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Subject: Approved: FATA Economic Revitalization Program (AID-391-IO-17-00004) FY 2021 Qtr 4 (July 1 - September 30,

2021)

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Wasim Bari (wbari@usaid.gov) has approved reporting for FY 2021 Qtr 4 (July 1 - September 30, 2021) - FATA Economic Revitalization Program (AID-391-IO-17-00004).











United Nations Development Programme

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List of Acronyms:

AIM Akhuwat Islamic Microfinance
ADP Annual Development Plan

BMST Business management skills training

BDG Business Development Grant

BU Bahria university
CU Concepts Unlimited

COVID-19 Coronavirus

ECDF Economic Coordination & Development Forum

FATA Federally Administered Tribal Areas

FTE Full-time equivalent

FERP FATA Economic Revitalization Programme

GoP Government of Pakistan

IEC Information, Education and Communication

IED Improvised explosive device

IM Sciences Institute of Management Sciences

IP Implementing Partner IRP Islamic Relief Pakistan

IIUI International Islamic University Islamabad

KP Khyber Pakhtunkhwa

KPEZDMC KP Economic Zone Development and Management

KPBOIT KP Board of Investment

LoP Life of Project

MFP Micro Finance Providers
M&E Monitoring and Evaluation

MSF Indicator (US) Mission Strategic Framework Indicator

MSMES Micro Small and Medium Enterprises

NLC National Logistic Cell NMD Merged Districts NW North Waziristan

PPP Public Private Partnership
PTM Pashtun Tahfuz Movement
PER Preparat

RFP Request for Proposal

SMEA Small Enterprise Development Activity

SMEDA Small and Medium Enterprise Development Authority

SRSP Sarhad Rural Support Programme

SW South Waziristan

TiE the Indus Entrepreneurs
ToR Terms of Reference
TPV Third Party Validation

UN United Nations

UNDP United Nations Development Programme

USG assistance United States Grants assistance

Project Summary Sheet

Title	FATA Economic Revitalization Programme (FERP)
· · · · ·	Transcentille Revitalization Frogramme (Fiziki)
Contract No	AID-391-IO-17-00004
Project Award ID	00088875
Project ID:	00107046
Project Donor Name	United States Agency for International Development (USAID)
Implementing Partners	United Nations Development Programme (UNDP)
UNDP Partners	UNDP, Sarhad Rural Support Programme (SRSP), Islamic Relief Pakistan (IRP), Hashoo Foundation (HF), Akhuwat Islamic Microfinance (AIM), National Logistic Cell (NLC), The Institute of Management Sciences, Small and Medium Enterprise Development Authority (SMEDA), Concepts Unlimited, Bahria University and Islamic International University Consortium, The Indus Entrepreneurs (TiE), iConsult and Pakistan Environmental Planning and Architecture Consultants (PEPAC) Ltd
Location of Project	Khyber, North Waziristan, and South Waziristan Districts, Khyber Pakhtunkhwa, Pakistan
Project Budget	\$20,000,000
Project Duration	20/09/2017 – 16/03/2023
Reporting Period	1/10/2020 – 30/09/2021
Name and Title of Focal Point	For UNDP, Tanya Rzehak, Programme Manager, tanya.rzehak@undp.org

I. Executive Summary:

The FATA Economic Revitalisation Programme (FERP) has been designed to create sustainable livelihood opportunities in three Merged Districts (MDs) of Khyber Pakhtunkhwa (KP) to contribute to the long-term economic growth of the area. This report presents the progress made in the fourth year of the project i.e., October 2020 to September 2021. In the reporting period, the project has directly benefitted 412 (157 women) returning individuals in the Khyber, North Waziristan, and South Waziristan districts of the MDs. Since its inception, the project has directly benefitted 13,383 (2,996 women) individuals against the target of 15,116, achieving 89% (22% women) target.

The project is contributing significantly to revitalize the economy of the programme districts. In addition to the creation of 134 Full-Time Equivalent Jobs (FTE) for skilled and unskilled labour, the project assistance has enabled 5,282 beneficiaries to start new employment opportunities for themselves. Feedback from the beneficiaries showed that until the end of September 2021, a total of 4,345 small and medium entrepreneurs1 (1,715 women) and 1,522 workforce development programme beneficiaries² (757 women) have started new employment. Overall, 65% of the project beneficiaries have started new employment. Furthermore, the project support has enabled 2,509 MSMEs to access small loans for establishing micro businesses or expending their already running enterprises.

During the reporting period, the security situation in the merged districts remained unstable and worsened significantly towards the end of the year. A steady increase in terrorism incidents and resultant casualties occurred especially in the North and South Waziristan districts, perpetrated by non-state actors against Law Enforcement Agencies (LEAs) and Government officials (ref: chart 1, 2 & 3).

Pakistan struggled to contain three waves of COVID-19 during the reporting period. Few of UNDP and implementing partner's employees were infected by the virus. One UNDP consultant lost his life against COVID-19. The programme experienced minor delays in submission of grant processing documents, hiring of another consultant, and impact assessment data conducted under output 3. However, this delay did not significantly affect the project activities as UNDP conducted virtual meetings, training, and mentoring sessions while strictly adhering to the safety SOPs. Despite the pandemic waves and smart lockdowns, the project achieved its targets under the output of innovative enterprises belonging to FATA supported to stay operational (output 3) and made significant progress under the output of increased capacity of the government (output 6).

The project had already closed three outputs by fully achieving their targets during FY 2020. The project achieved its targets with outputs of immediate temporary employment opportunities, business opportunities for upscaling existing/new enterprises, and market-based employment opportunities provided for youth through skills training. The details of the completed outputs were reported in the previous QPRs and APR (October 2019 – September 2020).

¹ Sum of FERP output 2 and FERP output 3

² FERP output 5: Technical and Vocational Training

The project increased its target under incubation output due to the success and increased demand for innovative enterprises among the entrepreneurs of the MDs. The project trained 901 entrepreneurs and provided grants to 493 enterprises against the initial targets of training 700 entrepreneurs and 350 grants. During the reporting period, UNDP continued virtual training and pitching events and successfully trained 397 (157 women) entrepreneurs and provided incubation grants to 313 (107 women) entrepreneurs (ref. table 3). Furthermore, post grant caching sessions were provided to 966 grantees (433 women) during the year. The third-party monitoring results for incubation and microfinance outputs were encouraging and are highlighted within the report in the M&E section.

With the project extension and modification, UNDP pursued the identification of alternate plan for access to finance services and held discussions with State Bank of Pakistan, and other commercial banks operating in MDs and adjacent areas for providing banking services to the people/businesses based in MDs.

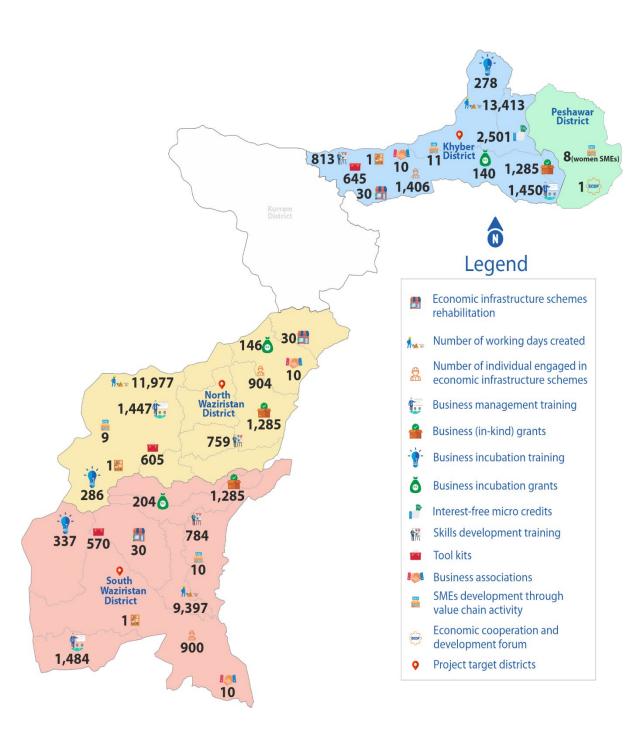
Under increased capacity of the government (output 6), UNDP signed MOUs with private partners FF Steels and Alpha Pipes for providing employment opportunities to youth trained under the project. Both the organisations shortlisted and interviewed candidates from UNDP's data base and committed to providing apprenticeships to selected youth trained under the project. The project has also developed a data base of prominent private sector stakeholders from Peshawar in consultation with Sarhad Chambers.

