

**PARSA: Capacity Building Program for Reintegration and Social Protection in Afghanistan, phase III. 2024-2026**

<p><b>Key results:</b></p> <ol style="list-style-type: none"> <li>1. Afghan returnees and other Transition to Community program participants have access to intensive, individualized services that meet their psychosocial, economic, and social needs.</li> <li>2. The Trade Afghan Economic Program provides opportunities that support program participants in achieving sustainable economic independence.</li> <li>3. National stakeholders have improved capacities in delivering reintegration and social protection services to the beneficiaries they serve.</li> </ol> <p><b>Justification for support:</b></p> <p>Addressing irregular migration is a key objective in Denmark's strategy for development cooperation "The World We Share". This project will contribute to this objective by strengthening cooperation and capacity of partner countries (in this case Afghanistan) to manage irregular migration.</p> <p><b>Major risks and challenges:</b></p> <ul style="list-style-type: none"> <li>- Political volatility leading to changes in leadership of relevant authorities in Afghan administration, leading to decreased cooperation with the project. This risk will be sought mitigated by the development of MoU that will carry over to any new administration.</li> <li>- Access to finance is a risk with a high degree of impact. This risk is mitigated through careful financial planning and coordinating with other organizations to determine multiple avenues for accessing cash.</li> <li>- The potential for the degradation of the security situation in Afghanistan is an ongoing risk. This is mitigated by regular risk assessment and the ability to adjust activities.</li> </ul>	<b>File No.</b>	2023-23697																					
	<b>Country</b>	Afghanistan																					
	<b>Responsible Unit</b>	MNS																					
	<b>Sector</b>	15190, Facilitation of orderly, safe, regular and responsible migration and mobility																					
	<b>Partner</b>	PARSA																					
		<i>DKK million</i>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>																	
	<b>Commitment</b>	20				20																	
	<b>Projected disbursement</b>	10	5	5		20																	
	<b>Duration</b>	1 January 2024 - 31 December 2026																					
	<b>Previous grants</b>	DSPP I & DSPP II (total DKK 38.2 mil.)																					
	<b>Finance Act code</b>	§06.32.10.13																					
	<b>Head of unit</b>	Jens Godtfredsen																					
	<b>Desk officer</b>	Merve Yalcin																					
<b>Reviewed by CFO</b>	Allan Emil Heldbjerg																						
<b>Relevant SDGs</b>																							
<table border="1"> <tr> <td> No Poverty</td> <td> No Hunger</td> <td> Good Health, Wellbeing</td> <td> Quality Education</td> <td> Gender Equality</td> <td> Clean Water, Sanitation</td> </tr> <tr> <td> Affordable Clean Energy</td> <td> Decent Jobs, Econ. Growth</td> <td> Industry, Innovation, Infrastructure</td> <td> Reduced Inequalities</td> <td> Sustainable Cities, Communities</td> <td> Responsible Consumption &amp; Production</td> </tr> <tr> <td> Climate Action</td> <td> Life below Water</td> <td> Life on Land</td> <td> Peace &amp; Justice, strong Inst.</td> <td> Partnerships for Goals</td> <td></td> </tr> </table>						 No Poverty	 No Hunger	 Good Health, Wellbeing	 Quality Education	 Gender Equality	 Clean Water, Sanitation	 Affordable Clean Energy	 Decent Jobs, Econ. Growth	 Industry, Innovation, Infrastructure	 Reduced Inequalities	 Sustainable Cities, Communities	 Responsible Consumption & Production	 Climate Action	 Life below Water	 Life on Land	 Peace & Justice, strong Inst.	 Partnerships for Goals	
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**Objectives**

To create pathways to sustainable reintegration with a focus on economic stability for Afghan returnees, persons with specific needs, and other Afghans who need to transition to independent living in Afghan society, while building the capacity of other stakeholders working to support vulnerable Afghans.

**Environment and climate targeting - Principal objective (100%); Significant objective (50%)**

	Climate adaptation	Climate mitigation	Biodiversity	Other
<b>Indicate 0, 50% or 100%</b>	0%	0%	0%	0%
<b>Total green budget (DKK)</b>	-	-	-	-

**Justification for choice of partner:**

PARSA has operated for 27 years in Afghanistan and has extensive experience conducting social protection programs for vulnerable individuals. PARSA has demonstrated results in reintegration of Persons with Specific Needs and returnees including through the implementation of Phase I and II of this project, in which the foundation for PARSA's Transition to Community reintegration program and Trade Afghan Economic Program were established and piloted with returnees referred to by countries and Persons with Specific Needs referred from other agencies in Afghanistan. Additionally, PARSA is chosen as a partner due to their extensive and longstanding partnership with the Afghan Red Crescent Society, the national institution mandated to care for vulnerable Afghans.

