

# Operational Plan 2011-2015

## DFID Afghanistan

Updated June 2012

*This plan will be refreshed annually*

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# 1) Introduction

The UK Government is determined to help reduce the inequalities of opportunity we see around the world today. We believe that promoting global prosperity is both a moral duty and in the UK's national interest. Aid is only ever a means to an end, never an end in itself. It is wealth creation and sustainable growth that will help people to lift themselves out of poverty.

In May 2010, the International Development Secretary, Andrew Mitchell, commissioned the Bilateral Aid Review to take a comprehensive and ambitious look at the countries in which DFID works through our direct country and regional programmes. The review focussed on the best ways for the UK to tackle extreme poverty, ensuring that we make the greatest impact with every pound we spend. In parallel, through the Multilateral Aid Review, DFID assessed how effective the international organisations we fund are at tackling poverty.

On the 1st March 2011, the key outcomes of the reviews were announced, including the results that UK aid will deliver for the world's poorest people over the next four years. The Bilateral Aid Review has refocused the aid programme in fewer countries so that we can target our support where it will make the biggest difference and where the need is greatest. The Multilateral Aid Review findings enable us to put more money behind effective international organisations which are critical to delivering the UK's development priorities. In addition the independent Humanitarian Emergency Response Review looked at how the UK can build on its strengths in responding impartially to humanitarian needs and help ensure future disaster responses can be better prepared and coordinated.

DFID is committed to being a global leader on transparency. In the current financial climate, we have a particular duty to show that we are achieving value for every pound of UK taxpayers' money that we spend on development. Results, transparency and accountability are our watchwords and guide everything we do. DFID regards transparency as fundamental to improving its accountability to UK citizens and to improving accountability to citizens in the countries in which it works. Transparency will also help us achieve more value for money in the programmes we deliver and will improve the effectiveness of aid in reducing poverty.

The UK Aid Transparency Guarantee commits DFID to making our aid fully transparent to citizens in both the UK and developing countries. As part of this commitment we are publishing Operational Plans for country programmes. The Operational Plans set out the vision, priorities and results that will be delivered in each of our country programmes.

We will concentrate our efforts on supporting achievement of the Millennium Development Goals, creating wealth in poor countries, strengthening their governance and security and tackling climate change. The prize, in doing so, is huge: a better life for millions of people, and a safer, more prosperous world.

## 2) Context

❖ **Over thirty years of conflict have left Afghanistan one of the poorest countries in the world.** A third of Afghans live below the poverty line; one in six children die before their fifth birthday; and average life expectancy is just 48. Only one in four Afghans are able to read and write. Afghanistan remains off-track on all the Millennium Development Goals and has agreed a five year extension until 2020. Corruption is a problem felt personally by many Afghans, fuelled by patronage politics and a war economy. Women and girls still face enormous challenges and huge disadvantages in the areas of political participation and decision-making.

❖ **From this low base, progress has been made over the last ten years.** 5.8 million children now attend school, over a third of whom are girls, up from virtually none under the Taliban. 85% of Afghans are now covered by basic health services, compared to 9% in 2002. The economy has grown by an average of 11% per annum since 2002, and tax revenue has risen from \$200m in 2004 to a preliminary estimate of \$2bn in 2011/2012; progress is being made on strengthening public financial management, and local government is improving in some areas. The Government of Afghanistan approved a National Action Plan for Women in 2008. However, considerable challenges still lie ahead.

❖ **A weak and politically unstable state** fosters insecurity and holds back social and economic development. Afghanistan's diverse cultural and ethnic mix, and resistance to change from external influences, are contributing factors. Poor governance and corruption undermine people's trust in the government, while weak public sector capacity hinders service delivery. The transition process – handing over responsibility for security from international forces to Afghan security forces by the end of 2014 - is now well underway. It will be another decade before the Afghan Government is able to pay for its own security costs without external support.

❖ **The Afghan government is increasingly taking the lead**, in working for better security, governance, social and economic opportunities for Afghan people. The successful Kabul Conference in July 2010 and Bonn Conference in December 2011 were examples of this. Progress with the government's roadmap for public financial management reform will increase donor confidence and encourage them to achieve the 50% target on channeling funds through government systems by mid 2012.

❖ **Long term stability in Afghanistan will also be dependent on increased regional cooperation and integration**, particularly on issues such as security, trade and economic infrastructure.

❖ **Afghanistan is one of the UK's top foreign policy priorities.** DFID plays a key role in the UK National Security Council's Strategy for Afghanistan by leading on UK efforts to ensure a viable state. This work reflects the UK's commitment to tackle poverty globally, and also has important benefits for the UK's national security by helping Afghanistan achieve a lasting end to the insurgency and conflict.

❖ **UK Overseas Development Assistance (ODA) will help** tackle the root causes of instability and effects of insecurity and rebuild the legitimacy of the state in Afghanistan. As part of the UK government's effort, DFID will help Afghanistan build a more capable and accountable government at all levels, able to function more effectively and meet local people's expectations. DFID's programme will remain at £178m per year until 2015. The recently agreed Enduring Strategic Partnership sets out the UK's commitment to helping Afghanistan for many years to come.