UNDP signed an agreement with International Consulting Associates (I-Consult) to implement value chain activities in the targeted districts by supporting forty SMEs in organisational development. I-Consult conducted research and developed the value chain reports on apricot and apple sectors under the agribusiness value chain, marble sector under mines and minerals value chain and door and windows manufacturing and silk manufacturing sectors under light engineering value chains. Among the forty SMEs, thirty men led SMEs were selected from the three districts: nine from North Waziristan, eleven from Khyber and ten from South Waziristan. The selection criteria for women led businesses was revised in consultation with USAID and dedicated mobilisation was carried out to select ten women led businesses from KP. Furthermore, implementation of quality certification to fifteen enterprises was completed while the implementation of systems improvement, market linkages and study tours is in the final stages of completion.

UNDP arranged four webinars in partnership with SMEDA on i) Cross border trade facilitation with Afghanistan & Central Asia, ii) Women entrepreneurship iii) Digital marketing tools for SMEs and iv) Regulatory regime for SMEs. Additionally, UNDP's partner SMEDA also developed and launched the premier Investment Business Facilitation Centre (BFC) Portal in partnership with Sarhad Chamber of Commerce and Industry aimed at providing a centralised one window facility to national and international investors in providing quick and timely facilitation and support in their queries related to investment in Khyber Pakhtunkhwa. UNDP also supported the Planning and Development Department in developing and improving the Economic Development Plan and different documents based on the recommendations of the Economic Cooperation and Development Forum (ECDF).

USAID also approved a cost modification for FERP for an additional \$5 million with the end date of March 2023. UNDP will provide technical assistance to the Planning and Development department, KP for supporting business enabling environment through a Planning Support Unit (PSU), and will implement water, sanitation, and hygiene (WASH) facilities in markets rehabilitated within the project and possibly other priority areas.

II. Map: District wise Interventions October 2017 – September 2021



III. Background

The FATA Economic Revitalisation Programme is designed considering the complex socio-economic, political and governance context of the Merged Districts of Khyber Pakhtunkhwa (KP). The programme generated sustainable livelihood opportunities for the local population leading to the long-term economic growth of the Merged Districts of KP. This programme adopts a three-track approach: (i) livelihood stabilisation by generating immediate short-term employment opportunities, (ii) local economic recovery for medium to long-term employment and (iii) sustainable employment creation and inclusive economic growth. Under this programme people of the MDs will be supported by helping them diversify their livelihoods through business development grants, demand-driven skill training, access to micro-finance, innovation fund and developing market linkages. The programme will directly benefit 15,116 people by providing improved livelihood opportunities in the three selected districts of Khyber, North Waziristan, and South Waziristan.

The project structure was reassessed during fourth year of the implementation (Oct. 2020 – Sept. 2021) and few activities are added to the structure to make the project more responsive to the emerging socio-economic needs of the programme districts. In this connection, a cost modification (MOD 05 AID-391-IO-17-00004) has been signed with between the USAID and UNDP. Through this modification, the UNDP will establish and operationalize a Project Support Unit (PSU) in the KP's Planning and Development (P&D) Department. Furthermore, Water, Sanitation, and Hygiene services (WASH) will be provided to the shopkeepers and visitors of the already rehabilitated 90 markets. As per the modification, these actions are to be completed until March 2023.

IV. Situation Analysis

The security situation in the merged districts remained unstable during the reporting year. An increase in militancy and resultant casualties were recorded in the project implementing districts i.e., Khyber, North Waziristan, and South Waziristan. Situation in North Waziristan and South Waziristan districts deteriorated significantly towards the end of the year. Several violent incidents were reported, perpetrated by non-state actors against the Law Enforcement Agencies (LEAs) and government officials over the year from October 2020 to September 2021. To better understand the overall dynamics, it is important to analyse the situation in each district, as the environment in each district is distinct and unique.

Khyber District:

During the reporting year, the security situation in Khyber remained stable during the first quarter. However, an increase in violent incidents have been observed towards the end of the year. The graph (ref: Chart 1) depicts a significant upward trend in violent incidents and resultant casualties over the year in Khyber district.

North Waziristan district:

The security situation in North Waziristan remained unstable throughout the year as depicted in chart 2 showing details of terrorism incidents and resultant casualties in North Waziristan. The district remained vulnerable to terrorist activities as evident from multiple violent incidents targeting law enforcement agencies and local community members that resulted in the loss of lives of security officials and civilians that led to strict security protocols in the district. The NGOs and development partners were instructed to scale down fieldwork and exercise extreme caution. The local authorities from time-to-time conveyed security SOPs to organisations working in the district.

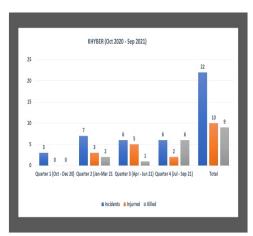


Chart 1: Details of Terrorism incidents and resultant casualties, Khyber

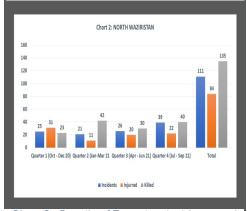


Chart 2: Details of Terrorism incidents and resultant casualties, NW

South Waziristan district:

The geographical proximity of South Waziristan to North Waziristan made the district prone to the impact of violence in adjoining areas. The security situation in the South Waziristan district remained unstable as a steady increase in terrorism incidents and resultant casualties occurred from October 2020 to September 2021 as shown in chart 3, however the development activities continued unabated. The situation deteriorated further towards the last quarter and incidents of violence increased significantly, including killina against personnel enforcement and security agencies, political representatives, tribal elders etc.

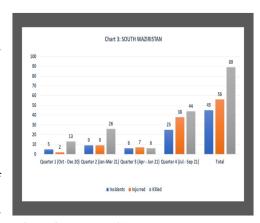


Chart 3: Details of Terrorism incidents and resultant casualties, SW

Evolving Situation Post US withdrawal from Afghanistan:

Afghanistan has witnessed cataclysmic changes in August 2021. The withdrawal of US Forces was followed by collapse of the Afghan government and national army. The Taliban took over Kabul without bloodshed and with unprecedented swiftness. The changed situation in Afghanistan poses variety of challenges now. Pakistan is a country that has been impacted by the situation in bordering Afghanistan. 20 years of conflict and frail security in Afghanistan, has had devastating effects on Pakistan. Pakistan has to play a role in the emerging Afghan situation. 2600 km of the common border is a strong geographical reality and anchorage.

COVID-19 Outbreak and Impact on the MDs:

The situation related to COVID-19 remained unstable during the reporting year. Pakistan faced second (in October 2020), third (in April 2021) and fourth (in July 2021) waves of the pandemic during the year. However, numbers have been falling as vaccination rates are increasing, and currently the positivity ratio has reduced to 1.99% based on testing. According to the National Command and Operation Centre (NCOC) data, out of its population of 210 million, nearly 87.74 million people, including health professionals and people above 12 years old have been vaccinated and efforts are ongoing.

Since merged districts are remote, the recorded impact of health problems from the pandemic are not significant, however, the economic effect on these districts due to loss of jobs, economic slowdown, closure of businesses, loss of livelihood is impacting the area.

