabul
Foundation For Peace (FFP)	1-Jul-12	30-Jun-16	Kabul, Balkh, Nangarhar