

Final Evaluation Report (v4.0)

Mid-term Evaluation of the LOTFA-SPM Project



*Empowered lives.
Resilient nations.*

Date: 18 March 2018

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Acknowledgements

The LOTFA-SPM Evaluation Team would like to acknowledge with much appreciation the crucial role that UNAMA, the UNDP Country Office for Afghanistan and the LOTFA-SPM Project staff played in supporting and facilitating the Evaluation. UNDP provided logistical support and office space for our use during the in-country portion of the mission and greatly assisted us in organizing meetings with key stakeholders. As always, we are grateful to UNDP DSS and the U.N. Protection Force who guaranteed our safety while in Kabul. In addition, the Evaluation is grateful to the Ministry of Internal Affairs (MOIA) and Ministry of Finance for their cooperation during all phases of the Evaluation. Finally, last but not least, the Evaluation Team also extends special thanks to the Combined Strategic Transition Command for Afghanistan (CSTC-A) and the officers of the U.S. Embassy; Italian Embassy; the Delegation of the European Union and other Diplomatic Missions of the LOTFA Donors who generously granted their time to answer questions of the Evaluation. We regret that, due to limited time, we could not meet with all stakeholders while in Kabul.

List of Acronyms

AACP	Afghan Anti-Crime Police
ABP	The Afghan Border Police
AFMIS	Afghanistan Financial Management Information System
AHRIMS	Afghanistan Human Resources Information Management System
ANA	Afghanistan National Army
ANCOP	Afghan National Civil Order Police
ANDSF	Afghanistan National Defense and Security Forces
ANP	Afghan National Police
APPS	Afghanistan Personnel and Pay System (CSTC-A led)
AUP	Afghan Uniformed Police
AWP	Annual Work Plan (of UNDP-supported Projects)
CBR	Capacity Building for Results
CO	Country Office (of UNDP)
CO ROL	Unit UNDP Country Office Rule of Law Programme Unit
COIN	Counter-Insurgency
CSTC-A	Combined Security Transition Command-Afghanistan
CTA	Chief Technical Advisor
DM	Deputy Minister [MOIA, mostly]
DMPS	Deputy Minister for Policy and Strategy
DRR	Disaster Resilience and Recovery
EFT	Electronic Funds Transfer
EPS	Electronic Payroll System
EUPOL	European Union Police Mission (Afghanistan)
FFFMU	Fund Financial Fiduciary Management Unit
GDPDC	General Directorate of Prisons and Detention Centers
GIROA	Government of Islamic Republic of Afghanistan
GIZ	German Agency for Technical Cooperation
HQ	Headquarters
HR	Human Resources
ISAF	International Security Assistance Force
KIA	Killed In Action
LOTFA	Law and Order Trust Fund for Afghanistan
M-16	Payment request form (used by MOIA)
M&E	Monitoring and Evaluation
MOD	Ministry of Defense
MOF	Ministry of Finance
MOIA	Ministry of Interior Affairs
MPD	MOIA and Police Development
MOU	Memorandum of Understanding
MTE	Mid-term Evaluation
NATO	North Atlantic Treaty Organization
NGO	Non-Governmental Organization
NIM	National Implementation Modality (of UNDP-supported Projects)
OIG	Office of the Inspector General (MOIA)
PFO	Provincial Finance Officers
PHRO	Provincial Human Resource Officers
PKI	Public Key Infrastructure
PMS	Project Management Support
PUP	Payroll Unit Plan
PUCBP	Payroll Unit Capacity Building Plan
ROL	Rule of Law
RRF	Results and Resources framework (of UNDP)

RSM	Resolute Support Mission (NATO)
SIGAR	Special Inspector General for Afghan Reconstruction
SOPs	Standard Operating Procedures
SPM	Support to Payroll Management
Tashkeel	Organograms of official posts/positions [staffing tables] in the Government/Ministries - Afghanistan
TOR	Terms of Reference
TWG	Technical Working Group [of LOTFA]
UK	United Kingdom
UNAMA	United Nations Assistance Mission in Afghanistan
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
VSAT	Very Small Aperture Terminal
WEPS	Web-based version of the electronic payment system

Map of Afghanistan

U.N. Map of Afghanistan



Map No. 3968 Rev. 7 UNITED NATIONS
June 2011

Department of Field Support
Cartographic Section

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Introduction

This Evaluation report is an independent Mid-Term Evaluation (MTE) of the Law and Order Trust Fund for Afghanistan Support to Payroll Management Project (LOTFA SPM project), commissioned by UNDP Afghanistan, covering the period July-2015 through December 2017. As per the UNDP project management cycle, a MTE of the LOTFA-SPM project is to be conducted. The main purpose of the MTE is to evaluate the project achievements from mid-July 2015 to end-2017, and to help guide the project's implementation from now till end of the project to realize its objective. The MTE is also meant to synthesize lessons to help improve the project design and implementation of project activities.

The findings and recommendations will be insightful for UNDP as it works to improve the planning, design and management of the SPM, and for the international community to continue their support to LOTFA. In the evaluation of SPM, the effectiveness, efficiency, relevance, impact and sustainability of UNDP's involvement and its added value are considered. The MTE examines UNDP's technical support, oversight mechanisms, and assess whether and where UNDP was successful in fulfilling this function and whether certain aspects could have been done better and how.

Executive Summary

Background

This Evaluation report is an independent Mid-Term Evaluation (MTE) of the LOTFA SPM project, commissioned by UNDP Afghanistan, covering the period July-2015 through December 2017. This time period has witnessed some of the highest civilian casualties on record during the 16-year Afghan War. The Taliban, the Haqqani Network, ISIS-K and other terrorist organizations have inflicted violence upon thousands of citizens, including vulnerable women and children across Afghanistan. According to United Nations figures, child casualties increased by 9% in 2017 to 436, compared with the same period in 2016, and 1,141 children were wounded. Female deaths rose by 23% in the first six months of 2017, with 174 women killed and 462 injured.¹ A series of well coordinated and complex attacks took place in central Kabul and elsewhere in Afghanistan at end-January 2018; killing and wounding hundreds, including both civilians and military personnel.²

Meanwhile, the Government's fight against the insurgency continues to be carried-out to a large extent by the Afghan National Police (ANP), which also struggles to perform policing duties, combat crimes and guarantee security across the country. As such, the ANP forms a crucial part of Afghanistan's national security apparatus and is routinely relied-up by NATO forces and the Afghanistan National Army (ANA) in counter insurgency and special operations.³ The Ministry of the Interior Affairs (MOIA) and ANP are challenged by high rates of turn over, attrition and casualties; as well as well endemic corruption and patronage networks that undermine its force strength and, ultimately, its integrity. Funding the ANP and ensuring that its officers and patrolmen receive their salary and incentive payments in a timely, transparent and legitimate process is of paramount importance to the security of Afghanistan and its citizens.

LOTFA and the SPM Project

The Law and Order Trust Fund for Afghanistan (LOTFA) is a Trust Fund of the United Nations Development Programme (UNDP) originally established in 2002. LOTFA seeks to build capacity to manage payroll functions, improving institutions within the MOIA, reforming laws and procedures, professionalizing police, and enhancing police-community partnerships. There are two projects under the fund: Support to Payroll Management (SPM) and MOIA and Police Development (MPD). LOTFA's donors include: the United States of America, European Union, United Kingdom, Japan, Republic of Korea, Germany, Australia, Canada, Croatia, Czech Republic, Denmark, Finland, the Netherlands, Hungary, Norway, Poland, Italy, New Zealand, Switzerland, Finland and Estonia. LOTFA funds and distributes 100% of the ANP and General Directorate of Prisons and Detention Centres (GDPDC) salaries and oversees adjustments to the pay and incentive scales of ANP and GDPDC.

The current LOTFA-SPM Project is a dedicated payroll management project with approximately 40 national staff and 2 international staff working closely together with MOIA staff from the Budget & Finance, HR and ICT departments to ensure timely payment of salaries and incentives to the ANP and GDPDC officers. The expected outcome of the SPM project is the Government of Islamic Republic of Afghanistan (GIROA)'s ability to independently manage all *non-fiduciary* aspects of payroll for the ANP and GDPDC, including producing relevant reports for donors in their specified formats. MOIA should also be able to manage the full range of functions related to payroll, i.e. human resources, accounting, and information and communication technology in a seamless manner.

¹ UNAMA reports.

² The attacks of end-January 2018, while outside the scope of this evaluation (2015 to end-2017) are relevant. These included the attack on the Intercontinental Hotel, the MOIA (old compound) and the Military University in Kabul; and an office of Save the Children located in Jallalabad..

³ See SIGAR reports and U.S. Institute of Peace articles, cited *infra*

The LOTFA-SPM project falls under Outcome 2 of the UNDP Afghanistan’s Country Programme Document (CPD):

CPD Outcome 2: *Trust in and access to fair, effective and accountable rule of law services is increased in accordance with applicable international human rights standards and the government’s legal obligations*

The LOTFA-SPM project is divided into 6 outputs as follows:

- Output 1 entails having in place updated legislative, policy and regulatory framework and business processes, implemented and functional in support of independent MOIA payroll management.
- Output 2 entails MOIA personnel (in Payroll, Human Resources (HR), Finance and Budget as appropriate) being able to independently undertake all payroll inputs, processing and validation tasks to agreed and measurable standards, using the reliability, accuracy and timeliness of personnel data and payroll to support improved evidence-based planning, prioritization and decisions.
- Output 3 covers MOIA’s payroll systems which should electronically be linked with HR systems, implemented and operational nationwide, and covers all pertinent and validated personnel. Three interconnected activity results are to be achieved for the overall achievement of this Output.
- Output 4 covers the provisions of the necessary infrastructures to support the full functionality of MOIA payroll systems during and after the SPM project.
- Output 5 is the core function of the SPM project as it entails the transfer of funds, on a timely and regular basis, to MOF for Police Pay.
- Output 6 is the SPM Project management component which is to ensure that the rest of the outputs get implemented in accordance with the project document and in a timely, efficient, accountable and effective manner.