V. Operational Updates

Pakistan continued to tighten social distancing and movement to control each wave of the pandemic that occurred in the past year. Adapting to changing circumstances and in accordance with Government directive, UNDP continued work from home modality with maintaining 20-30% staff presence in the office. UNDP started on-campus training activities from 15th September 2020, with all SOPs in place. On-campus training continued until the end of December 2020. However, UNDP had to resume virtual training again due to the rise in the COVID-19 positive cases with the second wave of the virus. The IPs were advised to exercise caution and strictly follow SOPs. However, UNDP and implementing partners staff members were affected by COVID-19 during the reporting period. One of the project's consultants lost his battle with COVID-19 in April 2021. The positivity rate declined towards the end of the year. However, minor delays were faced in the submission of grant processing documents, beneficiary, and impact assessment data.

During the reporting period, UNDP proposed the following areas of intervention to USAID to further build on the activities and achievements of the FATA Economic Revitalisation Programme:

- Technical Assistance to the Planning and Development department, KP for supporting business enabling environment through a Planning Support Unit
- Implementation of Water, Sanitation and Hygiene (WASH) facilities in markets rehabilitated through USAID funded FERP

USAID agreed on the additional activities and modification number five was signed and issued on July 25, 2021 for an additional \$5million with the completion date of March 16, 2023.

VI. Progress Achieved from October 2020 to September 2021:

Interventions under each output and their implementation mechanisms as per the grant agreement are given below in detail:

Output 1: Immediate temporary employment opportunities for most recent returnees created (completed)

The project has successfully achieved its target for this output in the second quarter (Q2) of FY 19-20. The project has rehabilitated 90 economic infrastructure schemes and exceeded the target by employing 3,210 individuals against the target of 2,572 in the rehabilitation work and has created 34,787 working days against the target of 30,000 for them by directly benefiting the local economy. The project has created 135 FTE³ jobs for the life of project against the target of 115. All completed schemes have been handed over to the market committees formed under this output for their maintenance and long-term sustainability. The table 1: below shows the progress of the schemes

Table 1: Immedia	Table 1: Immediate temporary employment opportunities created												
Indicator	Target	arget District-wise Achievement (100% completed)											
		NW	SW	Khyber	Total								
Number of Economic Infrastructure Schemes completed	90	30	30	30	90								
Number of working days created through USG assistance	30,000	11977	9397	13413	34,787								
Number of individuals engaged in short term assistance activities	2,572	904	900	1406	3,210								

Note: * Project achieved the target in Q2 of FY 19-20.

Output 2: Business Opportunities for Upscaling Existing/ New Enterprises Created (completed)

Similarly, the project has achieved its target of Business Management Skills Training (BMST) and business (in-kind) grants for output 2. The project exceeded the target of BMST (4,350) by training 4,381 (1,734 women) beneficiaries and distributing business kits among 3,855 (1,542 women) beneficiaries of BMST. As part of the training process, post-grant-assistance/coaching was provided to 3,855 beneficiaries (1,542 women).

³ One FTE equals 8 hours per day x 260 days per year = 2080 hours per year.

Basic solar kits were also provided to the businesses as part of the grant package to increase their sustainability. The table 2 below presents the results achieved:

Table 2: Business opportunities for upscaling existing/ new enterprises created

		District-wise Achievement (100% Completed)											
Indicator	LoP	NW		SW		Khyber							
	Target	М	F	М	F	М	F	М	F	Т			
Number of individuals/MSMEs trained on business management skills	4,350	869	578	898	586	880	570	2,647	1,734	4,381			
Number of micro, small, and medium enterprises, including farmers, receiving USG assistance	3,855	771	514	771	514	771	514	2,313	1,542	3,855			

Note: * Project achieved the target in Q3 of FY 19-20.

Trade wise distribution of training and in-kind grants is provided below:

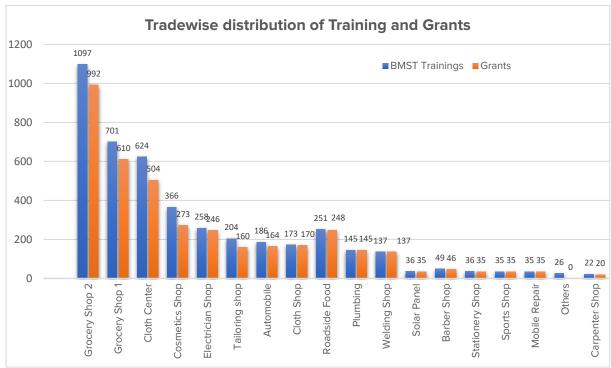


Chart 4: Trade wise distribution of Business Management Skills Training and Grants

Output 3: Innovative enterprises belonging to FATA, supported to stay operational after 6 months of incubation (Completed)

FERP achieved the set targets for incubation training and grant assistance during the reporting year (Q3 of FY 20-21). The project has extended training support to 901 (329 women) entrepreneurs and grants to 490 (173 women) enterprises, and thereby exceeding the planned targets of training 700 entrepreneurs and 350 grants (ref: Table 3). The project has increased support/target due to the high success rate and increased demand for innovative enterprises among the entrepreneurs of the MDs. UNDP has

managed to exceed the target of 30% women participation by training 36% women and providing grants to 40% women under this output.

The following table presents progress achieved under output 3:

Table 3: Innovative enterprises supported to stay operational (100% Completed)														ed)
Indicator	LoP Targ	D	istrict- (Oct 2				t	Overall Achievement until Sept 2021						Total
	et	N	W	sw		Khy	Khyber		W	S	W	Khy	ber	
		М	F	М	F	М	F	М	F	М	F	М	F	
Number of entrepreneurs/M SMEs trained	700	100	62	74	81	66	14	185	101	199	138	188	90	901 (329 w)
Number of entrepreneurs/M SMEs provided support through USG assistance	350	72	37	79	63	55	7	102	44	123	81	92	48	490(1 73 w)
Percentage of MSMEs operational after 6 months of the assistance ⁴	50%							75 %	86 %	21%	91%	22 %	48 %	53%

During the reporting year, UNDP trained 397 (157 women) entrepreneurs and helped them develop and refine their business ideas in a four-week intensive training programme. Online incubation pitching events were held for the trainees where they pitched their innovative ideas to independent evaluation committees, comprising of experienced judges including sector experts from the entrepreneurship ecosystem, academia, and relevant government departments in the presence of UNDP officials. Trainees with successful business plans, capacity, and capability to grow into viable businesses are provided business grants. During this period, 313 (107 women) entrepreneurs were provided business incubation grants. The average grant size per entrepreneur is USD 1,500, depending on the business plan of the entrepreneur. To further ensure sustainability of new and scaled businesses, post grant coaching sessions were held for a minimum of four months for the beneficiaries receiving incubation grants to ensure that these businesses can thrive and stay operational after incubation support. Post grant coaching sessions were provided to 966 grantees (433 women) during the year. So far, 1,114 group and individual session have been provided to the entrepreneurs.

On-campus training and pitching events were resumed during the first quarter after the government relaxed the COVID-19 restrictions across the country. However, UNDP resumed virtual training again due to the resurgence of COVID-19 during the second

⁴ a) This percentage is based on the analysis of two FERP indicators (2.2 and 3.2). Both of these indicators speak about provision of USG assistance for SMEs establishment.

b) Since it is an outcome level indicator, therefore, instead of quarter-bound progress, annual progress is presented in the table. c) formula: %age = MSMEs in district operational after six months / Total MSMEs supported in district until end of reporting quarter x 100

and third quarter of the fiscal year as multiple employees of incubation partners were infected with the virus. Consequently, two of the incubation partners, Indus Entrepreneurs (TiE) requested a one-month no-cost extension, whereas Bahria University was provided twice with no cost extensions during the year.

