

SELF HELP GROUPS IN AFGHANISTAN

Ignite II Learning Overview

July 2025



Context

Self Help Groups (SHGs) are an informal yet powerful mechanism in Afghanistan for supporting women's economic resilience and psychosocial well-being amid a severely repressive environment. Before the Taliban regained control, Self Help Groups and Community Development Councils (CDCs) were widespread across Afghanistan, serving as a vital informal network that enabled humanitarian and development actors to reach women - particularly in remote and conservative areas - where formal systems often failed. Since the Taliban's return to power in 2021 and the subsequent national ban prohibiting women from working with NGOs, these community structures initially ceased to operate. However, SHGs have once more emerged as critical platforms for shifting power and resources to women who have otherwise been excluded from public life, education, employment, and mobility. In parallel, community-led response mechanisms and group cash transfers are promising approaches and modalities for enhancing local crisis response capacities and align with the Grand Bargain's push for scalable, locally driven humanitarian financing. However, despite growing evidence of their potential, the effectiveness of channeling microgrants through SHGs remains underexplored, leaving a critical gap in understanding how best to harness these models to drive inclusive and impactful community-led change.

Overview

- **Why:** Ignite II is a project, funded by Vitol Foundation, which builds on an earlier effort to re-ignite SHGs following the political turmoil of 2021. It aims to strengthen women's resilience to shocks and stresses.
- **Where:** the project focused on 15 villages in two districts of Samangan province, North Afghanistan.
- **When:** the Ignite II project and pilot were implemented from August 2024 to July 2025.
- **What:** alongside accelerating support to 40 SHGs (covering 800 women), a key objective was to build the evidence base on: i) the potential for SHGs to self-replicate, with "star leaders" establishing new groups and cascading training; and ii) the viability and impact of channelling microgrants to Afghan women via SHGs.
- **How:** data collection with 166/169 SHG members and SHG leaders during baseline/endline respectively included surveying, interviews, and focus group discussions, which contributed to filling the knowledge gap.
- **Who:** The Share Trust (research and learning partner) and Afghanaid (implementing partner).



What is a Self Help Group?

Self Help Groups are informal networks of 10-25 people who gather every week to save money, grow their businesses, support each other, and create change for themselves and their communities. It is a well-tested and cost-effective model for delivering critical programming and services to people around the world. In challenging contexts, such as Afghanistan, it offers a culturally acceptable opportunity for women to gather with their peers, invest in their own agency, and build resilience.

Channelling Microgrants via SHGs

- **SHGs were found to effectively absorb and manage multiple rounds of microgrants** leading to increased engagement in artisanal and small-scale businesses, and increased income and asset ownership.
- **Distributing microgrants via formal banking systems was preferred by SHG members** and perceived to be more reliable and convenient than money service providers/money exchangers, although reliant on access to mobile phones and banks. Mobile phones were provided to SHG leaders as the start of the project.
- **All groups collectively decided on the use of microgrants, which were used as “revolving funds,”** to pay off loans and medical bills, with the majority of SHG leaders reporting use for medium to long-term investments including the purchasing of livestock, business inputs, and investment in children’s education and SHG member skills and training.
- **All 40 SHGs developed microgrant use/spending plans prior to receiving two rounds of microgrants (USD 871 each).** A third round of grants was given to 35 groups, with the amount (USD 580 to 1,946) determined following SHG assessment including use of the previous grants.
- **Spending evolved from an initial focus on SHG member priorities and businesses** (e.g., tailoring, weaving, soap-making, small-scale farming) to shifting to broader community support, with loans provided to women in the wider community.
- **Challenges related to a lack of secure spaces for storing returned funds, digital access,** and potential deviation from agreed joint spending plans highlighting the importance of discussing these issues prior to microgrant receipt.

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“We used the microgrant for business activities [i.e., tailoring and weaving] and buying books for girls. It helped us start small businesses and support our families.”

SHG member, Abobak Dalkhaki village

“Receiving the microgrant helped us become self-sufficient and earned us recognition in the community. It also improved our mental wellbeing.”

SHG member, Haji Omar village

“Our group donated 15,000 Afghanis (USD 211) to the people of my village for business purposes, which they will repay once they have conducted their business.”

SHG member, Haji Mohammad village

“If a disaster strikes, we are ready to support our community using our SHG funds.”