Evaluation Objectives

LOTFA-SPM is not a typical development project for UNDP. The nature of this highly technical intervention and the political context within which it is situated, blur the line between outputs and impact upon a larger outcome. Additionally, for the moment, the question of its relevance is rhetorical, being a foregone conclusion on the part of LOTFA’s Donors. Nonetheless, this Evaluation has examined the LOTFA-SPM project in detail and attempted to answer *inter alia* a set of evaluation questions posed in the Evaluation’s Terms of Reference as to relevance, effectiveness, efficiency, impact and sustainability. Due to the nature of the SPM Project and its deliverables, we attempt to answer these questions, adhering to OECD/DAC criteria; but we have organized our report primarily around the 6 Outputs listed above. We deem this to be the only meaningful way that the SPM Project can be discussed—especially, given the lack of available data for *outcome level* results. [See infra discussion on Limitations of the Evaluation and on UNDP CPD Outcome 2].

Methodology

The Evaluation has followed the basic methodology proposed in its TOR. The Evaluation Team consisted of one International Consultant-Team Leader/Evaluation Expert and one National Consultant-Evaluation Expert independently contracted by UNDP Afghanistan. The Evaluation took place in three main stages: document review/inception; an in-country phase of the mission (27 November to 15 December 2017) during which stakeholder interviews were held, alongside data collection and analysis; and a report writing and editing phase that have entailed issuance of a draft report and a final report. The Evaluation Team employed Meta-analysis of all prior SPM project reports and documentation; focus groups of MOIA staff and ANP senior officers and Provincial Finance Officers (PFOs) from 4 provinces, as well as a standardized questionnaire distributed to a sample of MOIA staff who had benefited from SPM Project trainings (covering approximately 10% of all MOIA staff who had benefited from SPM Project training).

Key Findings

Making any attribution between the SPM Project and UNDP's overarching CPD outcome is extremely difficult due to a lack of available data (other than accepting a foregone conclusion that funding the ANP results in greater levels of security for Afghanistan's most vulnerable groups). The Evaluation is able, however, to point to an expansion of the ANP's ranks during the time period mid-2015 to end-2017; during which, according to SPM Project data, a near 99% rate of on-time pay disbursement was achieved, as well as SPM supervised improvements in systems architecture, oversight mechanisms and adjustments to the ANP pay and incentives scale.

It is clear to the Evaluation that UNDP and the SPM Project have operated at a high level of effectiveness and efficiency across almost all outputs of the SPM Project log-frame. Overall, we find the SPM Project achieving or exceeding its benchmarks for the development of MOIA polices and procedures related to the payroll process; strengthening LOTFA governance and oversight mechanisms (such as the Monitoring Agent and Thematic Working Groups); building WEPS systems architecture, data entry, reconciliation and verification via innovations such as the "Digital M16" form and bar code; supporting the expansion of pay distribution modalities such as Electronic Funds Transfer and Mobile Money; and supporting CSTC-A in data for the Afghanistan Personnel and Pay System (APPS).

As a result of these interventions and oversight mechanisms, the MOIA payroll for ANP and GDPDC has become more efficient, timely and accurate. The percentage of MOIA and GDPDC paid by EFT had reached a 89% and 100%, respectively, by Q3 2017 thanks to the efforts of the SPM Project. The SPM Project had also achieved 100% connectivity of all ANP via a direct link to MOIA's intranet, and protected VPN connectivity (via public Internet) to the MOIA servers for all GDPDC pay stations by 2016. There remain sporadic issues with Internet connectivity and security issues at end-2017, but these are largely outside of the SPM Project's control.

As of end-2017, MOIA's HR and payroll systems still need to be further integrated and there is a continuing problem with issuance of IDs to ANP. The SPM Project team in Kabul continues to perform "data cleansing" of WEPS data in preparation of migration of WEPS legacy data to the new APPS. (Note: the percentage of IDs in WEPS that are "cleansed" has increased from 57% in Q2 2016 to 80% in Q3 2017). There is also believed to be a substantial continuing issue with so-called "ghost policemen" on the ANP payroll (i.e. ANP collecting pay, but who can't be verified). Yet, through the mechanism of the Monitoring Agent and physical verifications, along with the MOIA withholding pay from unverified officers, the window of opportunity for corruption and "leakage" in the MOIA payroll is gradually closing. A "Payroll Unit Plan" and accompanying "Payroll Unit Capacity Building Plan" developed by the SPM Project in consultation with MOIA (and approved by MOIA in mid-2016), thoroughly document all steps in the MOIA/MOF payroll process and set forth a detailed "blue print" for the staffing of a new MOIA Payroll Unit.

LOTFA monetary funds transfers to the MOF for police and prisons pay for years 2015, 2016 and 2017 proceeded on-schedule and without major material incidents. The budget delivery rates remained acceptably high; and the Fund Financial Fiduciary Management Unit (FFFMU) has fulfilled its appointed function of supervising distributions and withholding funds based upon the Monitoring Agent's identification of unauthorized MOIA disbursements (i.e. ANP being paid above their rank; lack of ID to verify recipient; etc.).

The major area where the Evaluation finds the SPM Project has encountered challenges is in the area of trainings and capacity building for MOIA staff. This includes the MOIA staff that is currently being "twinned" by the SPM Project in Kabul. The responses received by the Evaluation to its questionnaire (i.e. from MOIA staff who had benefited from SPM trainings) were positive and the trainees reported that they had used the trainings in their daily work. But, *when interviewing these same staff in focus groups*, they expressed the opinion that they were not being utilized or trained by the SPM Project in a manner that would prepare them as MOIA staff to assume all responsibilities

required of them in a new MOIA Payroll Unit pursuant to the “Payroll Unit Plan” approved in 2016. This is in part due to the fact that MOIA has failed to send IT qualified staff to the SPM Project for training.

The LOTFA Donors could not reach a consensus to transfer SPM’s payroll management functions to the MOIA in December 2017 due to lack of capacity and oversight mechanism at the MOIA among other issues. In 2016, one of the twelve Donor Conditions for MOIA was effectively achieved. By June 2017, an independent assessment conducted in August 2017 indicated that eight of the twelve conditions (i.e. 70%) had been met; and that the MOIA was on track to achieve the remaining four conditions by end-2017. At end-2017/start of 2018, this Evaluation finds that several Donor Conditions for the MOIA (i.e. Conditions 10, 11 and 12) remain unmet.

As discussed below, the Evaluation expresses its concern over the lack of MOIA progress in improving the process for issuing ANP biometric IDs. Furthermore, the Evaluation found no incidence during 2015 to 2017 of the MOIA making a specific request for a specific individual to be trained to fulfil a specific payroll function. This indicates a lack of national ownership on the part of MOIA, but also points to the fact that the trainings provided have not been delivered pursuant to the “Payroll Unit Plan” or only *partially* so. It appears to the Evaluation that the MOIA “twinning” staff have been assigned mostly “data cleansing” work by the SPM Project as well as tasked with going to provinces to conduct assessments and trainings. The SPM Project does appear to have had success training both MOIA central and provincial officers (i.e. ANP; GDPDC; PPHQ; PFOs and PHROs) to enter WEPS data on the “front end” of the system.

Another area where the SPM Project appears to have not met targets is in training for female MOIA personnel (ANP and GDPDC) to perform payroll functions. There has been virtually no documented participation in trainings by female ANP (despite the fact that SPM AWP’s call for “gender disaggregated” trainings). This is largely due to the fact that MOIA has failed to appoint women to staff positions in the MOIA departments that the SPM project works with. The Evaluation suggests that SPM Project data on female officers (and the reasons for low participation of female officers) could be strengthened going forward. The SPM Project perhaps could also avail itself of synergies with UNDP other main rule of law project (i.e. the Afghanistan Access to Justice Project- “AA2J”) in order to collect data and citizens’ perceptions of security at the provincial level and gender.

Key Recommendations

The Evaluation makes a total of 21 recommendations, directed to the LOTFA Board, UNDP, the SPM Project and, also, to CSTC-A, respectively, depending upon the nature of the recommendation. Our overarching recommendation is: *that a transfer of LOTFA SPM’s payroll functions to the MOIA not take place until such time as all donor conditions are fully met; the MOIA Payroll Unit is fully staffed and trained and the APPS data base is fully functional and deployed in all 34 provinces.*

We also recommend that the LOTFA Board conduct an immediate review of the SPM Project’s “twinning” of MOIA staff, including how individual MOIA staff have been tasked by the SPM Project; a review of each MOIA twinned staff member’s academic credentials and professional background; and the extent to which SPM Project “twinning” has aligned with the approved MOIA Payroll Unit Plan and Payroll Unit Capacity Building Plan. The LOTFA Board and UNDP should ensure that the SPM Project “twinning” is sufficiently robust as to afford a *meaningful opportunity* for MOIA staff to assume the non-fiduciary aspects of the payroll process. The twinning programme going forward should take into account also the change over from WEPS to APPS that is scheduled to take place in 2018. The Evaluation is also recommending that MOIA fulfil its HR obligations and supply IT qualified staff to the SPM Project for trainings and twinning.

In addition, some other key recommendations are: i) that CSTC-A accelerate the piloting of the APPS database to achieve its full deployment by mid-2018; including conducting required APPS orientation and training sessions for MOIA staff at central and provincial levels; and ii) that the LOTFA Board consider revising the MOIA Donor Condition B4 to add a requirement that the MOIA strengthen its

capacities for issuing biometric IDs (i.e. including timeliness of issuance and replacement; upgrading ID processing facilities in Kabul and creation of “mobile ID units” to service the ID needs of ANP at the provincial level). “Clean” and current IDs are at the root of the payroll process and the lack of verified IDs continues to impede efforts to remove so-called “ghost” policemen from the ANP payroll.