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Fig 1: Incubation training in progress, Peshawar



Fig 3: Tabasum, a qualified beautician from SW, opened her own Beauty Parlour



Fig 2: A pitching event in Progress, Peshawar



Fig 4: Asma, M.Phil. in Medical Microbiology, opened a medical lab in Bara, Khyber District

Output 4: Existing and new entrepreneurs have increased access to microfinance (in progress)

The project has completed its target of disbursing loans to 2,509 beneficiaries (141 women) in Khyber district via two branches of UNDP partner Akhuwat Islamic Microfinance Institution (AIM). However, the progress is slightly behind the target due to difficulties in the identification of qualified microfinance providers willing to expand their services to North Waziristan and South Waziristan districts.

The following table presents the progress achieved:

Table 4: Existing and new entrepreneurs have increased access to microfinance												
Indicator	LoP Targe											
	t	N	W	S	W	Khy	/ber		Total			
		М	F	М	F	М	F	М	F	Т		
Number of MSMEs who received loan from microfinance institutions, as a result of USG assistance (MSF-1.3.1c)	5,000	-	_	-	-	2,36 8	141	2,36 8	141	2,509		

Number of MFI staff trained to better facilitate the borrowers	45	-	-	-	-	12	-	12	-	12
Outreach sessions	76	-	-	-	-	4	2	4	2	6

UNDP advertised request for proposals (RFP) three times in the past two years for engaging qualified service providers in NW and SW, however the response from microfinance service providers was slow since MFIs/Banks require conducive and secure environment to operate as well as opportunities for future growth. Lockdown and restrictions imposed by the government due to COVID-19 further delayed the progress on the possible expansion.

To expand the services in North and South Waziristan districts and adjacent areas, UNDP held meetings with different banks including State Bank of Pakistan Peshawar to identify the challenges faced by banks to operate in MDs. It was found out that the banking sector has limited presence in MDs and the banks that are currently operational in MDs not only have inadequate branch network but also have few products to offer to customers, which results in a significant gap between demand and supply. Only a handful of ATMs are installed at few



Fig 5: Meetings with Area Heads of banks in Peshawar

places in MDs, and long queues of customers can be observed near the ATM machines. Due to non-availability of online clearing system, cheque clearance and account opening also takes a very long time. Based on the discussions held with different banks, major obstacles faced by them in MDs includes high security risk for staff presence and cash moving in and out of the branches, power outages, lack of internet facilities, limited customer awareness of banking systems and banking products, limited or no concept of collateral/guarantee-based lending, major reliance on interest free micro credits, which limits bank's selling capacity and non-availability of skilled staff.

There is potential scope for FERP to intervene and support the banks in expansion of financial services with different commercial banks that are operational in MDs/adjacent regions. In this regard, UNDP is working on some ideas and modalities of cooperation with the banks.

Output 5: Market-based Employment Opportunities Provided for Youth through Skills Training (completed)

The project has achieved its target by completing the provision of skills development training and tool kits distribution. The project has trained 2,356 (801 women) beneficiaries and disbursed start-up tool kits among 1,820 (801 women) successful graduates. Following the completion of training, 602 (212 women) post-training mentoring sessions were provided to 2,602 (1,068 women) trainees to further support them in their businesses and enable them to overcome the challenges they are facing in employing their learned skills. Moreover, 1522 youth have employed their skills and the start-up toolkits to create earning opportunities for themselves.

The project has formed 30 business associations constituted from the market committees formed under output 1. These business associations have been trained in advanced management skills and create linkages with large business concerns out of the districts to enhance the scope of business activities and to ensure economic development in the local markets.

The following table presents the results achieved:

Table 5: Market-based employment opportunities provided for youth													
Indicator	LoP		eted)										
	Targe	N۱	N	S	W	Khy	/ber		Total				
	ť	М	F	М	F	М	F	М	F	T			
No. of people receiving skills training and livelihood support based on analysis of market needs	2,494	492	267	517	267	546	267	1,555	801	2,356			
Number of business associations formed	30	10	-	10	-	10	-	30	-	30			
Number of tool kits/equipment provided	1,750	338	267	303	267	378	267	1,019	801	1,820			

138* youth dropped out of training for pursuing further education or started employment in security agencies (army or navy).

Trade wise distribution of training and tool kits distributed is provided below:

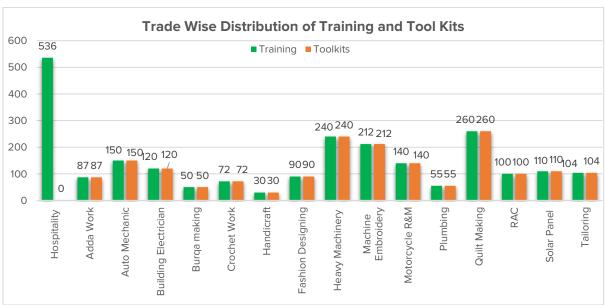


Chart 5: Trade wise distribution of skills development training and tool kits

Output 6: Increased capacity of the government to monitor economic development in FATA and undertake market assessments (in progress)

Activity 6.1: Market assessments studies conducted

UNDP has conducted three assessment studies. These studies serve as a guiding document for designing area-specific and sustainable, livelihoods, economic growth, and business development interventions not only for FERP but also for other projects to be designed in the future. The reports have been shared with provincial and district Fig 6: Assessment Studies conducted and distributed governments, industries department, private sector, and UNDP partners.



Activity 6.2: Setting up public-private partnerships (PPPs) and private-private partnerships as a result of program assistance

During the reporting year, UNDP partnered with Alpha Pipes and Frontier Foundry Pvt. Ltd (FF Steels) for providing employment opportunities to 30 youth trained by the project. UNDP shared the list of trained candidates with these organisations. Both organisations interviewed ten candidates. However, the selection panel were not able to finalise the candidates for internship or for full time job opportunities due to COVID lockdown and general economic slowdown during this year. UNDP kept close coordination with these organisations for providing recruitment opportunities to the youth trained by FERP. Furthermore, a data base of businesspersons from Peshawar and nearby areas was also developed in consultation with Sarhad Chamber of Commerce and Industry (SCCI) and initial discussions with some of the organisations were held for providing recruitment opportunities to youth and philanthropic interventions in the region.

During the reporting year, UNDP partnered with International Consulting Associates for Professional Services for (i) developing Strategies for three value chains to improve sector/value chain competitiveness in MDs and (ii) develop and execute implementation plan within the value chains through development of forty enterprises/entrepreneurs by providing organisational development support through various interventions in selected MDs.

I-Consult developed value chain reports on; (i) Apple value chain for SW, (ii) Windows & doors value chain for NW and SW (iii) Apricot value chain for NW (iv) Marble value chain for Khyber (v) Silk value chain for Khyber. The reports were drafted based on the secondary data. I-Consult conducted field visits to the enterprises in the selected value chains for the collection of the primary data. The information incorporated in the reports were validated and final report was drafted and finalised.

UNDP and I-Consult developed the enterprise selection process/process flow shown in the diagram below:



Chart 7: Enterprise Selection Process

To provide targeted assistance to SMEs, District Administration provided support for mobilisation of beneficiaries. Field visits were conducted within the districts to identify and select the SMEs for the implementation of different activities under value chains, including systems improvement, market linkage, quality certification and study tours. The information received from prospective beneficiary enterprises was analysed. It was found that certain interventions are in high demand. Consequently, the shortlisted enterprises were approached to inquire about their second and third priority through telephonic communication.

The district Khyber enterprise selection committee members approved the selection of 8 enterprises from Mines and Mineral sectors and 3 enterprises from the Silk sector. However, 6 enterprises from Apple and 4 enterprises in Agribusiness sector and Light Engineering sector were selected from District South Waziristan respectively whereas 7 enterprises from Windows and Doors and 2 enterprises from the Agribusiness sector were selected from District North Waziristan.

WOMEN ENTERPRISES INTERVENTION:

A comprehensive exercise was performed to solicit the applications from the relevant businesses in predefined value chains and districts. District Administration, community members, trade associations and women trade representatives were involved in the distribution and solicitation of applications. Unfortunately, the predefined sectors of the three merged districts have very low participation of women in the workforce/women owned businesses. The issue was discussed with the USAID, and it was proposed to develop an alternative criteria and justification note to support women entrepreneurs.