SHG member, Haji Omar village

- 100% of SHG leaders felt that microgrants have **improved their members’ ability to cope with future crisis**
- 98% of existing SHG members indicated that they **jointly agreed how to spend microgrants**
- 67/50% of existing/new SHG members felt microgrants **positively impacted their group’s ability to meet its goals**
- 58/44% of existing/new SHG members spent their grants on **purchasing business inputs** e.g., tools and equipment



Self-Replicating the SHG Model

Following a “Training of Trainers” and payment of a training stipend, “Star Leaders” established ten new SHGs (using clear eligibility criteria for membership) and supporting group leadership elections and business plans. Star leaders and assistants cascaded training to new groups by sharing training videos and their own experiences on key topics (e.g., group management, livelihoods skills, women’s rights, mental health and wellbeing, market access).

- **The approach aligned with SHG member preference** for in-person and demand-led training, with training needs evolving over time – including an increasing focus on practical skills linked to business growth.
- **SHG leaders reported increased confidence to lead peer-to-peer capacity sharing** alongside clear evidence in their ability to replicate the model within their communities and in nearby villages.
- **SHG leaders reported increased inter-group collaboration and regular knowledge exchange** indicating a more connected and supportive SHG ecosystem able to continue providing mutual support beyond the project.



“They speak our language and dialect, explain everything in simple terms, and we also share our skills and knowledge.”
New SHG leader, Abobaker Delkhki village in Aybak District

- 83% of new SHG members reported having the **skills to address their priority needs** because of cascading training
- 84/89% of existing/new members reported that they are **still linked to at least to at least one other SHG** and that they are regularly pursuing mutual learning and experience sharing
- 91/90% of existing/new SHG leaders reported that their SHG is **actively exchanging information and interacting** with other SHGs through SHG WhatsApp groups and phone calls



Strengthening Resilience

- **SHG members reported an increase in income, engagement in artisanal and small-scale enterprises, and asset ownership** as a result of SHG membership. Most reported active involvement in income-generating activities including tailoring, weaving, beadwork, bakery, soap making, and small-scale framing, demonstrating the benefits of SHGs for supporting livelihood opportunities founded on market assessments.
- **SHG members reported improvements in wellbeing, social networks and friendships, social capacities** and a reduction in gender-based violence (GBV). As a result of targeted mental health and psychosocial training by local experts, members experienced a significant improvement in mental health.
- **SHG members highlighted increases in both household decision making and influence in community-decision making** with a rise in awareness and confidence to engage in community issues and activities.

- 71/59% of existing/new members reported an **increase in their income** from SHG membership
- 63% of new members felt SHG involvement **improved their mental health** (Baseline: 0%) & 63% reported “**high**” **social empowerment** (i.e., networks and relationships of trust); 90% of new leaders reported **reduced GBV**
- 100% of existing and new SHG leaders reported **increased household decision making**
- 80/78% respectively felt there were **new opportunities to influence community and local decision-making** as a result of SHG membership
- 67/70% of existing and new members reported **high resilience to shocks and stresses** as a result of SHG membership

Scaling Learning

The findings underscore the value of SHGs as a powerful mechanism for enhancing women's psychosocial and economic capacities, wellbeing, and resilience. They enable women to control their own development in a context where their rights, mobility, and access to services are increasingly constrained.

The pilot research has also begun to close critical gaps around the viability of SHG self-replication and the channelling of microgrants via SHGs in environments marked by instability and restricted civic space. If "star" leaders are provided with the resources, there is significant potential for locally-led self-replication of the SHG model. Moreover, the findings provide new insights into the capacity of SHGs to link, exchange experiences, and provide peer-to-peer capacity sharing with minimal external support; an essential consideration in complex settings where the overriding preference is for face-to-face training. Finally, the findings highlight the potential of SHGs to metabolise successive rounds of microgrants to respond to initial priority needs and initiate small-scale enterprises, whilst revolving funding to cascade benefits.

The research therefore provides a compelling case for embedding SHGs at the centre of programming as a way to scale informal assistance to women in challenging contexts.

Critical next steps will be to:

- ❖ **Develop a clear pathway to scale the Ignite model and use of self-replication and microgrants** - within Samangan/Ghor provinces and new provinces in Afghanistan - to magnify project reach, targeting of marginalised women, and to ensure sustainability.
- ❖ **Use the findings for advocacy to mobilise funding** to scale the SHG model, locally-led capacity sharing, the self-replication approach, and the channelling of microgrants in Afghanistan and globally.
- ❖ **Mobilise and network actors using the SHG modality and group microgranting approach** to share findings, good practices, and build consensus/momentum around a common vision.



Photo credit: Kobra Akbari (via Afghanaid)