The Evaluation also discusses the function of the LOTFA SPM Pay and Compensation Board and explores the process by which Donors achieved consensus at end-2017, regarding ANP pay increases and incentives. Evaluation respectfully recommends that the LOTFA Donors revisit the conditions proposed by the “Pay Structure and Sustainability Strategy”, and conduct a study to see if the pay increase and incentives approved by the LOTFA Board at its December 2017 meeting have sufficiently addressed the issues that were raised/used as the justification. The Evaluation also highlights the need for continued legislative reforms—including the provisions of the Police Inherent Law—as well as further aligning and integrating any future pay raises and incentives with MOIA’s own budget process and time-lines.

Conclusion

It is our ultimate conclusion that despite significant challenges (most of them outside the control of UNDP or the LOTFA SPM Project), the payroll process for ANP and GDPDC has vastly improved since mid-2015 in terms of systems architecture; WEPS efficiency and rates of on-time pay distribution. As of late-2017, the windows of opportunity for “ghost officers” and other forms of corruption surrounding the ANP payroll process appeared to be slowly closing, as a result of LOTFA and UNDP’s introduction of the SPM Monitoring Agent and its physical verifications performed in the field.

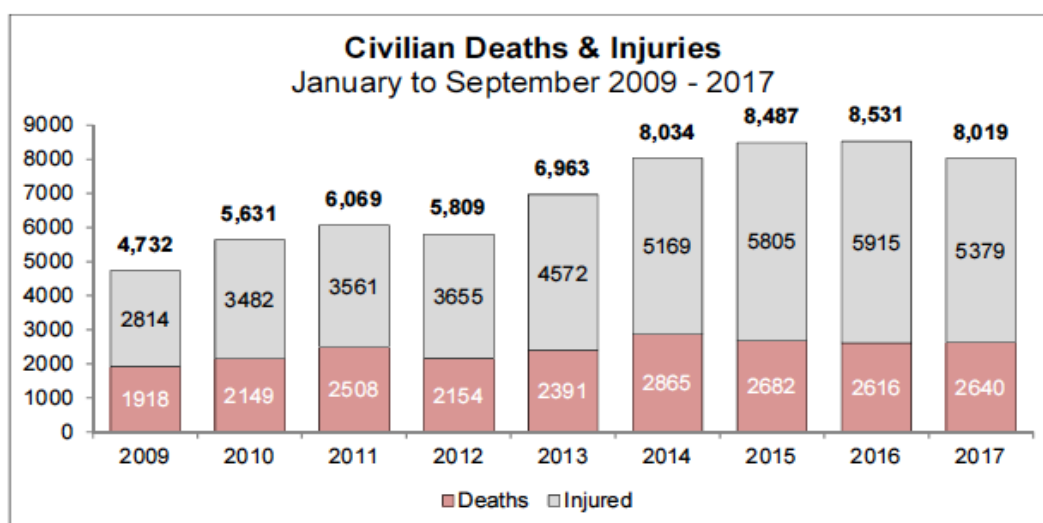
Meanwhile the Donor Conditions and enhanced LOTFA governance and oversight mechanisms (including regular SPM TWG meetings) have added clarity and structure by which to measure progress. Yet, there is much work remaining to be done in terms of building the MOIA’s capacity to the point where it is able to accept a transfer of the SPM Project’s payroll functions. It is important that LOTFA and UNDP continue to advocate for the MOIA to fulfil its human resource responsibilities and commitments, particular with regard to IT staff positions. Building-out a secure DRR system for WEPS and other payroll systems at MOIA is also a key priority.

While not a typical project for UNDP as a development organization, the LOTFA-SPM Project proves that UNDP as an organization is able to operate effectively (rendering both fiduciary services and development implementation) within a conflict-country context such as Afghanistan— in partnership with a national implementing partner the MOIA— and alongside a U.N. political mission and international partners.

Situation Analysis

Afghanistan remains a high security priority for international donors. The country continues to experience a volatile security situation, which undermines the rule of law, human rights and citizens' trust in their government. Security has been deteriorating steadily since the 2014 exit of the International Coalition Force (ISAF). The Taliban and Al Qaeda remain active. Additionally, the Islamic State of Iraq and the Levant – Khorasan Province or ISIL-KP—a branch of the militant Islamist group Islamic State of Iraq and the Levant (ISIL)—is active in Afghanistan and Pakistan.⁴ Some experts have speculated that a recent influx of ISIS militants and commanders in Afghanistan stems from the group's loss of territory in Iraq and Syria⁵; however other sources cannot confirm this. ISIS-K fighters are concentrated in the Faryab and Jowzjan provinces in the Northwest part of the country; as well as the Nagarhar and Kunar provinces in the Northeast, where they remain largely isolated from their finance and support networks and face pressure from Afghan and NATO forces.⁶

According to the United Nations Assistance Mission in Afghanistan (UNAMA), the number of deaths of women and children are at a 16-year high as of 2017, primarily due to the Taliban's use of homemade bombs, which caused 40% of civilian casualties in the first six months of 2017. Child casualties increased by 9% in 2017 to 436, compared with the same period in 2016, and 1,141 children were wounded. Female deaths rose by 23% in the first six months of 2017, with 174 women killed and 462 injured.⁷ NATO maintains its own estimates on civilian casualties.



Attacks on places of worship and public gatherings have also increased dramatically during the reporting period.⁸ Attacks of this nature are evidence of the Taliban's shift in strategy; which now opts to conduct "guerrilla-style warfare, including suicide attacks, designed to maintain relevance and to inflict maximum casualties, but not to gain and hold new terrain."⁹ For example, there was a major attack in central Kabul on 31 May 2017, when a truck bomb exploded in a crowded intersection near

⁴ [Http://www.understandingwar.org/backgrounder/isis-plotting-attacks-afghanistan](http://www.understandingwar.org/backgrounder/isis-plotting-attacks-afghanistan).

⁵ Strasser, Fred. "South Asia: Rising Extremism Opens Way for ISIS, How the Region and the U.S. Can Help Turn the Tide" *United States Institute of Peace*, May 9, 2017.

⁶ "Department of Defense Press Briefing by General Nicholson via Teleconference from Kabul, Afghanistan." *Department of Defense*, November 28, 2017

⁷ UNAMA reports.

⁸ <https://www.theguardian.com/world/2017/jul/17/civilian-deaths-in-afghanistan-war-at-record-high-says-un>; referencing, UNAMA Quarterly Report on the Protection of Civilians in Armed Conflict: 1 January to 30 September 2017.

⁹ "Department of Defense Press Briefing by General Nicholson via Teleconference from Kabul, Afghanistan." *Department of Defense*, November 28, 2017

the German embassy at about 08:25 local time (03:55 GMT) during rush hour, killing over 150 and injuring 413, mostly civilians, and damaging several buildings in the embassy. No group claimed responsibility for the attack, but Afghanistan Intelligence analysis pointed to the *Haqqani Network*. Despite significant investments in ANSF and ANP, insurgents are still able to penetrate the innermost secure zone of the capital Kabul (i.e. the so-called “ring of steel”), as exemplified by their well-coordinated/complex attacks perpetrated in January 2018.¹⁰

Afghanistan’s current economic situation is also bleak. Largely as a result of current insecurity, the nation endures an environment of economic stagnation, which increases the likelihood that further insecurity will emerge.¹¹ This in turn has discouraged both domestic and international investment from strengthening the nation’s economy. World Bank GDP estimates tell a similar story as of 2012 when Afghanistan’s “annual GDP growth rate dropped, from 14.4% to 2.0% in 2013, and to 1.1% in 2015, before rising to 2.2% in 2016.”¹² The impact of this decline in nationwide economic growth is observable in both the nation’s poverty rate, which rose from 36% in 2012 to 39% in 2014 and in unemployment levels, which doubled in the same period.¹³ Due to the strain of national insecurity, unemployment, and the resulting decline in financial well-being across 33.5% of households “many Afghans have left Afghanistan to seek economic opportunities elsewhere.”¹⁴

As was the case in the previous decade, Afghanistan’s reputation as a “narco-dominated economy” has continued as a result of an increase in its economic desperation. This has continued to finance the expansion of the country’s criminal networks, strengthening the region’s tribal leaders, war-lords, the Taliban, al-Qaeda, and “other Islamist extremists opposed to the government.”¹⁵ Based on anti-narcotic operations conducted by the Afghan 215th Corps, Special Forces, and Air Force, the opium destroyed on multiple raids was valued in the tens of millions of U.S. dollars; corroborating reports that the quantity of opium harvested in 2017 was greater than in previous years. Traffickers and extremists are believed to currently hold large stores of excess opium to fulfill future demand.¹⁶ Currently, millions of dollars are generated annually in Afghanistan through extremist groups’ illegal activities; including drug trafficking, kidnapping, and mining precious stones.¹⁷

¹⁰ A series of three well-coordinated attacks took place in central Kabul during late-January 2018, killing more than 130 people and wounding more than 300. These included the siege of the Intercontinental Hotel (20 January 2018)(believed to have been carried out by the Haqqani network) which lasted over 12 hours leaving at least 40 persons killed and more than 22 persons wounded; an attack on the MOIA (old) compound near the Sidarat Square (27 January 2018)(claimed by the Taliban) wherein insurgents utilized an ambulance containing explosives to bomb a checkpoint killing at least 103 persons and wounding approximately 235 other; and an attack on an outpost near Kabul’s Marshal Fahim Military Academy (29 January 2018)(claimed by ISIS-K) in which 11 soldiers were killed and 16 wounded. During this same week, an attack was carried out on the “Save the Children” compound in Jallalabad (24 January 2018)(perpetrated by ISIS-K) killing 6 persons and wounding 27 persons and causing “Save the Children” to evacuate all of its international personnel from Afghanistan.

