**The State of Self-Help Groups (SHGs) in Afghanistan: Evidence-Based Analysis of the SHGs Situation and Implications for Social and Sustainable Development**

***Abstract***

Self-help groups have played a crucial role in fostering community empowerment, economic sustainability, and social resilience in conflict-affected regions like Afghanistan. This article explores the SHGs' situation, focusing on their role in socio-economic development and challenges they face due to political volatility, cultural norms, and infrastructural limitations. Therefore, the article checked if the Afghanistan Rural Enterprise Development Program (AREDP) groups are functional in post implementation era and also it outlines some major issues identified in AREDP and Women Economic Empowerment Development Program (WEERDP) groups and suggested some policy majors to overcome these issues. The assessment, conducted in June 2021, and assessed the functionality of SHGs and Village Savings & Loan Associations (VSLAs) promoted under the AREDP in all the four targeted provinces (Balkh, Herat, Nangrahar and Parwan). The study found that while groups were negatively affected by the Coronavirus Disease 2019 (COVID-19) pandemic and lack of post-implementation support, while the VSLAs maintained regular operations on more sustainable way. In addition, the SHGs and VSLAs of WEERDP during 2020, across all six regions (Kabul, Nangarhar, Khost, Balkh, Herat and Kandahar) were monitored. The major issues groups disintegrations and groups members’ dropout were identified. Furthermore, the current political and economic environment in Afghanistan has created additional uncertainties for SHGs, considering the unique socio-political context and the ongoing challenges including economic instability, Security concerns, and a lack of institutional support often hinder the functioning and sustainability of SHGs in post-2021 This manuscript provides essential insights into the current scenario of SHGs in Afghanistan. The empirical data collected offers crucial information about their status and suggests ways to improve the situation. This research can help stakeholders develop strategies to enhance the economic conditions of society.

**Keywords:** Afghanistan, AREDP, Saving groups, Self-help groups, VSLAs and WEERDP.

**Introduction**

Self-help groups are small voluntary associations formed by people with common goals, primarily aimed at helping each other improve their social, economic, and psychological conditions. Globally, SHGs have gained significant recognition for their role in empowering marginalized communities, promoting local development, and fostering sustainable livelihoods, especially in rural areas. In the context of Afghanistan, a country with a long history of conflict, socio-political instability, and humanitarian crises, SHGs are emerging as vital tools for community resilience, economic recovery, and social cohesion. However, despite their potential, these groups face numerous challenges due to Afghanistan's complex political, social, and economic landscape (Shah & Quraishi, 2021).

Self-Help Groups in Afghanistan have played a critical role in empowering individuals and promoting community resilience in the face of significant socio-political and economic challenges. These groups have been central to enabling people, particularly women, to gain financial independence, access resources, and improve livelihoods in rural and conflict-affected regions. In a country like Afghanistan, where traditional financial systems are weak, SHGs provide essential services such as microfinance, skill-building, and social support, all while fostering community solidarity (UN Women, 2017).

Self-Help Groups in Afghanistan have been supported through various programs, particularly in the context of microfinance and women’s empowerment. Microfinance programs like the Afghanistan Rural Enterprise Development Program (AREDP) and the Microfinance Investment Support Facility for Afghanistan (MISFA) have provided crucial access to small loans and savings for rural women, allowing them to develop businesses, improve agricultural practices, and diversify income sources (USAID, 2018). These initiatives have been instrumental in reducing poverty levels and increasing the economic participation of women in rural areas.

In addition to microfinance, SHGs have been involved in education and awareness programs, often focused on health and human rights issues. These programs help create a supportive environment for women to gain literacy skills, learn about maternal health, and engage in advocacy around women’s rights (World Bank, 2019). Through workshops and training, SHGs in Afghanistan have also encouraged gender equality, with many groups focusing specifically on providing women with the tools they need to participate actively in their households and communities (Duflo, 2012).