### 3) Vision

❖ **Our vision is a more peaceful, stable, viable and prosperous Afghanistan.** This is a long-term agenda that will require DFID's ongoing presence well beyond 2015 when UK combat troops will have withdrawn. Our vision up to 2015, is to see progress towards a viable Afghan state, for example a more stable and growing economy, a sustainable political settlement leading to greater political stability and government delivering key basic services at all levels. This will help tackle poverty and will also support the UK's National Security Council strategy helping Afghanistan resist extremism and achieve a lasting end to the insurgency.

❖ **Over the next three years**, to help the Afghan government make clear and irreversible path towards a more peaceful, stable, viable and prosperous Afghanistan, we will focus on three critical areas:

❑ Supporting peace, security and political stability: We will support more inclusive politics by strengthening support for civil society, including women's, youth and disabled groups. increasing political participation and also people's trust in the state in insecure areas, including in Helmand. We will help the Ministry of Interior manage the police better so they can provide safety and security for the Afghan people. We will strengthen our humanitarian work to help address the direct impacts of conflict, exclusion and natural disasters on the most vulnerable groups.

❑ Promoting economic stability, growth and jobs: Priority areas include large-scale infrastructure, agriculture, business development, community infrastructure, and improving the conditions for private investment (including in the key minerals sector) and creating jobs. We will continue to help the Afghan government raise and manage its own funds, including tax revenue, to help Afghanistan reduce dependence on aid over time. Improved livelihoods and a growing economy will help weaken the appeal of the insurgency.

❑ Helping the state to deliver improved services: We will help the government to deliver key functions better and improve how it responds to the demands of citizens, including reducing corruption and providing basic services such as education and vocational skills including for women and girls. Afghanistan also needs better public financial management, local government and to rely less on international expertise.

❖ **Our work will support Afghan Women's empowerment.** Our work will help build a peaceful state and society that will tackle poverty and create wealth for both Afghan men and women. Increased political and economic participation of women will improve their lives and help reduce the risk of Afghanistan remaining in conflict. The UK National Action Plan on UN Security Council Resolution 1325 – Women, Peace & Security was launched by the Foreign secretary in 2010 and is the guiding strategy for DFID and the UK work on gender.

❖ **Our programme supports the Afghan government's National Development Strategy.** We are committed to channelling at least half our annual programme through Afghan government systems primarily via the Afghanistan Reconstruction Trust Fund (ARTF), based on sound economic management and strong fiduciary safeguards. This approach will help to deliver value for money and build Afghanistan's capacity to manage its own affairs.

❖ **We will strive not** to undermine Afghan leadership and civil service capacity, or duplicate the efforts of other donors. We cannot do everything, our programme will focus on the above three priorities based on our experience to date and where we can add value. We will not tolerate under-performing programmes and will take immediate action on any allegations of misuse of UK aid funds.

# 4) Results

Pillar/ Strategic Priority	Indicator	Baseline (including year)	Expected Results (including year)
<b>Governance and Security</b> <i>Supporting Peace, Security and Political Stability</i>	Percentage of people who perceive their provincial government positively.	78% of people surveyed said their provincial government was doing a good or very good job (2010). <sup>1</sup>	DFID Afghanistan will <u>contribute</u> to an increase in the number of people who say their provincial government was doing a good or very good job by 2015.
	Number of men and women who vote in elections supported by DFID.	4.3 million voters in 2010 Parliamentary elections (including 1.7m women); 6.8m in 2005 and 8.5m in 2004.	To help halt a worsening trend in voter participation: at least 4.3m voters (including 1.7m women) in 2013 Provincial and 2014 Presidential elections. <sup>2</sup>
<b>Governance and Security</b> <i>Helping the State to Deliver</i>	In the ten Afghan government ministries with the biggest budgets in the Afghan financial year 1389 (2010/11) we will measure: <ul style="list-style-type: none"> <li>• Proportion (percentage) of projected budget actually spent<sup>3</sup></li> <li>• Proportion (percentage) of funds made available to the ministries which are actually spent</li> <li>• Absolute spend.</li> </ul>	In most recent Afghan financial year, 1388 (2009/10): <ul style="list-style-type: none"> <li>• 44% of projected budget actually spent.</li> <li>• 85% of funds made available actually spent.</li> <li>• \$849.2m total spend in the ten ministries with the biggest budgets.<sup>4</sup></li> </ul>	DFID Afghanistan will <u>contribute</u> to: <ul style="list-style-type: none"> <li>• 4 percentage point annual increase in the projected budget actually spent up to 2015.</li> <li>• 1 percentage point annual increase in the funds made available actually spent up to 2015.</li> <li>• 10% annual increase in actual spend to 2015.</li> </ul>
<b>Wealth Creation</b> <i>Promoting Economic Stability, Growth &amp; Jobs</i>	Number of jobs created for Afghan men and women (Full-Time Equivalent jobs).	Zero jobs created for Afghan men and women at March 2011	20,000 jobs created for Afghan men and women by 2015. <sup>5</sup>
<b>Humanitarian</b> <i>Reducing impact of conflict and natural disasters on people's lives, well-being and dignity</i>	Number of people assisted by humanitarian agencies (for example through the provision of health services, food and water).	According to assessed need – variable by year.	Target to be determined annually.