Based on the discussions, it was agreed that women led business will be identified in the areas, preferably close to the three districts i.e., Bannu, D. I. Khan, and Peshawar. These businesses will either be owned by women entrepreneurs from Khyber, NWD, SW or these enterprises should have majority employment of women from the predefined districts.

A separate committee meeting was held for the selection of women enterprises in which the members from Women Chambers, Federation of Pakistan Chamber of Commerce, Women Chamber of Commerce, SMEDA, IConsult and UNDP participated. Around 40-45 enterprises forms were received based on which 10 women enterprises were sel. Intervention wise bifurcation of enterprise consists of 2 system improvements, 3 interprovincial tours, and 5 market linkages.



Figure 7: Women entrepreneurs meeting prominent makeup artists in Karachi study tour



Fig 8: Women entrepreneurs meeting prominent salon owners in Karachi study tour

Activity 6.3: Institutional capacity building of the Government to better measure economic indicators in the MDs

UNDP in partnership with SMEDA, Planning and Development Department and Sarhad Chamber of Commerce is working on three broad areas, which are as follows:

I. Development of Project Proposals under ECDF:

UNDP hired the services of an individual consultant to develop actionable plans, strategies, proposals and PC1s for the government of KP from the recommendations of Economic Cooperation and Development Forum (ECDF) by working closely with the KP Planning and Development, other relevant KP Government departments, and SMEDA.

The consultant reviewed the following documents under the assignment: Economic Development Plan (EDP); Annual Development Plan for Merged Areas – 2021-22; Accelerated Implementation Plan 2020-21; Tribal Decade Strategy; Recommendation by the ECDF to understand the context of the assignment and approved schemes of the Government of KP.

- i. Revision of EDP that includes:
 - Overall review of the existing EDP that includes improving language, removing any discrepancies, and providing tables in editable form.
 - Develop two (2) Actionable Plans covering 7 MDs in consultation with line
 Departments and concerned Deputy Commissioners

- Develop three (3) technical proposals for Agriculture, Industries and Mining sectors.
- The technical proposal shall cover 20 projects as concept notes.
- ii. The following two PC-Is are going to be reviewed and strengthened:
 - KP Youth Internship Program in leading industries & MNCs.
 - Scholarship Program for strengthening of TVET System in KP.
- iii. The third PC-I to be agreed with Industries Department and reviewed accordingly.
- iv. The Technical Consultant will visit all districts to develop District Action Plans and consult private sector. The Office of DG SDU will facilitate the visits and request the Deputy Commissioner (DC) of MDs to organise consultative meetings with representatives of public and private sector.
- v. The draft EDP shall be shared with representatives of relevant Government Departments in a workshop to be held at Peshawar to have their feedback before finalisation and launch of EDP.
- vi. A launching ceremony shall also be held for the EDP on its finalisation.

II. Investment Facilitation Portal:

UNDP in collaboration with Sarhad Chamber of Commerce and Industry (SCCI) and Small and Medium Enterprises Development Authority (SMEDA) Khyber Pakhtunkhwa has set up a one stop facility "Business Facilitation Center" at Chamber House, Peshawar. The Business Facilitation Center will be primarily aimed at providing a centralised one window facility to national and international investors in providing quick and timely facilitation and support in their queries related to investment in Khyber Pakhtunkhwa. Key objectives of this centre are to (i) promote investment opportunities for long term private sector led economic growth in Khyber Pakhtunkhwa, (ii) facilitate and support local and international investors in tapping the identified and potential investment opportunities in the province, (iii) recommend strategic and policy level reforms to the Government of Khyber Pakhtunkhwa for investment facilitation and mobilisation.

Business facilitation centre is housed inside Sarhad Chamber of Commerce and Industry, equipped with required facilities, and operated by a representative from SCCI and SMEDA Khyber Pakhtunkhwa. The team at BFC is mainly undertaking the following functions:

- a. Sourcing and collection of updated information material i.e., Laws, acts, policies, studies, and other relevant material that can be contemplated on for on-time facilitation of investors.
- b. Provide efficient and effective facilitation to local and international investors through help desk and web portal regarding investment opportunities in the province.
- c. Liaise, communicate, and coordinate with relevant departments and platforms to ensure that due and on-time support is provided to investors.

This centre is managed and supervised by a high-level committee headed by President SCCI and comprised of representatives from all relevant public sector departments of Khyber Pakhtunkhwa i.e., Industry department, Finance department, SIDB, KPEZDMC, BoIT, KPRA, FBR, Customs, PESCO, SNGPL, SMEDA, SCCI and private sector.

UNDP, jointly with SMEDA and Sarhad Chamber of Commerce and Industry, Peshawar organised a grand launching ceremony of the Khyber Pakhtunkhwa Investment Facilitation (KP-IFC) Web Portal on September 23, 2021 at PC Hotel, Peshawar. The launching ceremony was attended by over 100 participants including representatives from all provincial government department, academia, commercial banks, media, chambers of commerce, associations, and business community. Mr. Mian Khaleeq Ur Rehman Special Assistant to Chief Minister Khyber Pakhtunkhwa on Excise, Taxation and Narcotics Control attended the event as Chief Guest. Ms. Zille E Huma, Member National Assembly, Mr. Atif Khan, Provincial Minister Science and Technology, Mr. Shah Muhammad Wazir, Provincial Minister Transport and Mr. Shaukat Yousafzai, Member Provincial Assembly KP were among the guests of honour.





Fig 9 & 10: Launching ceremony of the Investment Facilitation (KP-IFC) Web Portal at PC Hotel, Peshawar

III. Webinars/Workshops:

UNDP in collaboration with SMEDA and with concerned public sector departments of Khyber Pakhtunkhwa, Chambers and Associations arranged four (4) webinars during the reporting year.

1. Webinar on Cross Border Trade Facilitation

This webinar was held on January 21, 2021 to provide all relevant stakeholders with viable projects/investment information about opportunities and policy level reforms for border increasing cross trade between Pakistan, Afghanistan & Central **Asian** Republics.



The webinar was attended by 57 participants Fig 11: Webinar on Cross Border Trade Facilitation including key government officials, donors,

international investors, officials of the State Bank of Pakistan, officials of commercial banks, representatives from chambers of commerce, trade associations and SMEs involved in cross border trade.

2. Webinar on Women Entrepreneurship

This webinar was held on February 25, 2021 to identify key challenges faced by existing and potential women entrepreneurs, chalk out viable solutions for economic empowerment of women in the region and recommend a way forward for rapid promotion and development of women entrepreneurship in KP including MDs.

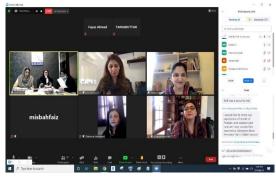


Fig 12: Webinar on Women Entrepreneurship

The webinar was attended by 49 participants including key government officials, donors, officials of the State Bank of Pakistan, officials of commercial banks and representatives from chambers of commerce, academia, trade associations, existing women SMEs, and start-ups.

3. Webinar on Digital Marketing Tools for SMEs

This webinar was held on April 13, 2021 to acquaint SMEs and strengthen their knowledge in digital marketing with a focus on e-commerce, online marketing, social media networks, Google Analytics, and other market research tools. The webinar also focused to help SMEs in leveraging available marketing tools and crafting an effective online marketing strategy and/or plan for their business/products.

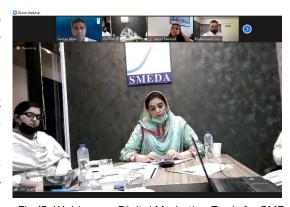


Fig 13: Webinar on Digital Marketing Tools for SMEs

A total of 56 participants including key government officials, donors, officials of commercial banks, and representatives from chambers of commerce, academia, trade associations and SMEs from different sectors attended the webinar. Key panellists and subject matter specialists elaborated on the major digital marketing tools that can be used by SMEs from merged areas, private sector representatives shared the key challenges faced by SMEs and provided recommendations.