This article presents a comprehensive analysis of the current situation of self-help groups in Afghanistan, focusing on their role in social and sustainable development, and the barriers they face in promoting community-driven growth. The data of assessment of Saving groups (SGs) and VSLAs that were promoted under Afghanistan Rural Enterprise Development Program (AREDP) analyzed which the assessment aimed to determine whether the SGs and VSLAs were functional and perform their core functions. In addition, during the year 2020, a total of 11,263 SHGs, and VSLAs, across all six regions (Kabul, Nangarhar, Khost, Balkh, Herat and Kandahar) of Afghanistan promoted under WEERDP were monitored. Moreover, the article aims to provide insights into the opportunities and limitations of SHGs in Afghanistan, considering the unique socio-political context and the ongoing challenges post-2021.

Afghanistan Rural Enterprise Development Program was a national multi-donor funded, government-led Program to jump-start private sector growth in rural Afghanistan. The AREDP implemented from 2013-218 in five provinces (Balkh, Herat, Nangarhar, Parwan and Bamyan) to strengthens the private sector through integrated, value chain, knowledge based interventions from top to bottom, community enterprise development from bottom to top, and by addressing credit and capital needs. The over-arching developmental goal of the Program was to improve employment and income of rural men and women, and the sustainability of targeted local enterprises. The program had three components, and they were;

1. Community-based Enterprise Development: Supplies business knowledge and builds financial capacity and sustainable linkages through community-based enterprise development interventions;
2. SME Development: Supports small and medium enterprises with business advisory services and to connect rural SMEs to available credit and other financial services;
3. Program Management Support: Plans, manages, supervises and monitors the implementation of all Program activities.

Overall AREDP established 3,881 SGs and 408 VSLAs in all the four target provinces and assessment of 1110 SGs, and 217 VSLAs across all four provinces of AREDP program conducted.

The WEE-RDP was the flagship program under the Women’s Economic Empowerment National Priority Program (WEE-NPP), aimed at achieving investment activities and goals of the program. It built upon previous government-led initiatives, including the Afghanistan Compact and the 2008-18 National Action Plan for the Women of Afghanistan (NAPWA) and the 2008 Afghanistan National Development Strategy (ANDS).

Considering the strong women’s participation under AREDP, the WEE-RDP was also informed by the Lessons learnt from AREDP, which fostered savings and enterprise groups and support business activities across 24 districts in 5 provinces in the country. Recognizing the success of AREDP, the Government of Afghanistan decided to have a dedicated program for Women’s Economic empowerment with adequate focus on the poorest, marginalized and disadvantaged communities. The impact of the project on the local economy and its catalytic effect on social inclusion facilitated AREDP’s transition into the WEE-RDP. The WEERDP started in October 2018 and was functional till fallen of government in Afghanistan in August 202.

Therefore, WEERDP closely collaborated with the Microfinance Investment Support Facility for Afghanistan (MISFA) which was originally founded under the Ministry of Rural Rehabilitation and Development (MRRD) and then became an independent entity. WEERDP aimed to link its clients to existed microfinance institutions wherever possible. Commercial banks linked with WEERDP opened bank accounts for community institutions to provide wide range of services including transfer of seed capital to SHGs, VSLA and Enterprise Groups (EGs) through savings bank accounts opened with partner commercial banks. The Program had the following four components:

1. Community Mobilization and Institution Development (CMID)
2. Access to Finance (A2F)
3. Enterprise Development and Market Linkages (EDML)
4. Project Management (PM)

**Current Situation of SHGs in Afghanistan**

The current political and economic environment in Afghanistan has created additional uncertainties for SHGs. The return of the Taliban to power in 2021 has placed restrictions on women’s rights, including their ability to participate in public life and work outside the home (Human Rights Watch, 2022). Many humanitarian and development organizations have had to adjust their operations to comply with new restrictions, and several have paused or scaled back programs that focus on women's empowerment. This has created a difficult environment for SHGs to operate, especially those that primarily target female participants.