¹¹ *Afghanistan in 2017: A Survey of the Afghan People*. Kabul: The Asia Foundation, 2017.

¹² *Afghanistan in 2017: A Survey of the Afghan People*. Kabul: The Asia Foundation, 2017.

¹³ *Afghanistan in 2017: A Survey of the Afghan People*. Kabul: The Asia Foundation, 2017; noting that Afghanistan has one of the highest child-labor rates in the world—27%, or 2.7 million children—as a result of extreme poverty and high underemployment. Afghanistan has also dropped several levels on the Human Development Index, an international measure of progress on indicators such as life expectancy, education, and per capita income; 61.2% of Afghans believe that the nation is moving in the wrong direction. “This year, a majority of Afghans (72.4%) support women working outside the home (comparable to last year’s 74.0%).”

¹⁴ *Afghanistan in 2017: A Survey of the Afghan People*. Kabul: The Asia Foundation, 2017.

¹⁵ Perito, Robert M. *Afghanistan’s Police: The Weak Link in Security Sector Reform*. Washington DC: United States Institute of Peace, 2009.

¹⁶ “Department of Defense Press Briefing by General Nicholson via Teleconference from Kabul, Afghanistan.” *Department of Defense*, November 28, 2017.

¹⁷ Strasser, Fred. “South Asia: Rising Extremism Opens Way for ISIS, How the Region and the U.S. Can Help Turn the Tide” *United States Institute of Peace*, May 9, 2017.

Afghanistan's current constitution consists of 162 articles officially signed by H.E. President Hamid Karzai, the nation's interim president on January 26, 2004 following its consensus approval and the 2003 *loya jirga*; a traditional assembly of the nation's leaders. Hamid Karzai was subsequently elected to a five-year term as president of Afghanistan following the nation's first presidential election in October 2004 with the National Assembly later elected in September 2005.

On the June 22, 2017, Afghanistan's Independent Election Commission announced that parliamentary and district council elections would be held on July 7, 2018.¹⁸ The Independent Election Commission of Afghanistan, formed on January 19, 2005 through Presidential Decree No. 21 has been assigned the mandate of administering and supervising elections and referenda in order to "strengthen and promote democracy."¹⁹ Technical and operational plans for the 2018 election have commenced, including the determination of optimal polling locations throughout the country. An increase in attacks mounted by the Taliban however has led to a rise in sectarian tension and criticism of the government for its inability to provide adequate security for the public.²⁰ Dissatisfaction stemming from the nation's deteriorating security and economic conditions has led to the formation of opposition groups such as the "Council for the Salvation of Afghanistan."

The Current "National Unity Government" was formed after the disputed election of 2014 in which H.E. Ashraf Ghani became president of Afghanistan and H.E. Abdullah Abdullah became the Chief Executive of Afghanistan through a power-sharing deal. At this time, the National Unity Government faces its strongest opposition from the "Council for the Salvation of Afghanistan," made up of leading figures from three major political parties whose support base resides primarily in the north of Afghanistan alongside affiliations in other parts of the country.²¹ One of the primary challenges faced by the Afghan national government in preparing for the upcoming election is reinforcing the electoral process' credibility so as to reduce public skepticism about the legitimacy of its outcome.²²

Meanwhile, according to the U.N. as of September 2017, "*No discernible progress ha[d] been made in fostering negotiations between the Government and the Taliban. The High Peace Council, under its new Chair, Karim Khalili, continued to revise its strategy and workplans within the overall framework of the President's vision for peace as outlined to international donors in April. UNAMA has continued its formal dialogue with the Taliban in an effort to seek a political solution to the continuing conflict. The Joint Executive Commission, responsible for the implementation of the peace agreement between the Government and Hizb-i Islami Gulbuddin, has been folded into the High Peace Council. As part of its efforts to support local-level peacebuilding, UNAMA facilitated three local peace initiatives covering six different provinces during the reporting period, including a dialogue between elders from two districts of Kandahar Province and a series of consultations with*

¹⁸ "The Situation in Afghanistan and its Implications for International Peace and Security: Report of the Secretary General" United Nations: General Assembly, Security Council, September 15, 2017. [A/72/392–S/2017/783].

¹⁹ "View and Mission." Independent Election Commission of Afghanistan, 2017. <http://www.iec.org.af/2012-05-29-07-06-38/vision-mission> [NEW CITATION].

²⁰ "The Situation in Afghanistan and its Implications for International Peace and Security: Report of the Secretary General" United Nations: General Assembly, Security Council, September 15, 2017. [A/72/392–S/2017/783].

²¹ "The Situation in Afghanistan and its Implications for International Peace and Security: Report of the Secretary General" United Nations: General Assembly, Security Council, September 15, 2017. [A/72/392–S/2017/783].

²² "The Situation in Afghanistan and its Implications for International Peace and Security: Report of the Secretary General" United Nations: General Assembly, Security Council, September 15, 2017. [A/72/392–S/2017/783].

*independent religious figures in Khost Province.*²³

The number of Afghan National Police (ANP) has grown over time, and has now reached more than 140,000. The MOIA has a 10-year vision and a 5-year strategy, and filled a significant number of senior and mid-level positions with educated professionals. MOIA continues, however, to struggle to transform the police from a counter-insurgency force into one that focuses on enforcing the rule of law and dealing with crime.²⁴ The ANP rank and file continue to play a role in joint and special operations, incurring large numbers of casualties each month.

Currently, levels of training in the ANP remain low – the literacy rate among police is hardly at 20% and new recruits join the force after only a few weeks of basic instruction. Once on the job, there are few opportunities for professional development or training.²⁵ Allegations of corruption, nepotism, and human rights abuses undermine the trust and confidence of the public, and mechanisms to investigate and punish abuses need to be improved. Female enrolment is limited. Women make up less than 2% of serving officers and they are usually restricted to lower level roles.

Testimony by Special Inspector General for Afghan Reconstruction (SIGAR), John F. Sopko reveals that “neither the United States nor its Afghan allies truly know how many Afghan soldiers and police are available for duty, or, by extension, the true nature of their operational capabilities.”²⁶ This issue stems from the presence of ghost forces throughout the ANDSF, compromising its readiness, the perception of the ANDSF, and the Afghan government’s credibility.²⁷ The full scope of this issue was demonstrated during SIGAR’s 2011 audit of the ANP personnel systems, when “various sources of personnel data showed total reported numbers of ANP personnel ranging from 111,774 to 125,218, a division-sized discrepancy of 13,444 personnel.”²⁸ Issues encompassing ghost forces continues, in large part due to the persistent lack of diligent record keeping.

Regarding the Ministry of Interior Affairs (MOIA), corruption continues to hamper progress. There have been efforts to consolidate the responsibilities of this department with those of others like the Ministry of Finance (MOF) in order to limit redundancy and reduce the number of opportunities for corruption to take place. In the case of custom operations, cooperation between both ministries is critical in order to ensure that Afghan border police and customs police effectively patrol and prevent transnational smuggling operations. In areas like this however, no formal mechanisms exist to remedy lapses in security or ensure the consolidation of responsibilities.²⁹

When composing its research for the *2017 Survey of the Afghan People*, The Asia Foundation found that 83.7% of Afghan citizens cite corruption as a major national problem and 69.8% perceive corruption as “a major problem in their daily life.”³⁰ The World Bank’s Worldwide Governance

²³ “The Situation in Afghanistan and its Implications for International Peace and Security: Report of the Secretary General” United Nations: General Assembly, Security Council, September 15, 2017 [A/72/392–S/2017/783].

²⁴ Perito, Robert M. *Afghanistan’s Civil Order Police: Victim of Its Own Success*. Washington DC: United States Institute of Peace, May 2012.

²⁵ Perito, Robert M. *Afghanistan’s Civil Order Police: Victim of Its Own Success*. Washington DC: United States Institute of Peace, May 2012.

²⁶ U.S. Congress. House of Representatives. Subcommittee on Oversight and Investigations, Committee on Armed Services. *Testimony Before the Subcommittee on Oversight and Investigations, Committee on Armed Services, U.S. House of Representatives: Assessing the Capabilities and Effectiveness of the Afghan National Defense and Security Forces: Statement of John F. Sopko Special Inspector General for Afghan Reconstruction*. 114th Cong., 2nd sess., February 12, 2016.

²⁷ *Id.*

²⁸ *Id.*

²⁹ “Afghanistan’s Fight Against Corruption: The Other Battlefield” *United Nations Assistance Mission in Afghanistan*, April, 2017.

³⁰ *Afghanistan in 2017: A Survey of the Afghan People*. Kabul: The Asia Foundation, 2017.