**Summary:**

The project aims to expand the services offered to returnees through PARSA's Transition to Community Program, further contributing to avenues for sustainable reintegration in Afghanistan. To support returnees in achieving economic independence, the project continues to develop a robust economic program that includes an economic centre in Kabul and a national business network. In addition to serving returnees, this project will also cater to widows, elderly without family, persons living with disability or mental illness, and other Persons with Specific Needs.

**Budget:**

Outcome 1: Direct reintegration services	DKK 4,395,049
Outcome 2: Trade Afghan Economic Program	DKK 6,810,399
Outcome 3: Capacity Building	DKK 7,542,763
Indirect Costs (6.3%)	DKK 1,251,790
<b>Total</b>	<b>DKK 20,000,000</b>

## 1. Context, strategic considerations, rationale, and justification

During Phase I of the DSPP project from 1 October 2019 to 30 June 2022, and Phase II from 1 July 2022 to 31 December 2023, PARSA laid the foundation and implemented a complex and responsive approach to sustainably reintegrating returnees to Afghanistan. Utilizing methodology that fundamentally addresses the challenges of returnees through psychosocial support, economic training and sustainable income-generation support, self-organizing support groups, social support, community engagement, and long-term mentoring, PARSA's program effectively provides what returnees need to achieve sustainable reintegration.

Integral to the development of the program is PARSA's capacity building program for the Afghan Red Crescent Society (ARCS) and the involvement of ARCS directors and staff in renovation and training programs. This aspect of the project focuses on supporting five regional ARCS Marastoons<sup>1</sup>, which are compounds that serve impoverished and vulnerable Afghan people through the provision of housing, food, and services that support Marastoon residents to transition back to independent living in Afghan society. This synergistic relationship supported the ARCS to maintain and improve the Marastoons and to develop programs comparable to PARSA's that serve the population they are mandated to care for.

In Phase I of the project, PARSA developed a comprehensive reintegration program for returnees and others who require support in transitioning to community. PARSA's Transition to Community Program is designed to provide intensive individualized services for Afghans facing extreme challenges that lead to sustainable reintegration into Afghan society. In Phase I, the program was documented and piloted with returnees from Denmark and with Persons with Specific Needs (PSN) who were referred to PARSA's program from partners inside Afghanistan. During this phase, physical infrastructure was developed including the establishment of the PARSA Family Villages, which are residential complexes with accommodation for women and families (PFV 1) and men (PFV 2). Facilities developed during Phase I also include a clinic, economic center for women, meeting space for returnee activities, training space, and economic infrastructure including greenhouses, agriculture fields, and vocational training buildings.

In Phase II of the project, PARSA continued to serve returnees as the target population. This phase focused on adapting the program for a political context working under the new de facto government, the Islamic Emirate of Afghanistan (IEA), with a key focus on the expansion of economic opportunities through PARSA's Trade Afghan Economic Program. Trade Afghan is designed to create access to market and pathways to economic independence for people with diverse levels of need and skills, serving beneficiaries through multiple approaches including training, work experience, and access to resources. Phase II included the inauguration of the Trade Afghan Economic Center in Kabul, a large facility dedicated to creating sustainable pathways to economic independence for beneficiaries, and of the Trade Afghan Business Network, a national network of entrepreneurs at all levels of business that offers training, marketing, and other support.

PARSA's relationship with ARCS and capacity building program for the Marastoons provided a bridge between the former government and the new IEA government appointees operating ARCS. Phase II of the project yielded a firm relationship of mutual support with the IEA, with PARSA directors strictly adhering to agreements related to overseeing and managing funding allocations for renovation of the

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<sup>1</sup> Marastoons, meaning "places of assistance" in Pashto, were created by the Afghan Government in the 1930s to offer temporary accommodation for the vulnerable individuals. Residents include the poor, widows, single mothers with children, orphans, the elderly, persons living with disability or mental illness, and other PSN individuals. Afghans who wish to live at the Marastoons apply for a position, and if accepted, are provided food and accommodation for up to two years. There are five Marastoons in all, one each in Kabul, Herat, Mazar-i-Sharif, Jalalabad and Kandahar.

Marastoons. The positive technical relationship with ARCS laid the groundwork for Phase III of the project, with ARCS actively participating in the capacity development process and both entities focused on economic opportunity as the most urgent need for the country.

In Phase III of this project, PARSA intends to continue to build on the foundation developed in the previous years of programming including the Transition to Community Program and the Trade Afghan Economic Program. PARSA will implement components in Trade Afghan that will allow PARSA to reach more beneficiaries nationally, providing effective basic support to Afghans who are struggling to survive economically. PARSA will also pilot a new training component called “Leadership and Entrepreneurship,” to be delivered through PARSA’s national volunteer network. The component will be designed to be delivered by other stakeholders and will result in families and communities developing their own pathways to economic survival.