Despite these challenges, some SHGs continue to operate in Afghanistan, often with the support of local community leaders and international organizations that have adapted their strategies to the new political landscape (Save the Children, 2023). These groups remain an essential component of local development and social welfare, though their ability to expand and reach new areas is limited.

**Results and discussion**

**Results and Impacts of SHGs in Afghanistan**

The impact of SHGs in Afghanistan has been positive in various aspects, particularly in terms of economic empowerment. Studies have shown that participation in SHGs leads to higher income levels and improved living standards for women (Khan, 2015). A report by the International Finance Corporation (IFC, 2017) highlighted that women involved in microfinance programs in Afghanistan experienced not only increased financial independence but also a heightened sense of self-worth and influence within their households.

The social empowerment of women through SHGs has also contributed to broader gender equality efforts in Afghanistan. As noted by UN Women (2018), SHGs have provided platforms for women to engage in collective decision-making, gain leadership skills, and challenge traditional gender roles in conservative rural communities. This is particularly significant in a context where women have historically faced numerous barriers to education, employment, and participation in public life.

Moreover, SHGs have helped foster community resilience by creating networks of mutual support in regions affected by conflict or natural disasters. During times of crisis, such as floods or displacement, SHGs have played a vital role in providing emergency assistance and in rebuilding local infrastructures (International Rescue Committee, 2016). These groups facilitate the pooling of resources, which helps members cope with shocks and collectively recover from adverse situations.

**Challenges of SHGs in Afghanistan**

However, SHGs in Afghanistan face a series of challenges that limit their effectiveness and sustainability. Security remains a significant barrier, especially in regions affected by ongoing conflict. A study by Oxfam (2020) notes that the instability in Afghanistan has made it difficult for SHGs to operate in certain areas, as many groups are forced to suspend their activities due to the risks posed by insurgents and violence.

Cultural and social barriers also present obstacles to the growth of SHGs, particularly in more conservative areas. Many women face resistance from their families or communities, and there are often concerns about the safety and propriety of women gathering for group activities (World Bank, 2019). In such contexts, it is crucial for SHGs to work closely with local leaders to gain community acceptance and support.

Additionally, while SHGs play an essential role in community development, they often suffer from a lack of training and capacity-building. According to a report by the Asian Development Bank (2018), poor governance and limited managerial skills within many SHGs result in inefficient operations and, in some cases, the mismanagement of funds. Without sufficient training in financial management and business operations, SHGs may struggle to achieve long-term sustainability.

**Theory and Literature Review**

The theory of SHGs is grounded in community empowerment, collective action, and grassroots development. SHGs emphasize mutual support, where members come together to address common issues, improve their socio-economic conditions, and build trust and solidarity. By pooling resources, sharing knowledge, and making collective decisions, SHGs foster self-reliance and reduce dependency on external aid. These groups often focus on financial inclusion, especially for marginalized communities, and aim to promote sustainable development through shared responsibility and collective action. Ultimately, SHGs are designed to empower individuals and create a sense of community ownership in development processes (Singh, 2018).

Self-Help Groups have proven to be a pivotal element of community-driven development, especially in fragile and conflict-affected regions like Afghanistan. SHGs are community-based organizations where individuals, typically from marginalized or low-income groups, come together to address socio-economic challenges through mutual support and collective action. In Afghanistan, SHGs have gained recognition as effective tools for poverty alleviation, social empowerment, and sustainable development (Mumtaz, 2019).

Afghanistan’s socio-economic landscape is marked by deep poverty, high unemployment rates, and a lack of access to financial services, particularly in rural areas (World Bank, 2020). According to Shams & Hamed (2021), SHGs in Afghanistan are crucial in enhancing financial inclusion and providing economic opportunities for rural women. They argue that SHGs create an enabling environment for women to engage in entrepreneurship and community decision-making processes, reducing gender disparities. Moreover, SHGs in Afghanistan are integral to promoting social cohesion and fostering local leadership (Nasr, 2020). Their ability to mobilize resources and share knowledge among members has led to increased trust and solidarity within communities.