Indicators for 1996 through 2012 for both rule of law and control of corruption ranks Afghanistan near the bottom of about 200 countries, and has not shown any significant improvement over the years studied.³¹ Despite recent efforts, corruption is an acutely visible problem in the activities of state officials particularly on the nation's judiciary and Afghan National Police (ANP) who are "viewed as predatory and a greater threat to security than the Taliban."³² "Demands for bribes, illegal taxes, and various human rights violations" constitute a small array of the forms of corruption perpetrated by the ANP.³³

A root of corruption that plagues the ANP though somewhat lessened though recent data purge efforts has been the presence of so-called "ghost policemen" resulting from poor record keeping. SIGAR reports dating back to 2015 state serious concerns about the accuracy of the ANP's payroll management system, which dispenses thousands of officers' salaries. Aside from lack of upkeep, the fact that many individuals listed as active ANP personnel lack complete records with the identifiers needed to verify their existence exacerbates the issue.³⁴

Reform efforts coordinated through the U.S. Department of Justice and State Department for years found the Afghan Attorney General's Office unwilling to fight corruption.³⁵ Officials within these programs recount that the Attorney General's Office did not actively "pursue complex, high-level corruption cases and has routinely declined offers from DOJ to train Afghan prosecutors in the Anticorruption Unit on investigative methods for pursuing corruption cases."³⁶ Since transition to the UNDP's purview however, gradual positive changes have been observed including the government's "regular and constructive engagement with development partners, as demonstrated most recently at the Joint Coordination and Monitoring Board meeting in July" and the Anti-Corruption Justice Centre's completion of "21 cases at the trial and appellate levels against 86 accused."³⁷ A lot of progress can be attributed to the Anti-Corruption Justice Centre, which since its creation in late 2016 has demonstrated its ability to guide efforts to "combat impunity."³⁸ Going into 2018, there is hope that with the appointment of a new Minister of the Interior and strengthened oversight mechanisms that the situation might improve.³⁹

Beginning in 2002, following the invasion of Afghanistan, Germany began efforts to train and equip a new professional police force for the Afghan Interim Authority as lead nation given its positive experience with the task prior to the Soviet intervention.⁴⁰ Throughout the period of 2002 to 2007, the

³¹ *SIGAR 15-68 Audit Report/Rule of Law*. Arlington: Office of the Special Inspector General for Afghanistan Reconstruction, July 1, 2015.

³² Perito, Robert M. *Afghanistan's Police: The Weak Link in Security Sector Reform*. Washington DC: United States Institute of Peace, 2009.

³³ Perito, Robert M. *Afghanistan's Police: The Weak Link in Security Sector Reform*. Washington DC: United States Institute of Peace, 2009.

³⁴ *SIGAR 15-26 Audit Report/Afghan National Police Personnel and Payroll Data*. Arlington: Office of the Special Inspector General for Afghanistan Reconstruction, January 7, 2015.

³⁵ "The Afghan government has lacked the political will and commitment to tackle corruption in the justice sector." (19.)

SIGAR 15-68 Audit Report/Rule of Law. Arlington: Office of the Special Inspector General for Afghanistan Reconstruction, July 1, 2015.

³⁶ *SIGAR 15-68 Audit Report/Rule of Law*. Arlington: Office of the Special Inspector General for Afghanistan Reconstruction, July 1, 2015.

³⁷ "The Situation in Afghanistan and its Implications for International Peace and Security: Report of the Secretary General" United Nations: General Assembly, Security Council, September 15, 2017. [A/72/392–S/2017/783]

³⁸ "The Situation in Afghanistan and its Implications for International Peace and Security: Report of the Secretary General" United Nations: General Assembly, Security Council, September 15, 2017. [A/72/392–S/2017/783]

³⁹ Wais Barmak assumed office as Minister of Interior Affairs for Afghanistan's MOIA on August 13, 2017.

⁴⁰ Perito, Robert M. *Afghanistan's Police: The Weak Link in Security Sector Reform*. Washington DC: United States Institute of Peace, 2009.

German police training efforts were routinely supplemented with those of the U.S., which infused a distinct counterinsurgency-training regimen into ANP instruction.⁴¹ Such changes became especially notable when “in 2005 the U.S. government transferred responsibility for the Afghan police assistance program from the U.S. Department of State to the U.S. Department of Defence. Implementation was assigned to the Combined Security Transition Command-Afghanistan (CSTC-A), which also had the responsibility for training the Afghan National Army (ANA).”⁴²

The next large change in ANP training came on June 17, 2007 when the European Union Police Mission to Afghanistan (EUPOL) “formally replaced Germany as the key partner for police assistance.”⁴³ Even so, the U.S. continued to run the largest police training program, utilizing soldiers to train ANP personnel. Consequently, today’s “ANP is a militarized force that has been trained and equipped to conduct counterinsurgency (COIN) operations and not law enforcement. It also lacks adequate managerial oversight and administrative support from the Ministry of the Interior (MOI).”⁴⁴ At the moment, “the ANP receives extensive assistance from thirty-two NTM-A [NATO Training Mission – Afghanistan] member countries that provide funding, trainers, curriculum, and equipment. The major components of the ANP are the Afghan Uniform Police (AUP), the Afghan National Civil Order Police (ANCOP), The Afghan Border Police (ABP), and the Afghan Anti-Crime Police (AACP).”⁴⁵

In recent years, LOTFA has engaged the ANP and MOIA with programs aimed at improving the nation’s capacity building and payroll operations. Since 2010, LOTFA has been funding police salaries, improving police capacity and developing systems within the MOIA (with LOFTA splitting into two projects SPM and MPD in 2015). The number of police has grown over time, and has now reached more than 140,000. The MOI has a 10-year vision and a 5-year strategy, and filled a significant number of senior and mid-level positions with educated professionals. The Support to Payroll Management (SPM) project handles the police payroll, and builds capacity at finance and human resources departments so that the MOIA can take over the payroll management function in the future.

LOTFA-SPM Project Overview and Key Issues

The LOTFA is a Trust Fund of the United Nations Development Programme (UNDP) originally established in 2002. LOTFA seeks to build capacity to manage payroll functions, improve institutions within the MOIA, reform laws and procedures, professionalize police, and enhance police-community partnerships. There are two projects under the fund: Support to Payroll Management (SPM) and MOIA Police Development (MPD). LOTFA’s donors include: the United States of America, European Union, United Kingdom, Japan, Republic of Korea, Germany, Australia, Canada, Croatia, Czech Republic, Denmark, the Netherlands, Hungary, Norway, Poland, Italy, New Zealand, Switzerland, Finland and Estonia.

⁴¹ - Military tactics, weapons use, survival strategies, and counterinsurgency tactics were passed on through U.S. military trainers as well as police skills taught by contracted former U.S. policemen.

- Perito, Robert M. *Afghanistan’s Civil Order Police: Victim of Its Own Success*. Washington DC: United States Institute of Peace, May 2012.

⁴² Perito, Robert M. *Afghanistan’s Civil Order Police: Victim of Its Own Success*. Washington DC: United States Institute of Peace, May 2012.

⁴³ Perito, Robert M. *Afghanistan’s Police: The Weak Link in Security Sector Reform*. Washington DC: United States Institute of Peace, 2009.

⁴⁴ Perito, Robert M. *Afghanistan’s Civil Order Police: Victim of Its Own Success*. Washington DC: United States Institute of Peace, May 2012.

⁴⁵ Perito, Robert M. *Afghanistan’s Civil Order Police: Victim of Its Own Success*. Washington DC: United States Institute of Peace, May 2012.

The fund has undergone several evolutions since its inception in 2002, including changes to its governance structure and oversight mechanisms. Yet, LOTFA's fundamental goals—ensuring that the ANP is paid on time and in an efficient manner and building the capacity of the MOIA for budgeting, human resources and ANP/GDPDC payroll— have remained at LOTFA's core. LOTFA thereby sustains the ANP's force strength—enabling the ANP to participate in counter-insurgency and counter-narcotics special operations in conjunction with other ANSF and in support of NATO forces.

From its inception, LOTFA had historically experienced turmoil. Since 2011 until recently, uncertainty within MOIA's internal structures, the security situation in Afghanistan and transition of senior management at the UNDP CO, and overall poor planning conditions had a significant effect on project quality at every level, and what UNDP was able to deliver. LOTFA has also exposed UNDP to varying levels of political and reputational risk. Credible evidence of corruption and abuses within the MOIA and by the ANP—including fraud, political patronage, bribery, extortion, theft, misappropriation, falsifications and inaccuracies and other criminal activity—subjected UNDP to the strong criticisms in 2013/14 that it had not performed adequate due diligence, oversight and accountability of the MOIA's use and allocation of LOTFA funds. In response to these criticisms UNDP and LOTFA instituted new oversight mechanisms to close the window and opportunity for corruption and misappropriation of funds.

Significant historical project design and management issues related to UNDP were subsequently resolved in 2014/2015. This placed UNDP in a better position to provide effective management and implementation support, and from that position support governance/decision-making by the LOTFA principles (GIROA and Donors).

In December 2014, then newly elected H.E. President Ashraf Ghani instructed UNDP to transform LOTFA to accelerate and make effective a transition of the payroll functions to GIROA and to develop national capacity for its efficient and accountable management. The new LOTFA consists of two Projects: LOTFA-SPM and LOTFA-MPD, which is centred on developing national capacity for self-sustained reform and improvement of the MOIA as an institution, and the police services as instruments for citizen safety and maintenance of the rule of law. It was further agreed between the Donors and the Government that LOTFA would pursue a plan to transfer the SPM Project's payroll functions to MOIA. A set of "Donor Conditions" was agreed upon with GIROA, as a requirement of SPM's eventual transfer to MOIA; placing conditions on MOF, MOIA, UNDP and CSTC-A, respectively.

GIROA, MOIA, UNDP, donors and other partners jointly developed the two Projects. On 17 September 2016, the President gave UNDP his approval that the MPD project be transformed into a multiyear (2017-2020) project, while allowing for a one-year extension of the SPM project through a letter dated 7 December 2016. A 2016 revision of the LOTFA-SPM project document covered the one-year SPM project extension, with no substantial changes in outputs, up to 31 December 2017; whereas a new separate MPD project document was developed to cover a four-year extension of the MPD project.

The current LOTFA-SPM Project is a dedicated payroll management project with approximately 40 national staff and 2 international staff working closely together with MOIA staff from the Budget & Finance, HR and ICT departments to ensure timely payment of salaries and incentives to the ANP and GDPDC officers. The expected outcome of the SPM project is GIROA's ability to independently manage all *non-fiduciary* aspects of payroll for the ANP and GDPDC, including producing relevant reports for donors in their specified formats. MOIA should also be able to manage the full range of functions related to payroll, i.e. human resources, accounting, and information and communication technology in a seamless manner.