PARSA’s proposed program is designed to establish innovative and effective ways to address the needs of Afghans facing extreme and multiple challenges in Afghanistan’s current cultural, political, and economic context. Central to this project in the next three years will be PARSA’s drive to develop innovative ways to support Afghan communities while also building the capacity of national stakeholders to replicate the effective programming that PARSA conducts for Afghans who need to reintegrate into communities.

### **Returnees with specific needs**

PARSA’s Transition to Community program is designed to support returnees, both men and women with specific needs including psychosocial and/or psychological issues, a profound sense of displacement from extended time in another country, economic viability, and lack of family network. PARSA has worked with beneficiaries including returnees with severe psychological issues, a history of incarceration, a history of institutionalization, and returnees who have little experience living in Afghanistan. The comprehensive nature of PARSA’s programs and one-to-one individualized program approach allows returnees with specific needs to receive support at multiple levels, while also working to achieve financial independence.

### **Project rationale**

This project addresses individual returnee needs through PARSA’s Transition to Community Program, with a strong focus on ensuring returnees have access to sustainable pathways to financial independence through PARSA’s Trade Afghan Economic Program. The project also ensures that learning will be shared with other national stakeholders such as NGOs that work with returnees and displaced persons and de facto government entities that have a mandate to care for people in need of economic support including ARCS, Ministry of Refugees and Repatriation of Iraq, and the Ministry of Labour and Social Affairs of Iraq in order to benefit a greater number of Afghans who are in need of support to reintegrate into Afghan society.

### **PARSA as implementing partner**

PARSA has operated for 27 years in Afghanistan and has extensive experience with operating social protection programs for vulnerable individuals. PARSA has demonstrated results in reintegration of Persons with Specific Needs and returnees, including through the successful implementation of Phase I and II of this project. Additionally, PARSA is chosen as a partner due to an extensive and longstanding partnership with the Afghan Red Crescent Society, which is the agency in Afghanistan with the mandated responsibility for the national emergency response and reintegration of vulnerable Afghan people into communities with sustainable income. This mandate survived the regime change in 2021, and PARSA’s long-standing relationship with ARCS facilitated PARSA’s smooth transition to working with the de facto

government, allowing PARSA to support the building of ARCS capacity through the new administration. PARSA's managers have found the new administration responsive and willing to work with PARSA, which is the foundation for a successful phase III of the project.

## 2. Project objective

The **overall objective** of the project is to create pathways to sustainable reintegration with a focus on economic stability for Afghan returnees, persons with specific needs, and other Afghans who need to transition to independent living in Afghan society, while building the capacity of other stakeholders working to support vulnerable Afghans.

This will be accomplished through **three specific objectives**:

1. Providing individualized pathways to sustainable reintegration for Afghan returnees, persons with specific needs, and others through PARSA's Transition to Community Program.
2. Building on the foundation of the Trade Afghan Economic Program to establish economic services that create sustainable economic opportunities.
3. Providing capacity building support to national stakeholders working on social protection of vulnerable Afghans.

Through these objectives, the project intends to make the following **impact**:

1. Transition to Community program participants are able to sustainably reintegrate into Afghan society.
2. Trade Afghan program participants are able to meet their economic needs independently and sustainably.
3. Improved services are available to vulnerable Afghans in need of reintegration and/or social protection.

The above objectives will be met through the following **outcomes and outputs**, achieved through the respective **activities**:

**Outcome 1. Afghan returnees and other Transition to Community program participants have access to intensive, individualized services that meet their psychosocial, economic, and social needs.**

**Output 1.1** The formalization of Transition to Community Program is complete, including modifications in response to current political and economic context.

**Activity 1.1.1** Completing program documentation including procedures, manuals, curriculum, and a train-the-trainer program that positions PARSA to train other stakeholders in the Transition to Community program methodology. Stakeholders may include Afghan-led NGOs and/or ARCS Marastoon staff.

**Output 1.2** Program participants are provided with intensive, individualized reintegration services.

**Activity 1.2.1** Provision of intensive services including individualized transition planning, psychosocial assessment and support, community integration through volunteer opportunities and networking, work experience, vocational training, job search, entrepreneurship opportunities, and grant planning (where applicable).

**Outcome 2. The Trade Afghan Economic Program provides opportunities that support program participants in achieving sustainable economic independence.**

**Output 2.1** The Trade Afghan Business Network is formalized and expanded.

**Activity 2.1.1** Completing program documentation including intake, assessment, curriculum, trainings, and process for individualized support for TABN members.

**Activity 2.1.2** Development of Trade Afghan website and ecommerce platform; job creation for targeted beneficiaries; exploring grant opportunities through other agencies for business grants; establishment of access to market pathways.

**Output 2.2** A full program of services is available at the Kabul Trade Afghan Economic Center.

**Activity 2.2.1** Development and provision of a full program of services including vocational training programs, work experience opportunities including through in-house businesses, job search mechanisms, exhibits, and events that target new and emerging market opportunities specific to current economic context.