**Notes:** Our expected results are 100% attributable to DFID support unless otherwise indicated as a contribution, in which case our financial contribution will be reported annually by sector in DFID's Statistics for International Development and in most cases by project on the DFID projects database – [www.dfid.gov.uk](http://www.dfid.gov.uk)

**1.** This indicator can be found in the Asia Foundation's Survey of the Afghan People 2010, an opinion poll carried out across Afghanistan. It provides an indication of the impact of Government of Afghanistan and donor efforts on Afghan people by asking for their opinion on the performance of the government. Support for the provincial government relates to security and political stability. The current baseline (78%) provides an overly positive picture, real support is likely to be less than this as the interviewers were unable to go to some insecure areas and studies have shown that people refrain from criticising government and authority when questioned for opinion polls in Afghanistan. Despite this the survey is a useful indicator of the trend of progress. **2.** The number of voters in Afghanistan has declined from 8.5m in 2004 to 6.8m in 2005 and 4.3m in 2010. DFID aims to help reverse this trend by providing support to maintain the current level, which will ensure 1.5 million additional voters take part, who will not vote if the decline continues. **3.** The rate at which projected and actual budgets are spent is a good measure of public financial management in a country where government capacity is low. The proportion of projected budget actually spent is technically referred to as the "budget execution rate" and the proportion of funds made available actually spent is referred to as the "allotment execution rate". **4.** This year we have agreed it is appropriate to change the baseline of the public financial management indicator due to availability of more up-to-date information from the Ministry of Finance's Afghanistan Financial Management Information System. **5.** The target for this indicator has been corrected to 20,000 to ensure it is in line with our original BAR offer.

# 4) Results: Afghanistan Reconstruction Trust Fund (ARTF)

Pillar/ Strategic Priority	Indicator 1	Baseline (including year)	Expected Results (including year)
<b>Governance</b> <i>Peace, Security and Political Stability</i>	Number of ministries who have completed pay and grading reform.	8 ministries had completed pay and grading reform in 2011.	DFID will contribute to 13 ministries completing pay and grading reform by 2013.
<b>Governance</b> <i>Helping the State to Deliver</i>	Both the ARTF and DFIDA's bilateral support will contribute to the Public Financial Management results given on slide 4.		
<b>Education</b> <i>Getting the State to Deliver</i>	Number of children attending primary school.	3,943,337 children attending primary school in 2009/10 (of which 1,534,725 were girls). 2	DFID will contribute to 5,422,671 children attending primary school in 2013/14 (of which 2,169,068 are girls).
<b>Wealth Creation</b> <i>Economic Stability, Growth &amp; Jobs</i>	KMs of rural roads rehabilitated.	774 KMs of secondary rural roads and 887 KMs of tertiary roads rehabilitated between 2008 and 2011.	DFID will contribute to the rehabilitation of i) 1,100 KM secondary rural roads and ii) 1,195 KM of tertiary rural roads by 2013.
	Agricultural production under irrigated land. 3	2.5 tonnes per hectare in 2011.	DFID will contribute to 2.75 tonnes per hectare yield of wheat produced under irrigated land by 2013/14.
<b>Gender</b>	% of sampled women representatives in Community Development Councils (CDCs) that take active part in decision-making related to community development.	To be determined for 2011. 4	DFID will contribute to 65% of sampled women representatives in CDCs taking active part in decision-making related to community development in 2013.

**Note:** The ARTF is a multi-donor trust fund. The principle is therefore that funds are co-mingled and results and financing for particular projects cannot, even with preferencing, be assigned to individual donors. As such DFIDA is contributing to the total results achieved by the ARTF. Our financial contribution will be reported annually by sector in DFID's Statistics for International Development and in most cases by project on the DFID projects database – [www.dfid.gov.uk](http://www.dfid.gov.uk)

1. An indicator and results for rural development will be included at a later date once a suitable indicator has been developed by the World Bank.
2. We have changed the methodology to report on attendance rather than education in accordance with data quality assessment recommendations.
3. The food grain indicator has been replaced with an indicator on agriculture productivity under irrigated land, to ensure consistency with our new ARTF support logical framework approved in November 2011.
4. The baseline will be based on 500 randomly selected communities and is expected to be available shortly.

## 4) Results: Strength of Evidence Base and Value for Money (VFM)

	Governance and Security	Wealth Creation	Education	Humanitarian
Evidence	Medium	Medium/High	High	Medium
VFM	Moderate	Good	Good	Moderate

Data and evidence in Afghanistan is scarce due to decades of conflict and continuing lack of access to certain areas due to insecurity. For example, population estimates are based on a partial census last conducted in 1979. However data and evidence is improving, in part due to DFID Afghanistan’s support for improving national statistics (see part 7). The strength of the evidence base for our headline results is rated as High, Medium or Low. Value for Money (VFM) is ranked as Good, Moderate or Low. DFID Afghanistan commissioned a data quality assessment (DQA) of eight major data sets used in Afghanistan, conclusions noted below.