The concept of SHGs aligns with broader development goals, including social inclusion and environmental sustainability. A study by Aryal & Koirala (2017) demonstrated that SHGs in South Asia have contributed to environmental awareness and practices among rural populations. In Afghanistan, similar initiatives have shown that SHGs can play a role in promoting sustainable agricultural practices and natural resource management (Rahimi, 2020). Furthermore, SHGs have facilitated the adoption of community-based health interventions, further contributing to the well-being of vulnerable populations (Khan & Ashraf, 2021).

However, the effectiveness of SHGs in Afghanistan is not without challenges. Security concerns, political instability, and a lack of institutional support often hinder the functioning and sustainability of SHGs. According to a report by the United Nations Development Programme (UNDP, 2020), SHGs in conflict zones face barriers in accessing resources, creating challenges for their continued growth and impact. Additionally, the fragmentation of SHGs due to ethnic and regional divisions within Afghanistan further complicates their efforts to achieve widespread social and economic change (UNDP, 2020).

It can be concluded that SHGs have the potential to significantly contribute to the social and economic development of Afghanistan, but their success depends on overcoming challenges such as security, political instability, and institutional support. As seen in other regions, strengthening SHGs in Afghanistan requires a holistic approach that includes government involvement, civil society engagement, and international support (Mumtaz, 2019; Shams & Hamed, 2021).

Since 2021, the situation for SHGs in Afghanistan has faced significant challenges due to shifts in the political and socio-economic environment. The restrictions on mobility and access to resources have impacted the growth and operations of SHGs, especially those led by women. In many areas, economic instability and security concerns have made it difficult for SHGs to maintain their activities, leading to disruptions in community support initiatives (UNDP, 2022).

Therefore, the study highlights several key strategies for enhancing the effectiveness of Self-Help Groups (SHGs) in Afghanistan. These include increasing social awareness, government support, laws and regulations to support women. The study also emphasizes the need to adapt SHG programs to the socio-cultural context, creating safe spaces for women, and addressing local challenges such as security issues and cultural practices. Furthermore, it underscores the importance of expanding financial inclusion through commercial banking. These strategies aim to empower women economically and contribute to sustainable development (Seddiqi, 2022).

Despite these challenges, SHGs in Afghanistan have demonstrated resilience, particularly in rural regions where community networks remain strong. Local initiatives have continued to provide essential support in areas like agriculture, healthcare, and livelihood development, showing the enduring strength of community solidarity. The future of SHGs will depend on the continued adaptation of these groups, along with support from both local and international partners to help them thrive under current conditions (Khan & Ashraf, 2022).

**Materials and Method**

AREDP implemented from 2013-2018 in five provinces of Afghanistan. During June 2021, assessment of AREDP groups and VSLAs in four provinces of Afghanistan. Namely, Balkh, Herat, Nangrahar and Parwan was conducted.

The assessment was accomplished by WEERDP monitoring team to find out whether SGs and VSLAs are functioning regularly and effectively. In order to insure the SGs and VSLAs were active and perform its core functions, the team checked physically record books in the field and data were entered to the Kobo tool to make sure the following indicators were met.

* Total savings as of last month.
* Total savings as of now.
* Cash in hand.
* Total repayments as of now.
* Number of issued loans to group members.
* Amount of issued loans to group members.
* Amount of Seed capitals.