**Output 2.3** A new training component, called Leadership and Entrepreneurship, has been piloted.

**Activity 2.3.1** Development of a new training component, called Leadership and Entrepreneurship that supports beneficiaries in learning entrepreneurship skills.

**Activity 2.3.2** Leadership and Entrepreneurship component piloted in Kabul through referred beneficiaries and in communities regionally through community-based self-organizing networks. Referred beneficiaries may include ARCS Kabul Marastoon residents.

**Output 2.4** Documentation of Trade Afghan program is complete including train-the-trainer component.

**Activity 2.4.1** Completing program documentation including procedures, manuals, curriculum, and a train-the-trainer component that positions PARSA to train other stakeholders in the Trade Afghan program methodology. Stakeholders may include Afghan-led NGOs and/or regional ARCS Marastoon staff.

**Outcome 3. National stakeholders have improved capacities in delivering reintegration and social protection services to the beneficiaries they serve.**

**Output 3.1** Stakeholders are trained in Trade Afghan program methodology.

**Activity 3.1.1** Provision of training in Trade Afghan program methodology.

**Output 3.2** Stakeholders are trained in Transition to Community program methodology

**Activity 3.2.1** Provision of training in Transition to Community program methodology.

**Output 3.3** Stakeholders receive allocation of funding for infrastructure projects that directly benefit stakeholder's beneficiaries.

**Activity 3.3.1** Stakeholders (ARCS Marastoons) are engaged in process of designing infrastructure projects that improve stakeholders' ability to serve vulnerable beneficiaries.

PARSA will provide the following inputs for implementation:

- Expertise specific to the Afghan context related to psychosocial, social, and economic aspects of reintegrating vulnerable people into Afghan society. Expertise in operating in Afghanistan in the current political environment.
- Expertise related to supporting Afghan returnees from Denmark in sustainable reintegration (phase I and II).
- Robust economic program (Trade Afghan) including physical infrastructure that will provide reliable tracks to economic independence for returnees.
- Strong relationship with national stakeholders including government oversight line ministry (ARCS).

### 3. Theory of change and key assumptions

The theory of change that forms the basis of this project is that *if* Afghan returnees, persons with specific needs, and others transitioning to independent living in Afghan society succeed in terms of their social, economic, and psychosocial well-being, *then* they will achieve sustainable reintegration.

PARSA’s program design assumes the following:

1. When an individual is able to see hope and possibility in their circumstances and is provided skills and support to act on that possibility, that individual can overcome the challenges they are facing and achieve their goals.
2. Each individual returnee brings valuable capacity upon their return to the country.
3. Returnees require individualized short-term and long-term support to reintegrate that addresses their psychosocial, economic, and social needs. Returnees who have been outside the country for significant time may also require orientation to Afghan society including cultural norms, language, accessing public services, etc.
4. Returnees are willing to take part in individual reintegration counselling, support, and monitoring activities; stakeholders are willing to collaborate; the de facto authorities allow the program to operate; risks can be mitigated and do not hamper project activities.

PARSA continues to observe across all its programs that a holistic approach to supporting beneficiaries that addresses social, economic, and psychosocial well-being is the most effective approach to supporting beneficiaries to become successful members of Afghan society. PARSA’s Transition to Community Program provides individualized support utilizing multiple resources that include tailored reintegration plans, psychosocial support including social workers, access to economic support, and follow up through a social network of other returnees.

### 4. Draft results framework

For reporting purposes to Danish Ministry of Foreign Affairs (MFA) the following key outcome and output indicators have been selected to document progress:

<b>Project title</b>	<b>Capacity Building Program for Reintegration and Social Protection in Afghanistan, Phase III (Danish Social Protection Program)</b>
<b>Project objective</b>	To create pathways to sustainable reintegration with a focus on economic stability for Afghan returnees, persons with specific needs, and other Afghans who need to transition to independent living in Afghan society, while building the capacity of other stakeholders working to support vulnerable Afghans
<b>Impact</b>	1. Transition to Community program participants are able to sustainably reintegrate into Afghan society.