❖ **Governance:** This sector lacks quantifiable data. However we have drawn on evidence from South Asia and other fragile states where Afghan-specific evidence is lacking. Two key qualitative data sources are the annual national perception survey conducted by The Asia Foundation (TAF) and the quarterly perception survey carried out by the International Security Assistance Force (ISAF). The quality of surveys is hampered by some social biases and lack of access to insecure areas. The DQA of the TAF and ISAF surveys concluded that the data can be used to measure trends. Governance results are notoriously difficult to quantify in VFM terms, especially in fragile contexts. However, VFM in some programmes is very high (public financial management) and there is some evidence that reducing corruption through public administration reform can lead to increased investment in development.

❖ **Wealth creation:** Quality evidence and data is provided annually by the IMF and World Bank in-country. The number, quality and independence of reports on growth, trade, agriculture and private sector issues is reasonable and gives us confidence that our objectives are the right ones. However, the evidence is weakened by lack of access to some insecure areas. For example, the DQA of Gross Domestic Product data showed it lacks in empirical basis and is likely to be an underestimate, but still can be used for broad purposes. On VFM, our performance has been generally good, with good rates of return shown on our high performing tax and budget programmes. Our support to the Afghan Reconstruction Trust Fund has helped ensure that the Government remained solvent and able to pay civil servant salaries, including teachers. Evidence for the return on investment in post-conflict environments is available (e.g. work by Paul Collier and others).

❖ **Education:** Evidence from the National Risk and Vulnerability Assessment shows that there has been a significant positive impact on the literacy of children and young people from the significant investment in education since 2001. The National Education Strategy Plan II is based on evidence from the Ministry of Education’s Management Information System (EMIS) which is one of the most comprehensive and credible data sets available in Afghanistan (according to the DQA). There is a positive relation between education level and annual income in Afghanistan. Wage and salary workers earn between 24% and 174% times more at each level of schooling as those categorised as self-employed (World Bank Afghan Skills Development Project Report, 2008).

❖ **Humanitarian:** The UN’s Common Humanitarian Action Plan for Afghanistan provides a credible analysis of humanitarian needs, which we triangulate with other sources, including appeal documents from the International Committee of the Red Cross (ICRC) and World Food Programme (WFP). Previous phases of DFID support to WFP and ICRC have proven effective. However, deteriorating security is shrinking humanitarian space which makes it difficult to gather quantitative evidence on impact and VFM. ICRC data is sensitive and can not always be shared with donors. On VFM, quantitative evidence is lacking but qualitative evidence shows that humanitarian assistance can prevent millions falling into a cycle of impoverishment due to illness, loss of productivity and income.

## 5) Delivery and Resources

### Overview of the unit's structure, design and means to deliver its programme

DFID Afghanistan is located in the British Embassy in Kabul and works closely with the Foreign and Commonwealth Office (FCO), Ministry of Defence (MOD) and the Serious Organised Crime Agency (SOCA) under the umbrella of an integrated UK Government Country Business Plan. The Plan currently has six policy areas: DFID leads on Economic Development, and co-leads on Governance and Rule of Law with the FCO. The Helmand Stabilisation strand is led by a cross-Governmental Provincial Reconstruction Team (PRT) based in Lashkar Gah. DFID takes lead responsibility for the Social and Economic Development element of the Helmand Plan.

DFID Afghanistan is structured around five thematic teams: Resources, Results, Governance Reform, Growth and Livelihoods, and Helmand. The multi-donor funded Afghanistan Reconstruction Trust Fund (ARTF) is the key mechanism to support government delivery and will help us meet our commitment to channel at least 50% of our funding through government systems while helping safeguard UK public funds. In late 2011 we resumed our payments to the ARTF following agreement to a new International Monetary Fund (IMF) programme in Afghanistan. Our approach of working primarily with and through government helps us leverage other donors to get behind Afghan priorities. Up to 20% of our programme resources will be spent directly in Helmand province in support of key infrastructure, economic growth and business development projects. DFID's programme complements the FCO managed Conflict Pool (£69.4m for 12/13 indicatively) and FCO Strategic Programme Fund (£14m for 12/13 indicatively) portfolios.

DFID's work in Afghanistan was reviewed in November 2011 by the Independent Commission for Aid Impact (ICAI) who published their report 'Programme Controls and Assurance in Afghanistan' in March 2012. The report did not identify any leakage within the DFID programme and made a series of recommendations which mainly centred around strengthening systems to further reduce this risk across the programme portfolio. A range of initiatives to strengthen programme delivery are now being implemented to address the recommendations of the review. For the original report and DFID's response to it, please see <http://icai.independent.gov.uk/publications/>

The UK has a 10-year Development Partnership Arrangement with the Government of Afghanistan (signed in 2005) which sets out our shared commitments for deliverables around poverty reduction and aid effectiveness. We plan to refresh this document in 2012. The majority of our programmes are co-funded with other donors to leverage maximum support as well as to harmonise and align efforts. The main multilateral agencies we work with are the United Nations, the European Union, the World Bank, and the Asian Development Bank. We also work with a variety of international and national civil society organisations as well as private sector organisations. Decisions on our funding partners, and the interventions we use to deliver programmes, are strategically based on burden-sharing and ability to deliver.