In addition, during the period of 2020, a total of 11,263 WEERDP, SHGs and VSLAs, across all six regions (Kabul, Nangarhar, Khost, Balkh, Herat and Kandahar) were monitored by WEERDP monitoring team and major issues in SHGs and VSLAs were identified,

**Empirical analysis**

Assessment of Saving SGs, and VSLAs that were promoted under AREDP. The assessment aimed to determine whether the SGs and VSLAs reached out during the process are still functional and perform their core functions conducted visits and checked 1110 SGs and 217 VSLAs across all four provinces. Despite restrictions of COVID-19 quarantine levied and the security situation, high number of visits conducted to the groups as shown in below chart1.

Chart 1: Number of assessed AREDP saving groups in the provinces of Parwan, Balkh, Nangarhar, and Herat.

The below graph 1, indicate amounts of total savings as of now, total savings as of last month, cash in hand, amount transferred to VSLA and amount of loans to group members in AREDP groups. As it’s depicted in graph maximum amount of total saving as of now was 14,42000 AFN, maximum amount of total savings as of last month is 109,5000 AFN, maximum amount of cash at hand was 601,020 AFN, maximum amount of money transferred to VSLA was 115,000AFN, and maximum amount of issued loans to group members was 301,2000 AFN in overall visited saving groups.

Graph 1: Maximum amounts of total savings, cash in hand, and loans in AREDP Saving groups.



Likewise, it was exhibited in below graph; maximum total amount of saving in VSLAs as of now was 1,945,355 AFN, maximum amount of total savings as of last month was 1,889,000 AFN and maximum amount of seed capital was 1,555,100 AFN in overall series of VSLAs.

Graph 2: Total Savings and Seed Capital in VSLAs.



# **Parwan province**

In Parwan province totally 488 groups are established by AREDP which include 431 SGs and 57 VSLAs. Below chart 2 indicates the number of visited AREDP groups in the mentioned province.

Chart 2: Number of Visited AREDP Groups in Parwan Province.

The below chart 3, indicates main issues that were found by assessment team in Parwan province.

Chart 3: Major Issues in AREDP Groups in Parwan Province

# **Nangrahar province**

In Nangrahar province totally 2011 groups are established which include 1833 SGs and 178 VSLAs. Overall, 172 groups were visited by monitoring team, 150 of them were SGs and 22 were VSLAs, as displayed in below chart 4.

Chart 4: Number of visited AREDP groups in Nangarhar province.

Major issues in Nangrahar AREDP SGs and VSLAs are indicated in below chart 5.

Chart 5: Major issues identified in SGs and VSLAs in Nangarhar province

# **Balkh province**

In Balkh province totally 545 groups are established by AREDP, which include 489 SGs and 56 VSLAs; among them 205 SGs and 33 VSLAs were visited and assessed. Chart 6 shows the number of visited AREDP groups in Balkh province.

Chart 6: Number of Visited AREDP Groups in Balkh Province

The below chart 7 indicates main issues that were found by assessment team in Balkh province.

Chart 7: Major Issues identified in AREDP Groups of Balkh Province.

# **Herat province**

In Herat province overall 1,128 saving groups and 117 VSLAs are established by AREDP out of total 79 SGs and 37 VSLAs were visited by assessment team and presented in below Chart 8.

Chart 8: Number of Visited AREDP SGs and VSLAs in Herat Province

The below chart 9 indicates main issues that were found by assessment team in Herat province.

Chart 9: Major issues identified in AREDP SGs and VSLAs in Herat province

The number of major issues identified in WEERDP groups by the monitoring team during the period 2020 are illustrated in the following table 1 shows the region wise distribution of issues identified by the monitoring team during the year 2020.