		2. Trade Afghan program participants are able to meet their economic needs independently and sustainably. 3. Improved services are available to vulnerable Afghans in need of reintegration and/or social protection.
<b>Impact Indicator</b>		1. % of participants reporting that they have successfully reintegrated into Afghan society. 2. % of participants reporting that they are able to meet their economic needs 3. # of national stakeholders that have received capacity building training
<b>Baseline</b>	<b>2024</b>	Baseline study to be conducted at project start.
<b>Impact Targets</b>	<b>2026</b>	1. 80% of surveyed participants 2. 80% of surveyed participants 3. 5 stakeholders receive training per year
<b>Outcome 1</b>		<b>Afghan returnees and other Transition to Community program participants have access to intensive, individualized services that meet their psychosocial, economic, and social needs.</b>
<b>Outcome indicators</b>		1a. # of participants in PARSA's Transition to Community Program 1b. % of participants reporting that the Transition to Community program met their psychosocial, economic, and social needs
<b>Baseline</b>	<b>2024</b>	Baseline study to be conducted at project start.
<b>Outcome Targets</b>	<b>2026</b>	1a. Up to 60 participants per year 1b. 80% of surveyed participants
<b>Outputs</b>		1.1 The formalization of Transition to Community Program is complete, including modifications in response to current political and economic context. 1.2 Program participants are provided with intensive, individualized reintegration services
<b>Output indicators</b>		1.1a. % of program components fully documented 1.2a # of participants in PARSA's Transition to Community Program
<b>Baseline</b>	<b>2024</b>	No baseline data available.
<b>Output Targets</b>	<b>2026</b>	1.1a. 100% of components 1.2a. Up to 60 participants per year
<b>Outcome 2</b>		<b>The Trade Afghan Economic Program provides opportunities that support program participants in achieving sustainable economic independence.</b>
<b>Outcome indicators</b>		2a. # of members in Trade Afghan Business Network 2b. % of Trade Afghan Business Network members that report TABN services are beneficial 2c. # of economic pathways established through the Kabul Trade Afghan Economic Center
<b>Baseline</b>	<b>2024</b>	Baseline study to be conducted at project start.
<b>Outcome Targets</b>	<b>2026</b>	2a. 10 new members per year 2b. 80% of surveyed members 2c. 10 economic pathways over three years
<b>Outputs</b>		2.1 The Trade Afghan Business Network is formalized and expanded. 2.2 A full program of services is available at the Kabul Trade Afghan Economic Center 2.3 A new training component, called Leadership and Entrepreneurship, has been piloted 2.4 Documentation of Trade Afghan program is complete including train-the-trainer component

<b>Output indicators</b>		2.1a. % of program components fully documented 2.1b. # of members in Trade Afghan Business Network 2.2a. # of participants accessing services at the Kabul Trade Afghan Economic Center 2.2b. # of vocational training programs established and documented 2.2c. # of exhibits held 2.3a. % of Leadership and Entrepreneurship training component documented 2.3b. # of facilitators of self-organizing networks that receive training in Leadership and Entrepreneurship component 2.3c. # of referred Kabul beneficiaries who receive Leadership and Entrepreneurship training program 2.4a. % of program components fully documented
<b>Baseline</b>	<b>2024</b>	Baseline study to be conducted at project start.
<b>Output Targets</b>	<b>2026</b>	2.1a. 100% of components 2.1b. 10 new members per year 2.2a. 100 per year 2.2b. 5 training programs per year 2.2c. 2 per year 2.3a. 100% documented 2.3b. 50 facilitators per year 2.3c. 30 beneficiaries per year 2.4a. 100% of components
<b>Outcome 3</b>		<b>National stakeholders have improved capacities in delivering reintegration and social protection services to the beneficiaries they serve.</b>
<b>Outcome indicators</b>		3a. # of national stakeholders that have received capacity building training 3b. # of consulting meetings held with ARCS staff focused on capacity building in social protection
<b>Baseline</b>	<b>2024</b>	Baseline study to be conducted at project start.
<b>Outcome Targets</b>	<b>2026</b>	3a. 5 stakeholders receive training per year 3b. 6 consulting meetings held per year
<b>Outputs</b>		3.1 Stakeholders are trained in Trade Afghan program methodology 3.2 Stakeholders are trained in Transition to Community program methodology 3.3 Stakeholders receive allocation of funding for infrastructure projects that directly benefit stakeholder's beneficiaries.
<b>Output indicators</b>		3.1a. # of stakeholders trained in Trade Afghan program methodology 3.2a. # of stakeholders trained in Transition to Community program methodology 3.3a. # of infrastructure projects complete
<b>Baseline</b>	<b>2024</b>	Baseline study to be conducted at project start.
<b>Output Targets</b>	<b>2026</b>	3.1a. 5 stakeholders trained 3.2a. 5 stakeholders trained 3.3a. 5 projects (one per region)

## 5. Budget

The budget provided in below is currently expressed at outcome level. A detailed output-based budget will be submitted for approval during the project formulation phase. The commitment will be the DKK equivalent of the total budget.