## 5) Delivery and Resources (continued)

### Planned Programme Spend <sup>1</sup>

Pillar/Strategic priority	2010/11		2011/12		2012/13		2013/14		2014/15		TOTAL 2011-15	
	Resource £'000	Capital £'000	Resource £'000	Capital £'000	Resource £'000	Capital £'000	Resource £'000	Capital £'000	Resource £'000	Capital £'000	Resource £'000	Capital £'000
Wealth Creation	29,747	21,140	65,165		95,728	25,000	55,522	19,000	61,000	19,000	277,415	63,000
Climate Change												
Governance and Security	34,168		75,835		17,746		59,778		59,500		212,859	
Education 2	140		27,000		40,621		34,200		28,500		130,321	
Reproductive, Maternal and Newborn Health												
Malaria												
HIV/Aids												
Other Health												
Water and Sanitation												
Poverty, Hunger and Vulnerability												
Humanitarian 3	17,000		10,000		1,350		9,500		10,000		30,850	
Other MDG's												
Global Partnerships												
<b>TOTAL</b>	<b>81,055</b>	<b>21,140</b>	<b>178,000</b>	<b>0</b>	<b>155,445</b>	<b>25,000</b>	<b>159,000</b>	<b>19,000</b>	<b>159,000</b>	<b>19,000</b>	<b>651,445</b>	<b>63,000</b>

<sup>1</sup> Figures for 2010/11 to 2014/15 are planned budgets. The 2012/13 figures differ from the previously published Operational Plan as the 2012/13 budget round has now taken place and updated allocations for this year have been agreed. 2013/14 and 2014/15 figures are subject to updates in subsequent years.

<sup>2</sup> DFID Afghanistan support to the education sector is made indirectly through our annual contribution the Afghanistan Reconstruction Trust Fund (ARTF). Our allocation for education is therefore an estimate based two key assumptions: 1. Current levels of support to the ARTF required by the Government of Afghanistan remaining constant (baseline 2011/12); 2. The proportion allocated to each sector by the Government of Afghanistan also remain constant (baseline 2010/11).

<sup>3</sup> DFID Afghanistan will adjust its indicative resource allocation for 2012/13 to ensure that at least £10m is allocated to the humanitarian pillar. This is in line with DFID Afghanistan's humanitarian strategy.

## 5) Delivery and Resource (continued)

### Planned Operational Costs <sup>1</sup>

	2010-11	2011-12	2012-13	2013-14	2014-15	Total 2011-15
	£	£	£	£	£	£
Frontline staff costs - PAY	2,208	1,804	4,017	2,154	2,163	10,138
Frontline staff costs - Non-PAY	2,528	4,058	5,783	4,619	4,942	19,402
Other operating costs - PAY	993	621	455	643	648	2,367
Other operating costs - Non-PAY	2,605	1,304	1,267	1,535	1,667	5,773
<b>TOTAL</b>	<b>8,334</b>	<b>7,787</b>	<b>11,522</b>	<b>8,951</b>	<b>9,420</b>	<b>37,680</b>

<sup>1</sup> Figures for 2010/11 to 2014/15 are planned budgets. The 2012/13 budget round has now taken place and updated allocations for this year have been agreed. 2013/14 and 2014/15 figures are subject to updates in subsequent years.

## 5) Delivery and Resources (continued)

### Planned Efficiency savings

Category	Details										Residual cost in the SR period £'000	
Strategic Reprioritisation	Several of our discrete, directly managed technical assistance projects (totalling £104m) have not delivered as well as we had hoped. We will look to rationalise our use of TA. Over the longer term we will look at expanding our support to a new Afghan-led mechanism, the Civilian Technical Assistance Program, as a means of providing more sustainable and better value TA										104,000	
Further examples of Programme efficiency	Support to the Microfinance Investment Facility after 2010/11 will finish as the Facility has now become self sustaining.										700	
	2011/12		2012/13		2013/14		2014/15					
Administrative Cost Savings Initiative		PAY £'000	Non Pay £'000		PAY £'000	Non Pay £'000		PAY £'000	Non Pay £'000		PAY £'000	Non Pay £'000
Reduction in Consultancy Payments												
Reduction in Travel												
Reduction in Training												
Reduction in Estates & Property Costs												
Reduction in costs as a result of Office Restructuring												
Other Reductions												
<b>Total</b>		0	0	0	0	0	0	0	0	0	0	0

## 6) Delivering Value for Money

### Key challenges

Achieving value for money (VFM) is challenging in the Afghanistan context due to: high security premiums; a low national skill and expertise base available; corruption; a limited pool of contractors and project implementers which limits competition; the limited scope for DFID staff and auditors to travel to parts of the country due to insecurity; and the scarcity of data and evidence to assess value for money.