4. Webinar on Regulatory Regime for SMEs

The webinar was held on June 30, 2021 to stock-take major laws extended into Merged Areas post-merger, understand challenges faced by SMEs in regulatory compliances, orient SMEs in compliance to the prevailing laws and recommend possible ways to the government of Khyber Pakhtunkhwa for ensuring effective regulatory regime for economic growth in the Merged Areas.



Fig 14: Webinar in progress on Regulatory Regime for SMEs

The webinar was attended by over 50 participants from different relevant public sector departments, representatives from donors' agencies, commercial banks, business development services providers, academia, chambers, associations, and SMEs. The experts engaged shared their experiences, the key challenges faced by SMEs in MDs and doable solutions in the respective thematic areas. SMEDA KP compiled all the prioritised recommendations of the webinars separately and shared them with concerned Provincial Government Departments of Khyber Pakhtunkhwa and other concerned forums for consideration.

Table 6 below presents the progress achieved under output 6:

Table 6: Increased capacity of the government to monitor economic development and undertake market assessments												
Indicator	LoP Target	Achievement (Oct 2020 - Sept 2021)	Overall Achievement until Sept 2021									
No. of assessments/ studies	3	-	3									
Number of public- private/private-private partnerships formed as a result of program assistance	5	-	2									
No. of workshops held under the Economic Cooperation and Development Forum	4	-	4									

Output 7 Planning Support Unit (PSU) (new output)

UNDP with the support of USAID is providing technical assistance to Khyber Pakhtunkhwa Planning and Development Department (P&DD) in the establishment of a Planning Support Unit (PSU). The PSU will provide critical technical support to different sections of P&DD to improve planning and implementation of development initiatives. It will help in synchronisation of developmental planning efforts in a consolidated vision of development excellence.

During the reporting period Terms of References (ToRs) were developed for all the 6 positions of PSU including the project lead. UNDP shared the ToRs with P&DD for their feedback and endorsement. After an approval from the Government all the positions have been advertised through UNDP's recruitment portal and process is underway for selection of these positions.

UNDP also developed terms of references for two of the high-level technical consultants for Public Private Partnership and Venture Capital and shared with P&DD. UNDP is in process of procuring HR services of 3rd party firm to recruit the high-level resource pool.

Output 8 Water, Sanitation and Hygiene (WASH) (new output)

UNDP will improve 90 WASH facilities in the rehabilitated markets of District Khyber, North and South Waziristan and two water filtration plants in Khyber. The WASH facilities will include drinking water supply schemes, tube wells, solarisation of existing tube wells, gender-segregated toilet facilities, hand washing facilities/washing pads, provision and installation of drinking water coolers and sewerage rehabilitation in the markets.

UNDP signed an agreement with Pakistan Environmental Planning and Architecture Consultants (PEPAC) Ltd on 8th September 2021 for carrying out the field assessments in the targeted districts. PEPAC initiated the assessments in Khyber district in September. A total of 20 meetings have been conducted with the market committees in Khyber. PEPAC teams have started contacting local market committees in North and South Waziristan to conduct technical assessments.

Health and Hygiene (H&H) sessions and Operation and Maintenance (O&M) trainings for the market committees will be conducted in the USAID funded rehabilitated markets. After analysis, the project will develop implementation strategy for conducting H&H sessions and O&M trainings in the targeted districts.

VII. Activity Monitoring, Evaluation and Learning Plan (AMELP) Updates

M&E unit continued to provide support to the programme team in terms of assessing internal and external environment that could impact the implementation of the project. In person and virtual monitoring were conducted, and course correction was proposed. The M&E unit participated in data quality assessment (DQA) conducted by USAID and conducted a similar DQA of their implementing partners. The third-party evaluation was commissioned to monitor, verify, and validate enterprises developed by provision of incubation grants, microfinance loans and vocational skills training. A detailed description of these activities is given below.

A. Monitoring

• Performance Monitoring: The M&E unit continued to provide support to the programme team to ensure project activities stay on track and, where required, informed decisions are made regarding the repositioning of the project delivery. During the reporting period, the M&E and programme teams conducted a total of eight monitoring missions including four on the ground and four virtually to observe ongoing activities and seek feedback from the primary beneficiaries. The M&E unit also assisted the programme team in developing criteria for the inclusion of women led enterprises in value-chain development activity.

Following are the brief highlights from the monitoring mission to value chain activities in the field.

- As per the feedback from the beneficiaries, the selection for value chain support was done independently without any political interference. All the beneficiaries who were selected for the support were medium-level entrepreneurs who were struggling to review their businesses in postconflict environment. The beneficiaries were aware of the need of ISO certification and improved market linkages in promoting their appleexport businesses.
- O UNDP also monitored the exposure visit of women entrepreneurs to leading beauty salons in Karachi. During the debriefing the participants mentioned that they are participating in such an event for the first time. The exposure visits to beauty places in Karachi has opened their mind to innovative ideas to expand client base and improve customer service delivery. During the exposure visits the entrepreneurs developed linkages with some beauty products retailers as well and placed order for their salons.
- I-Consult the concerned IP for implementing the value chain activity, was advised to increase its coordination with the district government and to proactively involve them in all planning level meetings. This would create buy-in for the project activities with district government.

During the reporting period, the M&E team facilitated periodic Performance Review Meetings with the IPs. During these meetings, the UNDP and the partners took stock of the progress, challenges and issues faced during implementation, and, where required, catch-up plans were developed to ensure that the project remains on track. As a result of these review meetings and the subsequent action plans, the UNDP remained successful in delivery of the project within the given timeframe.

In the said period, some of the beneficiaries reported their concerns regarding not being selected for the business incubation grants support. The UNDP reviewed each case individually and a thorough assessment was done to conclude why grants were not provided to the complainants. The assessment concluded that the complainants scored lower than the minimum score required for qualification for the grant support. The scoring was done against a set criterion through panels of gender balanced independent judges. The beneficiaries were informed about the assessment findings.

In order to ensure full transparency, the IPs were reminded to provide maximum information and explanation of the process. As a result of these steps, the communication between IPs and the trainees effectively increased which resulted in increased information and satisfaction among the beneficiaries.





Flg 15: Mehreen (beneficiary from SW) is sharing details of her social media presence for her business promotion to the SDP Mission

Fig 16: Nadeem Dar (beneficiary from South Waziristan) is explaining his business model to SDP Mission members

DATA Quality Assessment: UNDP participated in the data quality assessment conducted by the USAID's MEL mission to assess UNDP's data management protocols, indicator tracking mechanism, and data reporting standards. UNDP also conducted similar activity with all three incubation training partners-Concepts Unlimited, The Indus Entrepreneurs, and Bahria University and Islamic International University consortium. During the missions, required improvements in monitoring and documentation of the project beneficiaries were identified and flagged to respective IPs and the grant lead in the UNDP. Where required, joint action plans were developed to help the IPs overcome the identified weaknesses. This helped the IPs in strengthening their monitoring systems and filing of the beneficiaries.

Contextual Monitoring: During the entire course of the reporting year, Pakistan was affected by three COVID-19 waves in October 2020, April 2021, and July 2021. Adapting to the changing circumstances and following the government directives, the FERP changed on-campus training to virtual modality. The IPs were advised to exercise caution and strictly follow SOPs. No COVID-19 infection was reported among participants while the training was being conducted on-campus.

Post activity monitoring results showed no significant difference between the in-person and online training of the beneficiaries. Although satisfaction level of the in-person trainees was slightly higher than the online trainees. Some women trainees, noted the virtual training provided them with an opportunity to participate in the training process, which otherwise, they could have not attended due to cultural constraints and household responsibilities.