Outcome Area	Year 1	Year 2	Year 3	Total DKK
Outcome 1: Direct reintegration services	1,465,016 kr.	1,465,016 kr.	1,465,016 kr.	4,395,049 kr.
Outcome 2: Trade Afghan Economic Program	2,270,133 kr.	2,270,133 kr.	2,270,133 kr.	6,810,399 kr.
Outcome 3: Capacity Building	2,514,254 kr.	2,514,254 kr.	2,514,254 kr.	7,542,763 kr.
Indirect Costs (6.3%)	468,984 kr.	391,403 kr.	391,403 kr.	1,251,790 kr.
<b>Total DKK</b>	<b>6,718,387 kr.</b>	<b>6,640,806 kr.</b>	<b>6,640,806 kr.</b>	<b>20,000,000 kr.</b>

Outcome Area	Year 1	Year 2	Year 3	Total USD
Outcome 1: Direct reintegration services	\$212,442	\$212,442	\$212,442	\$637,326
Outcome 2: Trade Afghan Economic Program	\$329,192	\$329,192	\$329,192	\$987,576
Outcome 3: Capacity Building	\$364,592	\$364,592	\$364,592	\$1,093,776
Indirect Costs (6.3%)	\$68,007	\$56,757	\$56,757	\$181,522
<b>Total USD</b>	<b>\$974,233</b>	<b>\$962,983</b>	<b>\$962,983</b>	<b>\$2,900,200</b>

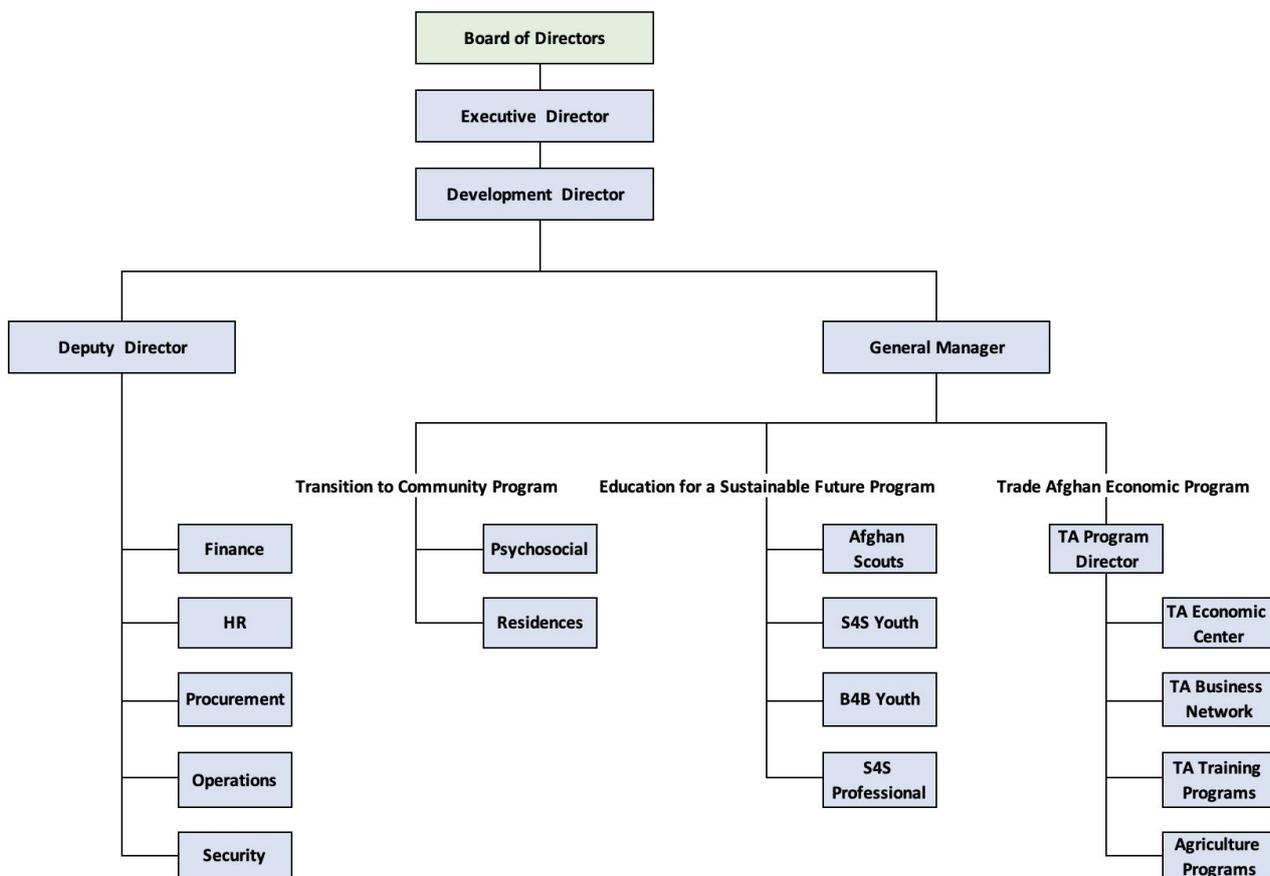
## 6. Institutional and Management arrangement

### PARSA organizational structure

PARSA is governed by a volunteer international Board of Directors who serve a minimum three-year term and who are responsible for the viability of PARSA. Board meetings are conducted quarterly with additional monthly meetings for advisory committees including governance, programs and development, security, and finance. The Executive Director is directly accountable to the Board of Directors for implementing PARSA's strategic plan and conducting PARSA's operations consistent with the laws of Afghanistan and the United States. PARSA's mission indicates that PARSA is only focused on serving in Afghanistan. All PARSA national and international staff including PARSA's Executive Director (U.S. citizen) reside in Afghanistan, with the exception being PARSA's Development Director (Canada).