### Actions to strengthen VFM in the DFID Afghanistan programme

1. A VFM Strategy and Action Plan was developed in mid-2011 and is being implemented. The VFM Strategy is strengthening the VFM of both individual projects, by ensuring that appraisals are undertaken to the required standard, as well as the portfolio of a whole, through the development of a Portfolio Assessment Tool.
2. We have boosted our economics capability through the recruitment of additional resource to take forward the VFM strategy for DFID Afghanistan, carry out economic appraisals across the office and expand the existing economics capability in the Growth and Livelihoods Group.
3. All our significant investments now have an economic appraisal of their options. Following central DFID guidance, depending on the nature of the project, this is either a formal Cost-Benefit Analysis (CBA) or a Rating & Weighting approach of the 3Es (economy, efficiency, effectiveness), where a CBA is not technically meaningful (which is often the case for governance projects).
4. We will continue to support the Central Statistics Organisation, Afghan Government and other data-producers and analysts to produce an increasing amount and quality of data in Afghanistan to inform our investments and policy influencing work.
5. A joint-donor review of the ARTF will be completed by the summer of 2012. This will look at how fit for purpose the ARTF instrument is for the transition period and beyond, as well as the VFM of the ARTF.
6. We created a joint DFID/FCO Joint Programme and Results Group (JPRG) from June 2011, based in DFID Afghanistan that is improving the overall effectiveness of UK aid including Conflict Pool and FCO funded work.
7. We are working with the Afghan Government to improve its public financial management and to realise credible cost-efficiencies and achievable benefits across its broader investments, starting with the top ten spending line ministries.
8. We will up-skill all staff on DFID's new business case template for programmes, and ensure all programme managers complete formal training in the new approach, repeating as new staff join.

# 7) Monitoring and Evaluation

## Monitoring

❖ **How:** We will monitor the Operational Plan using the Results Tracker, which includes baselines and target results at portfolio and programme level. The Results Tracker will be used as an internal planning tool to plan, monitor and assess delivery. Progress will be informed by annual project reviews and project completion reports, as well as more frequent reporting as available. The DFID Afghanistan Programme Board will be the primary mechanism through which progress will be monitored. Targets will be assessed as on or off track using a standard red, amber and green rating.

❖ **When:** The Programme Board will meet at least quarterly and a robust review of Results Tracker data will remain a standing agenda item.

❖ **Who:** The Programme Board will be chaired by the Head of Office and permanent members will include Group Heads, programme managers, advisers and key colleagues in the British Embassy and DFID London Teams. Each pillar of the Results Tracker will have a nominated senior responsible officer (SRO) who will be accountable for delivery and performance.

❖ **What:** The Programme Board will scrutinise, challenge or endorse the SRO's assessment of progress and outlook. An internal quarterly progress report will be produced, including decisions taken on corrective action for off-track targets. Decisions on poor performing projects will be taken at board meetings. Major annual review reports will be assessed and key lessons shared.

❖ **Evaluation:** From May 2012 DFID Afghanistan is implementing a new evaluation strategy that aims to improve the quality and impact of our programme by ensuring investments and decisions are based on the best possible evidence of what works. The strategy will:

- set the criteria for determining which programmes should be evaluated so that resources are targeted at the priority programmes;
- embed evaluation by requiring DFID Afghanistan Business Cases to make an assessment of whether to undertake an evaluation;
- grow internal evaluation expertise within DFID Afghanistan and make proposals for improving capacity in Afghanistan;
- support improvements to the quality of impact evaluations so we can be more confident in attributing the improvements we observe in Afghanistan to the programmes we fund. These evaluations should improve our ability to report against programmes' results and outcomes.

We plan to deliver 3 programme evaluations by the end of 2012/13. In addition, up to 5% of programme costs (new programmes) will be set aside from the design phase for independent evaluation work when appropriate. Furthermore, the DFID Programme Board, the Embassy's Afghan Delivery Group and the DFID/FCO Joint Programme and Results Group (JPRG) will also be mandated with reviewing the effectiveness, value for money and impact of all ODA in Afghanistan. In Helmand, DFID Afghanistan and the Provincial Reconstruction Team (PRT) are jointly funding an innovative Monitoring and Evaluation Programme to assess outcomes across the Helmand portfolio and inform future plans.

**Building Capacity of Partners:** DFID Afghanistan will continue to provide technical assistance to the Afghan Central Statistics Organisation (CSO) and the wider national statistical system, to enhance the quality and increase the quantity of official statistics in a sustainable manner. Globally, DFID has provided funds for the World Bank's Statistics for Results Facility which will be delivered by the CSO in Afghanistan. We will continue to work closely with line ministries to build their capacity, including the Ministry of Finance who convene an annual Donor Cooperation Dialogue to review alignment of bilateral aid with government priorities and the national budget to improve aid effectiveness.

## 8) Transparency

Transparency is one of the top priorities for the UK Government. We will ensure that we continue to meet our commitments under the UK Aid Transparency Guarantee including publishing detailed information about DFID projects including programme documents, and all spend above £500. We will continue to ensure that information is accessible, comparable, accurate, timely and in common standard with other donors and that we provide opportunities for those directly affected by our projects to provide feedback.

### **The UK Aid Transparency Guarantee**

DFID has committed to publishing all the information that it can on its programme support to Afghanistan and completes regular Transparency reporting to do so. However, for security reasons DFID Afghanistan will make anonymous, on request, the names of our implementing partners, as well as withhold information that would reveal the locations in which they work. Where appropriate, the criteria for exclusion from publication may be applied, since security is a major ongoing concern for our implementing partners working in Afghanistan and many manage security by maintaining a low profile.