Table 1: Issues Identified by the Monitoring Team in all six regions of Afghanistan.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Region | Description | Data inconsistency | Members drop out | Group disintegrations | Multiple Family members |
| Kabul | Issues Identified | 157 | 66 | 58 | 18 |
| Issues Addressed | 140 | 20 | 0 | 0 |
| Nangarhar | Issues Identified | 69 | 94 | 0 | 35 |
| Issues Addressed | 69 | 0 | 0 | 35 |
| Khost | Issues Identified | 170 | 290 | 51 | 180 |
| Issues Addressed | 150 | 0 | 14 | 80 |
| Balkh | Issues Identified | 437 | 982 | 36 | 0 |
| Issues Addressed | 179 | 0 | 0 | 0 |
| Herat | Issues Identified | 4 | 70 | 17 | 180 |
| Issues Addressed | 0 | 30 | 0 | 80 |
| Kandahar | Issues Identified | 91 | 128 | 12 | 0 |
| Issues Addressed | 52 | 0 | 0 | 0 |

As shown in the table 1 above, the highest number of SHGs that were disintegrated were in Kabul region followed by Khost and Balkh regions. In terms of dropout, the highest number of the members that were dropped out were reported in Balkh and in Khost regions with **982** and **290** respectively. The second position is secured by Kandahar region where 128 members left the groups after their initial establishment and none of them replaced back.

The other major issue that was the existence of data inconsistencies between the field data in the books of groups and Management Information System (MIS). Balkh region secures the top of the list with 437 of SHGs whose data were not matching with MIS followed by Khost with 170 SHGs and Kabul with157 SHGs. During the course of monitoring, the team had also observed multiple family members who were integrated in groups as shown in the table 1 above. Nangarhar region secure the top of the list in contrast to other regions in addressing total both data inconsistency and multiple family member cases throughout the year 2020.

The effectiveness of monitoring follows up visits was high in increasing the level of accuracy in the book of records, increasing groups members’ awareness on program objectives and its implementation strategy, matching field data in the groups books of record with MIS, and performing groups core functions, providing required trainings particularly initial and membership trainings, and groups members dropout issue respectively. Unfortunately, none of the disintegrated group were revived. Only in Khost region 14 SHGs out of 51 accepted to work again with program.

Following were the main types of common and critical issues observed by the monitoring team. Considering frequencies of identified issues, from highest to lowest,

* Data inconsistency
* Group members drop out
* Lack of proper book of record
* Loan has not been issued.
* Disintegration of groups
* Loan issued but has not been recorded
* Unavailability of loan documents with both groups and VSLAs
* Multiple family members in a group.
* Lack of adequate knowledge about the program
* SHG and VSLA were not holding meetings.
* Training not delivered to SHG and VSLA members
* Groups and VSLAs were not visited by Social Organizer (SO) and Village Facilitator (VF)
* 10% savings were not transferred to VSLA
* Book of record was not maintained by secretary.
* Outstanding amount with SHG members
* Not being provided with books of record
* Loan not used for commercial activities.

The main reasons for the above common and major issues were as follow:

* Insufficient follow-up by the SO and Village VF to the established SHGs.
* Group members were not well mobilized in term of awareness on program goals and objectives.
* Groups were not trained on maintaining books of record, keeping saving boxes, and not providing seed capital on a timely manner which cause the above issues.
* Meetings were not significantly interactive for some of the group members since they have not been provided with any sort training and support to encourage them for doing their core functions on a regular basis.
* Trainings were not conducted by expert master trainers, as noted in many regions the trainings were provided by unskilled people which ws a waste of time and resources,
* Low awareness level of group members regarding the WEERDP project.
* COVID-19 had also left a negative impact on the project interventions. The reason for some SHGs not having regular meeting was the fact they had not been provided with the support/seed capital, despite attending the membership training and meeting the maturity criteria set by the program.

**Conclusion**

It was reported AREDP saving groups and VSLAs affected negatively by COVID-19 pandemic moreover, WEERDP didn’t follow up and support them. It was noted out of total assessed groups more than hundred saving groups neither conduct meetings and nor made savings for one year after the dissemination of COVID-19. The members of visited groups said they have only records of few months due to shortage of record books. However, the members of the group reported to MIS and Provincial Rural Rehabilitation and Development Directorates (PRRD) that their groups hold meetings and make savings in a regular basis. Over all of these, monitoring team detected that SO, District Officer (DO) and District Coordinator (DC) weren’t visited AREDP SGs and VSLAs even once in a year.