In addition to the ongoing partnership with Denmark through DSPP Phase II, PARSA is currently funded by the Swiss Development Corporation, the U.S. Department of State through a project led by the International Rescue Committee, several U.S.-based foundations, and an international community of grassroots donors. In the past decade, PARSA has also received funding from The Asia Foundation, The Embassy of Canada, U.S. Embassy Public Affairs Section, War Child Canada, U.K. Department for International Development, PROMOTE-WIE, Canadian Women 4 Women, among others. Through these partnerships, PARSA has initiated a variety of programs tailored to the Afghan context, taking a holistic approach where participants have access to resources across programs. PARSA takes a contextualized approach that is highly responsive to feedback from program participants, staff at all levels of the organization, and other stakeholders.

## PARSA Organisational Chart



### Overall project management

PARSA will directly manage all aspects of the project from its main office in Kabul. PARSA’s management team will be responsible for overall project implementation, with PARSA program staff taking responsibility for activities according to expertise.

PARSA will stay in regular contact with points of contact from the Danish government in respect to the overall project management and progress. PARSA values close coordination with partners to ensure all involved have a clear understanding of expectations, achievements, and challenges. In the current turbulent political situation in Afghanistan, PARSA ensures that partners are clearly informed of any impact that the situation has on PARSA operations and projects, and that partners are included in decision making should adaptations become necessary.

### Reporting and financial management

Financial and narrative reporting will be conducted on a quarterly basis. Annual narrative and certified financial reports as well as external audits will be completed and shared within six months after the reporting period.

PARSA ensures robust financial management that adhere to the Danish [General Guidelines for Financial Management](#). Accounts are kept in accordance with internationally accepted accounting principles and managed by an ACCA-accredited professional accountant.

## Capacity assessment

PARSA’s current partner IRC has conducted a detailed capacity assessment of PARSA (including financial management) for the ongoing U.S. Department of State funded project “Afghan Women Economic Empowerment Through Leveraging the Private Sector” with a positive outcome. Previously, capacity assessments have also been conducted by UK DFID for the project “Peace of Mind Afghanistan” in 2019 as well as due diligence packages for U.S. Embassy for the project “Afghan Scouts” (2010-2021).

The Danish Ministry of Foreign Affairs will conduct a partner assessment and virtual financial supervision visit to PARSA in August 2023.

## 7. Risk management

Risk	Potential impact on the project	Likelihood	Impact	Management strategy
Security for internationals (IS-Khorasan)	Management in first year of the project could be interrupted	Possible	Moderate	All security restrictions in place to minimize risk to internationals working on the program, and remote management strategies in place.
Political volatility including new decrees by IEA that affect NGO operations	Adjustments to project activities and operating structure	High	Moderate	PARSA has government liaison staff dedicated to ensuring clear understanding of IEA regulations. PARSA is a member of the NGO coordinating body, ACBAR, and works with other NGOs to conduct advocacy with the IEA to minimize negative impact of decrees on NGO operations.
Changes in leadership of relevant authorities in Afghan administration	Decreased cooperation, delay of project	High	Moderate	Engaging at multiple levels with new administration to put in place MOU that will carry over to any new administration.
Access to finance to fund project	Delays of project components	High	Major	Working in tandem with other NGOs, financial consultants on solutions related to access to grant funds, and positioning PARSA so that we have multiple approaches to solving the issue.
Degradation of overall security situation	Delays in project activities	Possible	Moderate	Regular risk assessments are conducted including contingency planning for various scenarios.
Security for internationals	Management could be interrupted	Possible	Moderate	Security restrictions are in place to minimize risk to internationals working on the program, and remote management strategies are in place.

## **Islamic Emirate of Afghanistan**

PARSA has taken into account the international community's unified position not to recognize and legitimize the IEA until the de facto authorities have demonstrated a commitment to human rights, including women's rights, and have developed and acted upon setting up an inclusive government framework. PARSA has safeguards in the program design and program management that will allow the implementation so that:

- All finances are controlled by PARSA staff and go directly into program expenses, including projects at the Marastoons, and no funding or expenses are distributed in any way that benefits the IEA administration. Any revenue generated by the project will be done via PARSA financial systems and allocated directly back to program expenses, most notably work experience stipends.
- Beneficiaries for the program will be vetted and placed in the program by PARSA staff and will represent the appropriate targeted population without influence by the IEA administration.
- Program activities will be overseen and monitored in Kabul by senior staff to ensure that the intent of the contract is being implemented. The majority of the activities take place in Kabul which means that PARSA's executive staff are able to provide tactical oversight during this transition to the new IEA government. All activities that take place regionally will be overseen by PARSA staff to ensure the program is implemented as planned.