### **Implementing the International Aid Transparency Initiative (IATI)**

DFID Afghanistan will seek to lead by example in order to have credible conversations on transparency with all partners. We will encourage other donors to do more on aid transparency, and support high level messages encouraging them to sign up to, and implement, internationally agreed transparency standards through the IATI. This will include the UK's active participation in the annual Donor Cooperation Dialogue led by the Ministry of Finance to seek information on donor assistance and encouragement to other donors to do the same.

The Ministry of Finance is currently redesigning its Donor Assistance Database and once relaunched we will continue to lead by example and ensure that all UK funding data is entered onto it as required.

## 9) Human Rights

### Local Context

The Afghan constitution enshrines freedom of expression and of religious belief as well as the provision of justice and the rights of women, minorities and children. However more work needs to be done across the board to implement these obligations. Despite constitutional guarantees the Afghan media continues to operate in a restricted environment, often exercising self-censorship, and religious expression can be curtailed. The treatment of prisoners and detainees has continued to be of serious concern and whilst the capacity of the Afghan Security Forces is improving, the insurgency is still able to disrupt daily life; the first six months of 2011 saw an increase in civilian casualties in over the same period in 2010.

### Direction of Travel

In 2011, the Human Rights National Priority Programme was endorsed and at the Bonn Conference, the Government of Afghanistan reaffirmed its commitment to uphold all of its human rights obligations. The 2012 Tokyo conference will provide an opportunity for donor partners to agree benchmarks for tangible progress to encourage delivery of these obligations. There has been progress on promoting the rule of law and access to justice but this will be a long term effort and much needs to be done by the Afghan Government. Implementation of legislation promoting and protecting women's rights has been weak but there were encouraging signs of the Afghan Government's efforts to include women in the political process.

### DFID's approach

In 2012, DFID is scoping out opportunities to strengthen political institutions and processes in advance of the 2014 Presidential elections to improve opportunities for Afghan people to have a say in how their government is run and to hold it to account. DFID will continue to support fairer access to primary education through support to the ARTF.

DFID will continue to act as the donor focal point for the Transparency and Accountability NPP (National Priority Programme) while playing a key role in finalising agreement on two remaining Governance NPPs for validation by the Joint Co-ordination and Monitoring Board. These are Local Governance, and Effective and Efficient Governance.

# 10) Gender

## The context for women and girls in Afghanistan

The Constitution of Afghanistan grants equal rights to men and women and President Karzai reaffirmed his commitment to uphold women's constitutional rights at the International Afghanistan Conference in Bonn in December 2011. Afghanistan also ratified the Elimination of all Forms of Discrimination Against Women (CEDAW) in March 2003, which places obligations on the Afghan government for women respect, protection, promotion, and fulfillment of human rights.

There has been tremendous progress for women and girls in the course of the last ten years:

- Today, 5.8 million children now attend school, over a third of whom are girls
- In the 2010 parliamentary elections 40% of the voters were women and women won 27% of the seats;
- 20% of Afghan representatives invited to attend the 2011 traditional Loya Jirga were women and at least one woman participated on each of the 41 committees;
- More than one in three pregnant women (36%) receive antenatal care in Afghanistan compared with only 16% in 2003.

However, women and girls in Afghanistan continue to face enormous challenges and disadvantages. Women's status is amongst the worst in the world according to the UN's 2011 Gender Inequality Index. Only 47% of Afghan women are active in the labour market, less than one in ten women is employed outside the agriculture sector, and they earn just 42% of the income earned by men.

## UK support for women and girls

The UK government is committed to protecting and promoting the rights of women and girls in Afghanistan. The UK National Action Plan on UN Security Council Resolution (UNSCR)1325 – Women, Peace & Security was launched by the Foreign Secretary in 2010 and is the guiding strategy for DFID and all the UK's work on gender. It has 4 objectives:

- *PREVENTION: Mainstreaming gender into conflict prevention activities and strategies and strengthening efforts to prevent violence against women*
- *PARTICIPATION: Promote and support women's participation in peace processes and representation in decision making*
- *PROTECTION: Strengthening efforts to secure the well-being, economic security and dignity of women and girls*
- *RELIEF AND RECOVERY: Promoting women's equal access to aid programmes and services*



## 10) Gender (continued)

### DFID's approach to improving the lives of Afghan women and girls

Between now and 2015 DFID Afghanistan will:

- Strengthen the gender impact of the Afghanistan Reconstruction Trust Fund (ARTF) and champion better tracking of results for women and girls;
- Work closely with the FCO and MoD to ensure the effective delivery of the UK National Action Plan for UNSCR 1325;
- Ensure that all DFID staff and the wider UK mission in Afghanistan are fully aware of our gender commitments. We will regularly engage with the Afghan government and civil society on progress and input into the annual updating of the UK NAP;
- Conduct a gender mapping exercise in 2012 of all DFID projects and programmes to assess progress and identify opportunities to do more to promote the rights and opportunities for women and girls;
- Increase our use of sex disaggregated data across our programmes and report against progress annually.

