

		stakeholders for community mobilisation, project monitoring and local governance.
EU mid-term review of the 2021-2027 allocation for Afghanistan (July-September 2023)	There is no improvement for households to sustain livelihoods, and while food and goods are available on the market, people lack purchasing power.	The Action adopts a private sector and value chain approach, linking up with livelihoods support for the most vulnerable, which focus on job creation and income generation to increase purchasing power and stimulate local demand.
	The worsening micro-economic situation, and the lack of perspective for youth, especially women, with restrictions in their everyday lives and a lack of employment opportunities risks leading to displacement, migration, and paving the way for further extremism, drugs, arms and human trafficking.	The Action seeks to prevent displacements, extremism, and drug dependency, by providing employment opportunities, vocational and skills training, and if relevant, socio-economic reintegration. Women and youth are considered priority target groups.
	The different stakeholders who were consulted highlighted notably the following areas for further EU engagement: <ul style="list-style-type: none"> - Education, in particular for girls; - Health, in particular mental health/psychosocial support and training of male and female health workers; - Support to the private sector and women's economic empowerment with notably access to credit, investment in value chains, and support to market linkages; - Climate resilience. 	The Action support education, health, private sector, and climate resilience (integrated notably in livelihoods support).
	Strong advocacy for direct financial support to local NGOs and private sector.	International implementing partners will be encouraged to build the capacity or implement activities with the local civil society or community-based organisations. The Action also foresees the possibility of providing funding to private sector operators.
	The ARTF was identified as a key vehicle to coordinate and finance programmes in Afghanistan, increasing the overall impact.	The Action will support the ARTF at strategic and project implementation levels.
Thematic evaluation of the private sector support in Afghanistan (June 2023)	Complex projects with multiple inter-related components or dependencies on other related projects face higher risk of failure.	Whenever feasible and relevant, the Action will encourage strategic consortia notably under direct management (grants).
	Enterprise level support is likely to be more sustainable when provided to more established and resilient businesses.	The Action includes a specific objective on economic opportunities and private sector, which will focus primarily on resilient businesses.
	Projects that consciously and determinedly target women beneficiaries can successfully promote gender equity despite discriminatory social norms.	Women and girls are the priority population group for beneficiary targeting.
	Moving from emergency support to businesses towards more development oriented support for market systems.	The Action promotes a value chain approach from production to market to consumer.
	Supporting the recovery of the financial sector.	The Action will support access to microfinance services.