## Annex 1: Partner Assessment<sup>2</sup>

### 1. Brief presentation of partners

PARSA is a 27-year-old grassroots organization in Afghanistan whose mission is to train and develop Afghan leaders who support Afghan communities and civil society by providing innovative and impactful community-driven programs across the country. PARSA envisions an Afghanistan led by committed Afghan leaders who are dedicated to and capable of caring for all members of society. PARSA implements programs that focus on three areas and are adaptable according to specific needs: youth leadership, economic empowerment, and social protection. PARSA's programs are effective in Afghanistan because of an organization-wide practice of anchoring program implementation in the Afghan cultural and situational context that creates ownership for PARSA's initiatives at all levels of the organization.

### 2. Summary of partner capacity assessment

Founded in 1996, PARSA is a private non-governmental organization working directly with disadvantaged people in Afghanistan. PARSA supports communities as they make their own development solutions, focusing on promoting social change, particularly for women, children, and other vulnerable groups. PARSA is specialized in operating in the Afghan context with a small size allowing PARSA to remain highly adaptive to changes in the political environment, ensuring that programs remain relevant and effective.

PARSA is registered in Afghanistan as an international NGO and in the United States as a 501(c)3 non-profit. PARSA currently has a staff of 105 in Afghanistan that includes expertise in psychosocial health, social protection, economic development, education, community engagement, and psychological wellbeing including a licensed psychiatrist. PARSA's staff is tenured with expertise in the Afghan context, including in navigating the current political climate.

PARSA's main office in Kabul is located within the Afghan Red Crescent Society compound and is a unique campus that includes separate male and female residences, agricultural fields and a farm, a national training center for our Afghan Scouts youth program, and a modern economic development center with a commercial kitchen, manufacturing facility, and training hall. PARSA implements projects in 18 provinces of Afghanistan and has an extensive national volunteer network through its Afghan Scouts program that is active in all 34 provinces. PARSA is the current implementation partner for the Danish Ministry of Foreign Affairs in regard to return and reintegration activities in Afghanistan.

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<sup>2</sup> A detailed partner assessment incl. financial capacity assessment will be undertaken by MNS in August 2023

### 3. Summary of key partner features

Name of Partner	Core business	Importance	Influence	Contribution	Capacity	Exit strategy
PARSA	<p>Complete project management and delivery. Delivery of individualized reintegration services for all Afghanistan.</p> <p>Delivery of capacity building initiatives for national stakeholders and programs that assist vulnerable citizens of Afghanistan.</p>	<p>Medium to High</p> <p>Given how PARSA mostly receives funding from a small number of donors (as opposed to large-scale funding from governments), it might not be able to (financially) sustain the reintegration support and capacity-building activities it is currently implementing in Afghanistan through a Danish-funded project without financing from the proposed intervention.</p>	<p>High</p> <p>PARSA will be responsible for overall project management and implementation.</p>	<p>PARSA will be fully responsible for all aspects of the project.</p> <p>PARSA will deliver individualized reintegration support to Afghan returnees, including working with returnees to develop a reintegration plan with activities tailored to individual needs.</p> <p>PARSA will also develop a robust, multifaceted economic development program that will offer returnees and other vulnerable Afghans avenues to achieve economic independence.</p> <p>Finally, PARSA will conduct capacity building activities with national stakeholders for the purpose of improving local capacities to support vulnerable Afghans to transition to community.</p>	<p><b>Strength:</b> PARSA has extensive experience working at the community level and has consistently evolved over the years to meet the changing needs of the people they support.</p> <p><b>Weakness:</b> PARSA has limited funding streams from a small number of donors.</p> <p><b>Opportunity:</b> Being the current partner of an ongoing Danish-funded project, PARSA will be able to ensure the continuation of reintegration support and capacity-building activities after the project ends.</p> <p><b>Threat:</b> The security and/or political situation might deteriorate to the extent that activities may need to be postponed or relocated. Such circumstances may also reduce the capacity for project implementation due to the need to reallocate resources to immediate security/political responses.</p>	<p>No special requirements are applicable after the contractual obligations have been fulfilled and the contract ends.</p>

## Annex 2: Process Action Plan

Activity	Timing/deadline	Responsible
Finalisation of project document following PC meeting	August	MNS
Detailed partner assessment incl. financial capacity assessment	August	MNS
Appraisal	September	ELK
Follow up on appraisal recommendations	October/November	MNS
Presentation for the Council for Development Policy (UPR)	23 November	MNS
Finalisation of project documentation	November/December	MNS
Approval by the Minister	Mid-December	MNS
Parliamentary Finance Committee, if applicable	N/A	-
Expected timing of commitment	1 January 2024	MNS