# Annex: Results Achieved

## Progress towards headline results – one year on\*

Pillar/ Strategic Priority	Indicator	Baseline (including year)	Progress towards results (including year)	Expected Results (including year)
<b>Governance and Security</b>  <i>Supporting peace, Security and Political Stability</i>	Percentage of people who perceive their Provincial Government positively.	78% of people surveyed said their Provincial Government was doing a good or very good job (2010). <sup>1</sup>	80% of people surveyed said their Provincial Government was doing a good or very good job (2011).	DFID Afghanistan will <u>contribute</u> to an increase in the number of people who say their Provincial Government was doing a good or very good job by 2015.
	Number of men and women who vote in elections supported by DFID.	4.3 million voters in 2010 Parliamentary elections (including 1.7m women); 6.8m in 2005 and 8.5m in 2004.	N/A	To help halt a worsening trend in voter participation: at least 4.3m voters (including 1.7m women) in 2013 Provincial and 2014 Presidential elections. <sup>2</sup>
<b>Governance and Security</b>  <i>Helping the State to Deliver</i>	In the ten Afghan Government ministries with the biggest budgets in the Afghan financial year 1389 (2010/11) we will measure: <ul style="list-style-type: none"> <li>• Proportion (percentage) of projected budget actually spent <sup>3</sup></li> <li>• Proportion (percentage) of funds made available to the ministries which are actually spent</li> <li>• Absolute spend.</li> </ul>	In most recent Afghan financial year, 1388 (2009/10): <ul style="list-style-type: none"> <li>• 44% of projected budget actually spent.</li> <li>• 85% of funds made available actually spent.</li> <li>• \$849.2m total spend in the ten ministries with the biggest budgets. <sup>4</sup></li> </ul>	In Afghan financial year, 1390 (2011/12) : <ul style="list-style-type: none"> <li>• 56% of projected budget actually spent</li> <li>• 85% of funds made available actually spent</li> <li>• \$962m total spend in the ten ministries with the biggest budgets</li> </ul>	DFID Afghanistan will <u>contribute</u> to: <ul style="list-style-type: none"> <li>• 4 percentage point annual increase in the projected budget actually spent up to 2015.</li> <li>• 1 percentage point annual increase in the funds made available actually spent up to 2015.</li> <li>• 10% annual increase in actual spend to 2015.</li> </ul>
<b>Wealth Creation</b>  <i>Promoting economic Stability, Growth &amp; Jobs</i>	Number of jobs created for Afghan men and women (Full-Time Equivalent jobs).	Zero jobs created for Afghan men and women at March 2011	1,861 jobs created for Afghan Men and Women in 2011/12	20,000 jobs created for Afghan men and women by 2015. <sup>5</sup>
<b>Humanitarian</b>  <i>Reducing impact of conflict and natural disasters on people's lives, well-being and dignity</i>	Number of people assisted by humanitarian agencies (for example through the provision of health services, food and water).	According to assessed need – variable by year.	1.4m people assisted by humanitarian agencies in 2011/12	Target to be determined annually.

\* These results may not be directly aggregatable with other country<sup>17</sup> results due to different measurement methodologies

# Annex: Afghanistan Reconstruction Trust Fund (ARTF) Results Achieved

## Progress towards headline results – one year on\*

Pillar/ Strategic Priority	Indicator 1	Baseline (including year)	Progress towards results (including year)	Expected Results (including year)
<b>Governance</b> <i>Peace, Security and Political Stability</i>	Number of Ministries who have completed pay and grading reform.	8 Ministries had completed pay and grading reform in 2011.	No results as the baseline year is 2011.	DFID will contribute to 13 Ministries completing pay and grading reform by 2013.
<b>Governance</b> <i>Helping the State to Deliver</i>	Both the ARTF and DFIDA's bilateral support will contribute to the Public Financial Management results given on slide 4.			
<b>Education</b> <i>Getting the State to Deliver</i>	Number of children attending primary school.	3,943,337 children attending primary school in 2009/10 (of which 1,534,725 were girls). 2	For 2010/11: 4,154,314 children attending primary school in 2010/11 (of which 1,669,993 were girls)	DFID will contribute to 5,422,671 children attending primary school in 2013/14 (of which 2,169,068 are girls).
<b>Wealth Creation</b> <i>Economic Stability, Growth &amp; Jobs</i>	KMs of rural roads rehabilitated.	774 KMs of secondary rural roads and 887 KMs of tertiary roads rehabilitated between 2008 and 2011.	Baseline is 2008-2011. First year of progress will be reported next year for 2012.	DFID will contribute to the rehabilitation of i) 1,100 KM secondary rural roads and ii) 1,195 KM of tertiary rural roads by 2013.
	Agricultural production under irrigated land. 3	2.5 tonnes per hectare in 2011.	As baseline is 2011, no progress to report at present.	DFID will contribute to 2.75 tonnes per hectare yield of wheat produced under irrigated land by 2013/14.
<b>Gender</b>	% of sampled women representatives in Community Development Councils (CDCs) that take active part in decision-making related to community development.	To be determined for 2011. 4	As baseline is 2011, no progress to report at present.	DFID will contribute to 65% of sampled women representatives in CDCs taking active part in decision-making related to community development in 2013.

\* These results may not be directly aggregatable with other country results due to different measurement methodologies