B. Evaluations/Assessments/Studies

UNDP commissioned the University of Peshawar (UOP)/ the Institute of Management Studies (IM Studies) to conduct an independent third-party validation and verification exercise of the businesses established under the FERP output 3: Business incubation training and grant support and output 4: Microfinance support. The validation exercise was conducted from June 2021 to September 2021 in all three programme districts: Khyber, North Waziristan, and South Waziristan.

Key findings under both the outputs are as follows.

Key Findings: Business Incubation

- 1. The UoP/IM Studies interviewed 333 respondents (241 men, 92 women) out of which 248 (74%) reported to have established their businesses. Based on impact assessments conducted by our implementing partners, we reported this figure to be 53% in the previous quarterly report (Apr-Jun 2021). The change in percentage is due to the time lag between the release of grant money and collection of data for impact assessment. All three implementing partners (IPs) collected impact assessment data after four months of release of the final tranche. At the time when UoP/IM Studies was conducting the assessment activity, all the grants had been released from 6 months to one year, giving awardees ample time to establish their businesses.
- 2. Out of the 248 businesses established, 207 are operational, 11 are in process of being established and the remaining 30 are not operational. Sudden outbreak of COVID-19 pandemic and subsequent lockdowns, restrictions and incurred losses were some of the reasons that led to closure of these businesses.
- 3. Among the 218 established business and in-process ventures, 128 are newly established while 90 are old enterprises. All the respondents of old enterprises reported income increase after investment of incubation grant into their businesses.

Key Findings: Micro Finance

- 4. From a randomly selected sample of 324 beneficiaries (254 men, 70 women), 74% of the respondents reported to have received a loan of PKR 30,000, 19% reported that they received less than PKR 30,000 and 7% borrowed more than PKR 30,000. A minimum amount of PKR 20,000 and maximum of PKR 80, 000 were disbursed as microfinance loan to the beneficiaries.
- 5. A total of 288 beneficiaries reported to have established enterprises while 36 beneficiaries could not utilise the loan for the intended purpose of starting or expanding the business, the reasons being utilisation of loan to pay-off another loan or using the loan to meet daily expenses. Out of these 288 beneficiaries, 245 reported to have expanded existing enterprises and only 43 established new businesses.

VIII. Communication

During the reporting period, UNDP carried out various outreach and communications activities to ensure project visibility and to highlight the generous support of the American people through USAID.

The UNDP's implementing partners and counterparts consistently referred to USAID in their official and public meetings, events and during the project activities, so that the stakeholders, communities, Government authorities, and beneficiaries are aware and acknowledge the support provided by the USAID. During the reporting period, major activities under the communication section included:

USAID branding and marking:

To raise awareness about the project, the team developed and distributed project brief, which provided a snapshot of the project structure, duration, key objectives, and targets. It was shared with partners and other relevant stakeholders at various forums and events.

Implementing partners ensured USAID branding on all IEC material including training manuals, forms, banners, flyers, backdrops, standees, certificates, and attendance sheets, etc.



Fig 17: USAID branding ensured on all IEC

Events:

UNDP and its implementing partners conducted several visibility events including orientation events for trainees and IPs and certificate distribution ceremonies where the generous contribution of USAID was highlighted. UNDP ensured that USAID, KP Government and partners logos were present on all the presentations, banners, and standees.



Fig 18: USAID branding ensured in all training/events

Radio programme:

To reach out to a wider audience, three beneficiaries of Business Incubation Programme from South Waziristan participated in a Recording of a USAID radio programme in D. I. Khan. The radio programme formatted as a travelogue, tells the stories of USAID's assistance across Khyber Pakhtunkhwa through beneficiary testimonials in Pashto language. Broadcasted in the Pashto language, the radio programme highlighted the FERP achievements and USAID's support for sustainable livelihood opportunities for the merged districts of KP.

Story:

A story "The Search for Employment, A community's Struggle" related to skill development activity of the FERP was published in 'Development Advocate Pakistan', Volume 8, Issue 2 (April 2021), Page 74-&&. The story highlighted the struggle of youth and how project helped them learn the new skills and get decent work.

Social media posts:

Social media posts related to project activities were published on UNDP, USAID and IPs Facebook and Twitter accounts. These posts highlighted the project activities and acknowledged the support of USAID for economic revitalization in the merged districts of KP. The screenshots and links of these posts are attached as an Annex-I.

The Search for Employment A Community's Struggle By Sahzad Ahmad Communication Office, Subilisation and Development Programme, UNDP Pakistan Pakistan is undergoing the most rapid and path of rapid and path o

Press coverage (Electronic, online and print):

During the reporting period, the project also generated press coverage and several news articles were published in prominent national English and Urdu dailies. Screen shots and links of the articles are attached as an Annex-II.

IX. Major Challenges

The project faced the following challenges to date:

- Pakistan was struggling to contain a second, third and fourth wave of coronavirus infections during the reporting year. UNDP and implementing partners staff members were affected by COVID-19 during the reporting period.
- The positivity rate declined towards the end of the year. However, minor delays were faced in submission of grant processing documents, beneficiary, and impact assessment data.
- Limited private sector presence in the region is another challenge. To overcome
 this challenge, UNDP has established strategic partnerships with key
 Government and private partners. UNDP has developed an investment
 facilitation portal for facilitating private sector investment in KP which will directly
 contribute towards ease of doing business.
- The absence of microfinance service providers in North Waziristan and South Waziristan remained a challenge due to which the overall target (output: 4) could not be achieved. UNDP held consultative meetings with State Bank of Pakistan and other commercial banks for discussing opportunities and alternate options in MDs.

X. Indicator Tracking Sheet

				-						_	
Indicator	LoP Targ et	FY 20-21 Target	FY 20-21 Actua I	Q1 (Oct- Dec 20) Targe t	Q1 Achie ved	Q2 (Jan- Mar 21) Targe t	Q2 Achie ved	Q3 (Apr- Jun 21) Targe t	Q3 Achie ved	Q4 (Jul- Sep 21) Targe t	Q4 Achie ved
Outcome 1.1: Percent of individuals with new employment following participation in USG-assisted workforce development programs (MSF: PPR EG.6-12)	40%	-	-	-	-						
Outcome 1.2: Percentage of female participants in USG-assisted programs designed to increase access to productive economic resources (assets, credit, income, or employment) (MSF: PPR GNDR-2)	30%	12%	30%	12%	30%	12%	69%	-	-		20%
Intermediate Outcome 1.1: Percentage of beneficiaries satisfied with the provision of short-term assistance	70%	-	-	-	-	-	-	-	-		
Intermediate Outcome 1.2: Number of individuals with improved skills upon completion of USG-assisted workforce development programs (MSF: 1.3.1b)	2,494	-	-	-	-	-	-	-	-	-	
Intermediate Outcome 2.1: Number of households/families benefiting directly from USG assistance	15,116	2,155	397	540	217	540	96	540	84	535	25 ⁵
Intermediate Outcome 2.2: Number of individuals with new employment following completion of USG-assisted workforce development programs (MSF: 1.3b)	990 ⁶	-	-	-	-	-	-	-	-		
Intermediate Outcome 2.3: Number of full-time equivalent jobs created as a result of USG assistance (MSF: 1.3c)	115	-	-	-	-	-	-	-	-		
Intermediate Outcome 3.1: Number of Institutions assisted to form joint collaborations for economic growth	4	-	-	-	-	-	-	-	-		
Output 1.1: Number of working days created through USG assistance	30,0 00	-	-	-	-	-	-	-	-		
Output 1.2: Number of individuals engaged in short term assistance activities	2,572	-	-	-	-	-	-	-	-		

⁻

⁵ The target is lagging because the project couldn't reach out to micro-finance institutions in NW and SW because of reasons mentioned above

 $^{^6}$ During DQA mission (dated 4^{th} Nov. 2020), it was agreed between the USAID and the UNDP that IO 2.2 target to be reduced from 3,000 to 990 individuals. This decision is taken after developing common understanding regarding "workforce development programme".