At end-2016, GIROA and the LOTFA donors agreed to extend the SPM project by another 12 months to December 2017, to allow more time to achieve the fulfilment of the Donor Conditions. To this end, the Support to Payroll Management (SPM) project has continued to provide support to MOIA in the

management of payroll functions, salary payment of ANP and GDPDC as well as capacity development.

The LOTFA-SPM project falls under Outcome 2 of the UNDP CPD:

CPD Outcome 2: *Trust in and access to fair, effective and accountable rule of law services is increased in accordance with applicable international human rights standards and the government's legal obligations*

The LOTFA-SPM project is divided into 6 outputs as follows:

- Output 1 entails having in place updated legislative, policy and regulatory framework and business processes, implemented and functional in support of independent MOIA payroll management.
- Output 2 entails MOIA personnel (in Payroll, Human Resources (HR), Finance and Budget as appropriate) being able to independently undertake all payroll inputs, processing and validation tasks to agreed and measurable standards, using the reliability, accuracy and timeliness of personnel data and payroll to support improved evidence-based planning, prioritization and decisions.
- Output 3 covers MOIA's payroll systems which should electronically be linked with HR systems, implemented and operational nationwide, and covers all pertinent and validated personnel. Three interconnected activity results are to be achieved for the overall achievement of this Output.
- Output 4 covers the provisions of the necessary infrastructures to support the full functionality of MOIA payroll systems during and after the SPM project.
- Output 5 is the core function of the SPM project as it entails the transfer of funds, on a timely and regular basis, to MOF for Police Pay.
- Output 6 is the SPM Project management component which is to ensure that the rest of the outputs get implemented in accordance with the project document and in a timely, efficient, accountable and effective manner.

According to the Project Document(s), the Project Board and Project Technical Working Groups (TWGs) are the LOTFA governance bodies. All members of the governance bodies have quality assurance and oversight responsibilities over the two LOTFA Projects based on the Project strategies, Results and Resources Frameworks (RRF), Annual Workplan (AWP), Monitoring and Risk Frameworks. The Board is responsible for extending overall strategic guidance and direction to ensure that Project objectives are being met. The Board has an oversight sub-committee. The UNDP Country Office Rule of Law (ROL) Unit supports the Board in its quality assurance and oversight functions. TWGs will review the implementation of the AWP and the risk framework. To allow for more focused technical discussions each Project's TWG is complemented by sub-working groups for key functional areas. The LOTFA Project Management Support (PMS) will handle all aspects of administration for the Project Board and TWG meetings.

A major component of the payroll processing and management is the Web-Enabled Payroll System (WEPS). The system is used by 153 payroll stations across the country to process payroll documents and can be accessed from any computer on the MOIA's intranet, with the required profiles. The SPM project supports the MOIA to fulfill its responsibility for deployment, maintenance and functioning of WEPS. The system generates payroll documents to be fed into the Afghan Financial Management Information System (AFMIS) (an MOF database) for purposes of generating salary disbursements by the MOF.

The fact that MOIA payroll is not initiated from the primary database of the ANP continues to be a problem. The Afghanistan Human Resources Information Management System (AHRIMS) is a

centralized human resources database for all ANP personnel.⁴⁶ Yet, ensuring AHRIMS database integrity remains a challenge as a result of a high frequency of change in ANP personnel, new recruits, internal transfers and other issues. Apart from AHRIMS there is a separate ANP ID database that is not fully reconciled with AHRIMS. Thus, both databases contain overlapping, incomplete and unverified data. The fact that ANP attendance lists are completed manually at the level of ANP police stations, districts and provinces, instead of utilizing AHRIMS continues to compound the problems with data integrity. In addition, Provincial Human Resource Officers (PHROs) and Provincial Financial Officers (PFOs) also continue to prepare HR reports manually.

All of this has posed a challenge to the SPM Project in matching WEPS records with other ANP human resources data. To date, SPM has not been able to confirm with 100% accuracy the number of ANP personnel at police stations, districts and provinces at the time of payroll formulations. A new Afghanistan Personnel and Pay System (APPS), being developed by MOIA and CSTC-A is intended to replace the AHRIMS database and eventually serve as the primary database for generating ANP payroll lists. To facilitate the data integrity of APPS, CSTC-A is leading a Personal Asset Inventory (PAI) at MOIA to update biometric identification of police officers and AHRIMS records. CSTC-A expects to complete both the PAI and APPS roll-out in 2018.

As of end-2017/early-2018, UNDP and the international donors still lack a 100% verified number of ANP force strength and LOTFA reports indicate that the problem of “ghost policemen” on the payroll registers remains. Additionally, MOIA’s payroll and human resources databases are not fully aligned or verified. The CSTC-A-led development of the integrated payroll/human resources database “APPS” is behind schedule and was still in a pilot phase at end-2017.

LOTFA-SPM continues to expose UNDP as a development organization to some amount of reputational and political risk. While the necessity and propriety of fighting the Taliban and jihadist groups such as ISIS-K is an unquestioned premise of international donor and GIROA strategies for Afghanistan, it must be noted that supporting the payroll management of an active counter-insurgency force is essentially not within UNDP’s traditional mandate. This also may or may not perpetuate a *status quo ante*, that impedes or delays transforming the ANP from a militarized “paramilitary” force to a civilian police force.

Notwithstanding any on-going issues related to UNDP, performance of the LOTFA programme appears to be increasingly related to three core issues:

- The quality of leadership and capacity in the MOIA, and level of confidence that this generates among Donors.
- A political choice, to be made by international Donors with diverging interests/positions, on when, and under what conditions, payroll shall be transitioned to the MOIA and placed under sovereign management. Not a strictly a "conditions-based" decision.
- Conditions and technical performance of capacity development activities, focused on strengthening the overall institutional environment. This requires greater focus and support from principles (through governance), and a shift in focus/resources to MPD.

Ultimately, the decision to transfer SPM to MOIA will be a political decision of the Donors and the Government. The timing, form, content and scope of LOTFA-SPM’s transfer to the MOIA—whether a “phased” transfer or an immediate transfer—will have implications for MOIA and UNDP capacity building delivered via the LOTFA MPD project. It is important that this process proceed in conformity with Afghanistan’s national legislation and that laws be reformed as necessary to facilitate and further institutionalize all aspects of the MOIA payroll process.

⁴⁶ AHRIMS was developed with the support of CSTC-A.

Methodology

The Evaluation Team for LOTFA SPM was comprised of one International Consultant who served as the Evaluation Expert/Team Leader and a National Consultant who served as the Evaluation Expert. The LOTFA-SPM Evaluation adhered to the basic Methodology as set forth in its Terms of Reference, as well as UNDP's Guidelines for Outcome Evaluators. The Evaluation report seeks to answer the detailed questions set forth in the Evaluation's ToR across the LOTFA-SPM Project's six outputs.

The Evaluation took place in several stages encompassing a comprehensive desk review; drafting of an Inception Report and Evaluation Work Plan and Methodology; an in-country phase of the mission entailing data collection, stakeholder interviews, initial analysis and a "zero draft" of the Evaluation Report containing preliminary findings, conclusions and recommendations. A debrief was held for UNDP and LOTFA-SPM project senior management, prior to the Evaluation team's departure from Kabul in order to solicit feedback and comment from Stakeholders.

The Evaluation employed meta-analysis of LOTFA-SPM system audits and technical reports due to the fact that the technical aspects of LOTFA-SPM systems (hardware and software) had already been documented to a great deal. The Evaluation employed triangulation (i.e. spot-checking WEPS reports against SPM TWG and SPM Project quarterly and annual reports) in an attempt to verify the accuracy of data contained in project reports. In addition, the Evaluation distributed a questionnaire to MOIA staff, held several focus groups of MOIA staff, SPM staff and ANP provincial commanders and PFOs from a total of four provinces. The Evaluation sought to probe the larger issues raised by the Evaluation Questions—especially issue of LOTFA-SPM supplied trainings and capacity building of MOIA staff; the status of the approved Payroll Unit Plan and the prospects as of end-2017 for transferring the payroll management functions of LOTFA-SPM to the MOIA.

Phase I Desk review, Evaluation Plan and Inception Report

The Evaluation was *heavily reliant* upon UNDP and the LOTFA-SPM project team to assemble the data and documents on a SharePoint. In order to maximize value for money and available time, Skype conferences were held with UNDP senior management LOTFA-SPM staff during the document review phase in advance of the Evaluation Team's arrival in country. A list of key Stakeholders to be interviewed and data sources to be referenced was compiled in advance of the commencement of the in-country portion of the mission. In addition to the Evaluation Questions stated in the ToR, the Evaluation Team formulated on an *ad hoc* basis additional sub-questions for interviewees.

Phase II. In-country stakeholder interviews; surveys and data collection

Following the document review and finalization of the Evaluation Design and Inception Report, the Evaluation Team travelled to Kabul, Afghanistan for the *in-country portion of the mission* that took place between 27 November to 15 December 2017.

Interviews were conducted in Afghanistan and via Skype with key stakeholders. These included, UNAMA, UNDP Senior Management, LOTFA-SPM project staff; available Donors (i.e. U.S. Embassy; Italian Embassy, etc.); CSTC-A; MOIA; MOF; and other relevant governmental agencies; the ANP at both central command and provincial levels; and other stakeholders. (See ANNEX for a list of Stakeholders interviewed).

In addition to the standard interviews, the Evaluation developed a questionnaire that was distributed to a sample of MOIA staff (including both regular departmental and "twinned" staff) that had benefited from LOTFA-SPM Project sponsored trainings held during July 2015 to end-2017. In addition, the Evaluation held separate focus groups with MOIA staff and SPM Project staff. In total, 17 MOIA staff responded to the Evaluation's questionnaire.