It is notable that VSLAs were performing functions on more sustainable way, the assessed VSLAs conducted meetings and made savings on a regular basis however, very less number of groups were reported that they stopped meetings and transferring amount of savings to VSLAs. In addition, during assessment the team found that some of theVSLAs loans were overdue and not reimbursed back.

At all, following issues were observed in record books of SGs and VSLAs; number of loans and amount of loans in books of record were not matched with MIS. Mistakes were made in calculation part of the record books; for instance, the amounts of total saving, cash at hand and amount of SGs saving transferred to VSLA were calculated incorrect.

The activities of AREDP groups were negatively affected by COVID-19 pandemic, because they weren’t followed up and supported by WEERDP. So, AREDP groups faced with record books shortage. However, the monitoring and supervision from AREDP groups was vitally important for sustainability of groups.

The VFs were employed by AREDP played crucial role in facilitating and recording of groups’ performance. Their role in AREDP groups’ sustainability was crucial. Therefore, SO, DO and DC have to visit the groups, and supervise the groups.

The effectiveness of monitoring team follows up visits from WEERDP groups was high in increasing the level of accuracy in the book of records, increasing groups members’ awareness on program objectives and its implementation strategy, matching field data in the groups books of record with MIS, and performing groups core functions, providing required trainings particularly initial and membership trainings, and groups members dropout issue respectively. Unfortunately, none of the disintegrated group were revived. Despite, only in Khost region 14 SHGs out of 51 accepted to work again with program.

**Recommendations for SHGs in Afghanistan**

The excel support for WEERDP and AREDP groups have to be provided, due to vital role in sustainability of the groups.

Books of record have to be distributed to groups, as the facilitation of stationery is limited in AREDP areas. VSLAs play a vital role in development of communities; they were performing actively; and could be count key players for implementing of other development programs in communities too.

Motivating programs and policies are required to encourage the groups for improvement and sustainability.

Strengthening Local Leadership and Governance: SHGs should build resilient, independent local governance structures, free from external funding dependence, ensuring sustainability despite fluctuations in international aid.

Adapting Programs to Changing Social Norms: SHGs must create safe spaces for women and adapt their programs to the local cultural and social context, considering the unique challenges women face in Afghanistan.

Enhancing Training and Capacity-Building: Comprehensive training in financial literacy, leadership, and project management is essential to improve SHG operational efficiency.

Expanding Access to Digital Finance and Mobile Banking: With the limitations on traditional banking systems in Afghanistan, SHGs should explore digital financial solutions, such as mobile banking, to increase financial inclusion and provide safe and accessible financial services to rural communities.

Collaborating with International Organizations: Collaboration with international humanitarian and development organizations is crucial to ensure the continuation and expansion of SHGs. Such partnerships can provide financial support, technical expertise, and political advocacy.

The future of SHGs in Afghanistan will depend on their ability to adapt to the changing socio-political environment, maintain economic sustainability, and receive support from local and international partners. By focusing on these areas, SHGs can continue to play a vital role in empowering communities and promoting sustainable development in Afghanistan.

**Limitations**

The assessment is confined to four provinces of AREDP implementation; assessment of Bamyan province AREDP groups was turned down because of security problems on the way traveling to Bamyan province. The limitation of groups assessed in only four provinces may restrict the findings and exclude data from Bamyan. Moreover; due to the security situation and COVID-19 pandemic in Herat, Nangrahar and Blakh provinces only a portion of WEERDP groups were visited and the assessment team weren’t able to visit all groups in mentioned provinces leading to incomplete data.

Disclaimer (Artificial intelligence)

Author(s) hereby declare that NO generative AI technologies such as Large Language Models (ChatGPT, COPILOT, etc.) and text-to-image generators have been used during the writing or editing of this manuscript.

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