Indicator	LoP Targ et	FY 20-21 Target	FY 20-21 Actua I	Q1 (Oct- Dec 20) Targe t	Q1 Achie ved	Q2 (Jan- Mar 21) Targe t	Q2 Achie ved	Q3 (Apr- Jun 21) Targe t	Q3 Achie ved	Q4 (Jul- Sep 21) Targe t	Q4 Achie ved
Output 2.1: Number of individuals/MSMEs trained on business management skills	4,350	-	-	-	ı	-	-	-	-		
Output 2.2: Number of micro, small, and medium enterprises (MSMEs), including farmers, receiving USG assistance	3,855	-	-	-	ı	-	-	-	-	-	
Output 3.1: Number of entrepreneurs / MSMEs trained	700	-	397	-	217	-	180	-	-	-	
Output 3.2: Number of entrepreneurs / MSMEs provided support through USG assistance	350	-	313	-	163		66	-	84	-	
Output 3.3: Percentage of MSM enterprises operational	50%	-	52%	-	52% ⁷	-	-	-	53%²		
Output 4.1: Number of MSMEs who received loan from microfinance institutions, as a result of USG assistance	5,00 0	2,491	-	623	-	623	-	623	-	622	-
Output 4.2: Number of MFI staff trained to better facilitate the borrowers	45	33		9	-	8	-	8	-	8	-
Output 5.1: Number of people receiving skills training and livelihood support based on analysis of market needs	2,494	-		-	-	-	-	-	-	-	
Output 5.2 Number of business associations formed	30	-		-	-	-	-	-	-	-	
Output 5.3: Number of toolkits/equipment provided	1,750	-		-	-	-	-	-	-	-	
Output 6.1: No. of assessments/ studies conducted	3	-		-	-	-	-	-	-	-	
Output 6.2: Number of private-private partnerships formed as a result of program assistance	5	5	2	2	2	2	-	1	-	-	
Output 6.3: No. of workshops held under the Economic Cooperation and Development Forum	5	1	1	-	-	-	-	-	-	-	

⁷ This percentage is based on the analysis of two FERP indicators (2.2 and 3.2). Both indicators speak about provision of USG assistance for SMEs establishment.

ANNEXURES: XI.

Press coverage Posts:





non and Development Forum (ECDF), in its first session held last year, had tic areas including regulatory reforms, marketing and communication, revestment & innovation, benking & finance, skills development and job ic infrastructure and five key priorities declors including women nines & minerals, agri businesses, transport, trade and services and light

DAWN



Economic activities pick up steam in tribal districts





Steps for economic revitalisation of merged districts finalised



Policy proposals finalised for uplift of merged

The Program Foundations of Small and Medium Enterprises Development Authority (SMEDA), United Nations Development Program (UNDP) and United States Agency for International Development (USAID) has finalised policy recommendations for the economic revitalisation programme of the newly merged districts.







۔ پیٹاور' وزیرِ اعلیٰ خیبر پختونخوا محمود خان کوضم اصلاع میں معاشی بحالی اور تر قیاتی منصوبوں کے حوالے سے حتمی سفارشات پیش کی جا رہی ہیں



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KP plans sectoral reforms بماضلة كالتحالي عالى عالى التحالي عالى التحالي الت

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TRIBAL NEWS NETWORK MOME NEWS - BLOSS 109803 CONFETS AND ECDF forms proposals for economic growth of merged













Daily Times

SMEDA to set up Industrial Facilitation Centre at SCCI

- https://www.urdupoint.com/en/pakistan/smeda-concludes-fata-economic-revitalization-1107112.html
- https://www.dawn.com/news/1592979
- https://www.thenews.com.pk/print/726279-economic-activities-pick-up-steam-in-tribal-districts
- $\underline{\text{https://www.thenews.com.pk/print/750956-steps-for-economic-revitalisation-of-merged-districts-finalised}$
- $\underline{https://nation.com.pk/29\text{-Nov-2020/policy-proposals-finalised-for-uplift-of-merged-dists}}$
- https://www.urdupoint.com/en/business/smeda-presents-ecdfs-recommendations-to-kp-g-1096079.html
- $\underline{\text{https://nation.com.pk/26-Mar-2021/ecdf-identifies-crucial-steps-for-economic-growth-of-tribal-dists}}$
- https://www.tnn.com.pk/ecdf-forms-proposals-for-economic-growth-of-merged-districts/

- https://nation.com.pk/E-Paper/islamabad/2021-03-26/page-4
- https://dailytimes.com.pk/738778/ecdf-identifies-crucial-steps-for-economic-growth-of-tribal-districts/
- https://dailytimes.com.pk/815718/smeda-to-set-up-industrial-facilitation-centre-at-scci/
- https://www.thenews.com.pk/print/894871-hasnain-khurshid-elected-scci-president-unopposed
- https://profit.pakistantoday.com.pk/2021/09/23/scci-launches-investment-facilitation-centre-in-kp/

Annex-III: Social media posts:















































Mehreen started her business after receiving training through our Business Incubation Programme, supported by #USAIDPalastan. She is now able to provide opportunities to women tailor.

Read more stories from #PassionForTomorrow!

/ https://dx.bl.y/955GDOW

***Junia/Marka/Tokography









She says, T learned about all aspects of a business—from developing the idea, pitching it for the grant, marketing techniques and developing budget—that enabled me to ear an string. With the USAD grant. I started my traditional embroidery business. Earlier, I did not know much about budgeting and would lose in business but with this training, I am doing much better."



Following are the links to social media posts:

https://www.facebook.com/TiElslamabadChapter/posts/3361521480632192 https://www.facebook.com/TiElslamabadChapter/posts/3361506483967025 https://www.facebook.com/TiElslamabadChapter/posts/3361483993969274 https://www.facebook.com/TiElslamabadChapter/posts/3361469843970689 https://www.facebook.com/TiElslamabadChapter/posts/3361462777304729 https://www.facebook.com/undppakistan/photos/a.416881201691500/4179175718 795344/?type=3

https://www.facebook.com/undppakistan/photos/a.416881201691500/4184571614 922421/?type=3

https://www.facebook.com/undppakistan/photos/a.416881201691500/41902923

97683676/?type=3 https://twitter.com/UNDP_Pakistan/status/1412285203180146692?s=20

https://twitter.com/UNDP_Pakistan/status/14/12852U3/18/J146932/5=20 https://twitter.com/UNDP_Pakistan/status/14/10839843349975040?s=20 https://twitter.com/UNDP_Pakistan/status/14/10839843349975040?s=20 https://www.facebook.com/peshawar.usconsulate/photos/4401984506513334/ https://www.facebook.com/peshawar.usconsulate/photos/4496718113706639/

 $\frac{https://www.facebook.com/TiElslamabadChapter/posts/3361514640632876}{https://www.facebook.com/TiElslamabadChapter/posts/3361500167300990}$ https://www.facebook.com/TiElslamabadChapter/posts/3361475977303409 https://twitter.com/UNDP_Pakistan/status/1442721733207810049?s=20 https://www.facebook.com/undppakistan/photos/a.416881201691500/4181856538 527262/?type=3

https://www.facebook.com/undppakistan/photos/a.416881201691500/4171765756

203007/?type=3 https://www.facebook.com/undppakistan/photos/a.416881201691500/41873501913

11230/?type=3 https://twitter.com/UNDP_Pakistan/status/1413365095166615552?s=20 https://twitter.com/UNDP_Pakistan/status/1412995383182172162?s=20 https://twitter.com/UNDP_Pakistan/status/14112995385182/1/216275=20 https://twitter.com/UNDP_Pakistan/status/14119240760174673947s=20 https://twitter.com/UNDP_Pakistan/status/1411879489142005767s=20 https://www.facebook.com/peshawar.usconsulate/photos/4388621131183005/ https://www.facebook.com/peshawar.usconsulate/photos/4422335274478257/