Finally, the Evaluation was successful in interviewing ANP officers and PFOs from 4 provinces Kabul Province (Deh Sabz Distract); Parwan Province (Bagram District); and Kandahar Province; and Urzghan Province. UNDP covered the cost of travel of the provincial ANP officers to Kabul for purposes of interviews and roundtable discussions at UNDP the provinces were selected based upon a review of project documentation (i.e. reports of the Monitoring Agent), so as to include two provinces that had achieved large success rates with payroll process and two provinces that had experienced significant issues with payroll processes during July-2015 to end-2017.

Phase III: Draft Report and Report Finalization

The LOTFA-SPM Evaluation Team incorporated the comments and feedback of stakeholders in a Draft Report that was circulated to UNDP, LOTFA and donors for additional feedback and comment at which point the Evaluation Team Leader, with the support of the National Evaluation Expert, finalized and submitted a Final Report to UNDP.

Limitations of the Evaluation

A significant limitation of the Evaluation was the lack of good baseline data and statistics on the overall security situation and public perceptions of security in Afghanistan. There is a general lack of security sector data and perception surveys that would enable the Evaluation to make a qualified assessment of results of the intervention in terms of changes in the lives of beneficiaries against set indicators. Similarly, a limitation upon assessing the extent to which SPM impacted the wider objective of re-building the ANP is the lack of data on ANP numbers and locations of ANP stations. Due to this lack of data on the sector it is difficult to establish a direct linkage between the SPM Project and the overall security in Afghanistan. For similar reasons it was not possible for the Evaluation to fully evaluate the intended and unintended aspects of the programme related to the political, security and developmental dimensions. Stakeholder interviews yielded some opinion evidence in this regard.

The Evaluation faced additional limitations in assessing value for money (VFM) and efficiency. It was beyond the capacity of the Evaluation to conduct a full and comprehensive VFM analysis. This is a difficult area to evaluate. The Evaluation attempted to gather some opinion evidence about the issue of VFM from Donors and stakeholders. The Evaluation Team was not able to conduct a comprehensive assessment of MOIA capabilities on a department-by-department basis. Such an exercise takes place within LOTFA in the form of the Micro-Capacity Assessments (MCAs). The Evaluation did, however, employ focus groups at MOIA with staff having direct responsibility for payroll management, budget and finance (including SPM “twinned” MOIA staff).

LOTFA-SPM is exceptional as a project for the amount of technical and project-based data previously presented in its TWG and other reports. In fact, few projects within UNDP’s worldwide governance portfolio are as well documented as LOTFA. The Evaluation team has attempted to answer the Evaluation Questions posed in its TOR in “broad strokes” within the time and space limitations of this exercise.

It must be noted that it is not the purpose of this Evaluation, nor is it within our capacity, to re-state all prior reports and statistics generated by UNDP/LOTFA-SPM Project; SPM-TWG; Monitoring Agent; Micro-Capacity Assessments and/or reports pertaining to fulfilment of the “Donor Conditions” during the time period mid-2015 to end-2017. Rather, we have attempted to include statistics where illustrative of trends and to track the indicators contained in the SPM AWP. The Evaluation Report includes a “Statistical Annex” that compiles most of the major statistical indicators of the LOTFA-SPM AWP.

Finally, it must be observed that due to LOTFA-SPM’s nature as a highly technical implementation with limited capacity building outputs, it does not fit neatly into a typical development paradigm. As such, the line between outputs and outcomes is somewhat blurred.

I. Results at UNDP CPD Outcome level: Alignment with UNDP's Mandate and Core Constituency

The relevant UNDP CPD and Strategic Plan outcome as cited in the LOTFA Project Document is as follows:

CPD Outcome 2: Trust in and access to fair, effective and accountable rule of law services is increased in accordance with applicable international human rights standards and the government's legal obligations.

It is extremely difficult to impossible for this Evaluation to measure LOTFA SPM Project results against the overarching UNDP CPD Outcome. There are few recent sources measuring change in the lives of beneficiaries or citizen's trust in the ANP or the GDPDC as being fair, effective and accountable rule of law services. Beyond this is the fact that there has been virtually no monitoring within the LOTFA SPM Project during mid-2015 to end-2017 for "change in the lives of beneficiaries against set indicators"; "re-building the ANP"; "overall security in the country" and the "intended and unintended aspects of the programme related to the political, security and development dimensions" [see Evaluation TOR and questions].

UNDP's mandate and strategic global focus are geared towards helping governments to deliver on the 2030 Agenda for Sustainable Development. Certainly, UNDP and the U.N. have a good amount of comparative knowledge and experience in the security sector reform (SSR) space. UNDP has implemented a number of SSR programmes globally involving police and corrections. Most of these projects and programmes have, however, been in the context of post-conflict; some have been adjunct to peace agreements and peace keeping in partnership with UNDPA and UNDPKO missions.

In Afghanistan, however, UNDP finds itself in a rather unprecedented role with LOTFA-SPM. UNDP is not simply fulfilling a capacity development role alongside the political engagement of a UN Mission (UNAMA), but UNDP is acting as the "fiduciary" for the *entire* ANP payroll. Because the ANP is routinely utilized for front-line counter insurgency special operations (often in partnership with ANA) with high casualty rates, some may argue that UNDP's intervention crosses the line between the merely developmental into the political-military sphere to an extent that begins to conflict with UNDP's development mandate.

The number of police has indeed grown over time, and has now reached more than 140,000. This expansion of ANP includes, importantly an expansion of female officers. The ANP pay distribution has markedly improved as a result of LOTFA SPM and the MA and other oversight mechanisms offer the potential to "close the gap on 'ghost officers'". This ultimately translates into a better estimate of true ANP force strength for operational planning purposes, which benefits both the GIROA and coalition forces in their fight against the Taliban and other groups.

Yet, SIGAR and other sources continue to report evidence of endemic corruption within the ANP and lack of compliance with human rights. The "optics" of UNDP's role become potentially problematic when the ANP is criticised for endemic corruption, complicity with narcotics trafficking and human rights violations in some provinces. There is also the issue of U.N. human rights due diligence to consider.

Also, as noted in the Situation Analysis to this Evaluation, UNAMA reports and other sources provide evidence that the time period July-2015 to end-2017 was one of extreme risk and insecurity for Afghanistan's civilians, with some of the highest civilian casualty rates since the start of the current Afghanistan conflict more approximately 16 years ago. Therefore, it is difficult for this Evaluation (and beyond its capacity) to attribute any increase in Afghanistan's security to an increase in the number of ANP. Recent reports of NGOs (i.e. the Asia Foundation) contain mixed observations as to the issue of citizen's perceptions of security.

Ultimately, one must ask the counter-factual question, “what would the situation be without the ANP and GDPDC”? And the answer is “likely much worse”. The ANP and ANA continue to prosecute a counter insurgency and to deny the enemy cover, opportunities and territory. The ANP is also tasked with the primary objective of securing central Kabul (i.e. maintaining the “ring of steel” around the capital). While recent high-profile attacks show that Kabul is not immune to violence, the ANP on a day-to-day basis maintain checkpoints and patrol. Despite high killed in action (KIA) rates experienced by the ANP in recent years, the force continues to be able to replenish itself with new recruits. As they have done previously, the GIROA and international community will undoubtedly be looking towards ANP to provide security and counter threats surrounding the next elections.

The Evaluation encourages UNDP to monitor LOTFA SPM against CPD Outcome 2 more extensively going forward. UNDP might consider adding an indicator to track the number of women and children survivors of ANP killed or disabled in action who receive an ANP officer or patrolmen’s benefits and how quickly these are distributed and/or an indicator for ANP maternity benefits. It would also enhance the gender elements of the LOTFA-SPM Project if SPM Project reporting could include more enhanced information on female officers (i.e. not only mentioning numbers of female officers paid, but their rank and function). UNDP may consider revising the SPM project “outcome” to make it more clear what are the intended beneficiaries of the project, as relates to CPD Outcome 2.

Significantly, the Evaluation could not find any instances of LOTFA SPM (or MPD) coordination with UNDP’s Afghanistan Access to Justice (AA2J). In fact, it appears that the LOTFA projects and the AA2J project exist within their own “siloes”. It would seem logical that the LOTFA projects could benefit from data derived from the AA2J Project’s “Legal Aid Grant Facility”, which offers legal aid to around 1,000 prisoners, detainees, women and children every year across eight provinces. This would provide a “link” between LOTFA SPM’s funding of ANP and citizen’s experiences with ANP in their communities.

II. Assessment of Impact, Effectiveness and Efficiencies across the SPM Log-Frames and Outputs during mid-2015 to end-2017

The Evaluation’s review of documentation and interviews with stakeholders reveals that LOTFA-SPM has largely met its in-house technical objectives (i.e. WEPS development; systems management; oversight and data integrity). This can be said notwithstanding on-going issues that are largely outside the control of the SPM Project (i.e. power grid outages at the provincial level; stand-alone data bases outside of the WEPS eco-system that remain non-integrated and other technical difficulties in the payroll process).

The SPM Project has acted as a catalytic mechanism for meaningful reforms. SPM has fully developed the WEPS systems’ technical aspects and continues to address technical issues such as WEPS-AHRIMS and ID data cleansing; supporting CSTC-A in its development of APPS; addressing ANP incentives and pay structures; and lending oversight and compliance to the payroll process. Furthermore, it is clear to the Evaluation that LOTFA-SPM has achieved its objectives regarding policy development and formulation for the MOIA payroll process and procedures. As a result, the payroll process for the ANP has become more accurate, more efficient and more reliable between mid-2015 to end-2017 in nearly all its technical aspects.

LOTFA-SPM’s technical achievements have also entailed substantial capacity building and training at both the central and provincial level. The Evaluation has confirmed a high-level of satisfaction on the part of MOIA officers with LOTFA-SPM capacity building. Donors and CSTC-A also appear to be generally satisfied with the LOTFA-SPM Project’s capacity building efforts for the WEPS system (i.e. training PHQ, PFOs and ANP to enter data into the WEPS system on the “front end”). Yet, there is a continuing need for enhanced capacity building of MOIA Finance, Budget and Human

Resources staff in Kabul to manage the payroll process, and ultimately the “back end” of the WEPS system. It is the finding of this Evaluation that trainings and “twinning” should become much more strategic and robust going forward in-line with the approved Payroll Unit Plan and Capacity Building Plan. In addition, UNDP needs to redouble its efforts to assist the MOIA to advertise and recruit new staff pursuant to the Payroll Unit Plan.

A. MOIA Policy development and implementation

Supporting legislative and regulatory amendment and alignment of EPS with national laws

The Evaluation was able to document much work on the part of the LOTFA-SPM (and MPD) projects regarding support to the MOIA Legal Officer and legislative reform. UNDP facilitated several policy studies of ANP entitlements and pay scales that included legal analysis. In addition, the approved Payroll Management Procedures Manual contains a detailed overview of the laws and regulations pertaining to each step of the payroll process for ANP. This is an output area that fits firmly within UNDP’s mandate and traditional rule of law programming. The entire MOIA payroll authority and processes have their origin in legislation, regulations and policy decisions and frameworks of the GIROA. The Evaluation finds that continued tracking of legislative compliance and implementation is crucial for LOTFA-SPM’s contribution to building transparent, accountable government based upon the rule of law. The decisions of the LOTFA Pay Board; CSTC-A development of APPS; and MOIA recruiting and appointments facilitated by the LOTFA-SPM Project should comply with Afghanistan’s Civil Service regulations and labour laws.

For example, in 2015, the SPM project completed a legal review and analysis of pay entitlements and deductions for ANP recorded in the EPS database.⁴⁷ As a result of the legal review, SPM was able to identify inconsistencies between MOIA/ANP existing policies and incentives for police pay being used in EPS that were not contained or provided for by the Police Inherent Law and its bylaws (i.e. cadre incentives). Conversely, the legal review found that some incentives contained in the Police Inherent Law were not yet contained in EPS (i.e. incentive pay during appointment and employment, contract renewal incentive, educational diploma incentive, etc.). The SPM supported legal review also identified gaps between Afghanistan’s Labour Law and the Police Inherent Law regarding working hours at night and night shift work. Meanwhile, the legal review identified numerous gaps and inconsistencies between the Police Inherent Law, the MOIA’s payroll policies and the MOIA Budget and Finance policies.

On this basis, upon completion of the legal review in November 2015, the LOTFA SPM Project lead a revision of pay entitlements in EPS and participate in a working group formed by the MOIA under the leadership of the DG Policy Research for this purpose. This directly led to the MOIA’s updating of its legislative policies and regulatory frameworks surrounding MOIA payroll management in 2016. This set in motion a process to address a wide range of processes and steps in the payroll process including mobile banking; personnel policies; appointment and recruitment; ID card policies and procedures; leave and performance evaluation. *[Note: During this same time period, the LOTFA MPD Project finalized a review of ANP human rights compliance. MDP on this basis put forth recommendations for reform of the Police Inherent law to comply with international human rights standards. Thereafter the Office of the President of Afghanistan took charge of the process of revision of the Police Inherent Law and a draft amended law that was sent to the Parliament. This was accompanied by a Presidential decree stating that the revised law covers both the ANP and ANA. As of this Evaluation, the draft amended law had been approved by the Lower House of Parliament, but rejected by the Upper House. The process of revision and consideration was continuing as of early-2018.]*

⁴⁷ EPS is the earlier version of WEPS. EPS is standalone and lacks any web-enabling feature or accessibility.

A concern of the MOIA Legal Department is that legislative developments have not been tracked regularly by the SPM Project to the extent possible. Going forward, the LOTFA Board and the TWGs should include more mention of legislative updates in their reports. The reform of the Police Inherent Law is a current topic that should receive regular reporting within SPM-TWG meetings. This is especially relevant given the recent focus that ANP pay scales and incentives have received by the LOTFA Board. Proposed amendments to the Police Inherent Law will require MOIA staff adjustment, ANP ranks and retirements beginning in July 2018. This is designed to address an imbalance in the Tashkill, correct the ANP reserve structure and foster upward mobility and opportunities for promotion of junior ANP officers. This is viewed by all stakeholders as a necessary and significant step to “strengthen the ranks” of the ANP. (Note: as of end-2017 progress on amending the law had reached a “stalemate” and a draft amended law was making its way through the Parliament).

Review of finance and human resources related to payroll and the “Manual on Human Resources Policies and Procedures”

Reform and development of policies for finance and human resources are stipulated by the “Donor Conditions” for MOIA. In mid-2015, LOTFA-SPM undertook a review of GIROA/MOIA human resources and finance regulations that resulted in a set of findings and recommendations to the LOTFA-SPM Pay and Budget sub-TWG. The SPM Project also coordinated with the MPD Project to recommend reforms to MOIA of the budget, payroll and personal management regulations and processes. This spurred the MOIA Policy Review Commission headed by the DG Policy and Research to undertake a police review of all MOIA financial and human resources regulations in line with the Donor Conditions. This continued into 2016 and included a review of the MOIA “Cadre and Personnel Policy”, Finance and Internal Control policies and the Public Finance and Expenditure Management law. MOIA also became familiar with the LOTFA fund governance structures, commitment letters, legal requirements and other issues.

Copies of new polies were printed and distributed by the SPM Project to all relevant MOIA departments at the national and sub-national level. Meanwhile, the MPD Project supported the MOIA M&E unit to monitor MOIA compliance with the new policies. [Note: The Evaluation met with the Director of the MOIA M&E unit who confirmed that MPD Project support had increased the capacity of the unit to perform monitoring]. UNDP estimated in its Q2 SPM Project report that by mid-2017 an estimated 65% of a comprehensive ANP Manual on Human Resources had been completed. The Manual was reviewed in Q3 of 2017 with the representation of 11 MOIA directorates responsible for recruitment, retention, promotion and/or redeployment processes. According to the monitoring of the MOIA M&E office trainings on the new Manual on Human Resources Policies and Procedures had increased skill and knowledge of MOIA staff by at least 20% by end-Q3 2017.

Strengthening Oversight and accountability

Responding to requests from LOTFA’s Donors and in furtherance of the Donor Conditions, LOTFA-SPM put in place significant measures during 2015-2017 to strengthen oversight and accountability.⁴⁸ These included establishment of the LOTFA Oversight Committee and commissioning an independent assessment of the LOTFA Risk Framework; the implementation of Thematic Working Groups (TWG); the establishment of the LOTFA Fund Fiduciary and Financial Management Unit (FFFMU)(housed at the UNDP CO); establishment of the LOTFA-SPM Project Quality and

⁴⁸ Note: Troubling allegations of fraud at MOIA and mismanagement on the part of UNDP were raised by SIGAR reports published in 2014 and 2015 detailing the results of SIGAR audits of the ANP payroll process conducted in 2011 and 2013. UNDP’s official response (i.e. letter from Hon. Helen Clark) was that many of these issues were outside the mandate of LOTFA and its ability to control the ANP and MOIA. Nonetheless, the Donors and LOTFA took notice. This is seen in the emphasis placed upon oversight, monitoring and compliance in the 2015 Project Document.

Assurance Team; establishing the LOTFA “Pay and Compensation Board”; and engaging the “Monitoring Agent” (MA).

LOTFA Oversight Committee and LOTFA Risk Framework

The LOTFA Oversight sub-committee held its first meetings in Q1 2016, wherein the LOTFA-SPM ToR and AWP for 2016 were reviewed and approved. In 2016, UNDP commissioned an independent assessment of the LOTFA Risk framework, as part of the design and development of new post-2017 trust fund arrangements. The revised framework was presented to donors within the LOTFA Oversight sub-Committee in May 2016, and was deemed sufficient by the LOTFA Oversight sub-Committee members. In December 2016, UNDP initiated the assessment to review the LOTFA risk plan, and strengthen this where needed.

Fund Fiduciary and Financial Management Unit (FFFMU)

The UNDP Country Office established in 2015 a dedicated unit, the Fund Fiduciary Financial Management Unit (FFFMU), in order to provide financial oversight, reconciliation and donor reporting, as part of the trust fund arrangement for LOTFA. Established according to industry standards to manage large multi-donor contributions, the FFFMU oversees all financial and fiduciary aspects of monthly National Implementation Modality (NIM) advances for the monthly police payroll. The Evaluation’s assessment of FFFMU appears under Output 6 *infra*.

The LOTFA Pay and Compensation Board

In 2015 UNDP, MOIA and the LOTFA donors created the Pay and Compensation Board (“Pay Board”), and agreed on its ToR in a TWG meeting of 16 November 2015. The Pay Board is part of LOTFA’s governance structure, established to consider and approve or deny ANP proposals for incentives and entitlements and was fully operational by end-2016. It undertakes a bi-annual review of MOIA pay scales and incentive rates to ensure that the pay structure is fair and supports the sustainability of the ANP. The LOTFA Donors nominated Germany, United States, and CSTC-A to represent them on the Pay Board. The Board is Co-Chaired by the MOIA Deputy Minister (DM) for Support and the LOTFA-SPM Project Manager with additional representatives from MOIA and MOF.

The Evaluation reviewed key documentation available to it pertaining to the LOTFA Pay and Compensation Board. It is clear that overall the Pay and Compensation Board has lent due process in considering petitions from the ANP for pay and incentive increase. It has established a well-defined process for ANP to submit petitions to the MOIA Department of Finance, which are in turn taken to the Pay and Compensation Board and also presented in SPM TWG and ultimately the LOTFA Board.⁴⁹ ANP commanders and MOIA are now aware that they must respect the process of the Pay Board when making requests for raises and incentives.

An important LOTFA-SPM output related to the “Pay Board” was the “Pay Structure and Sustainability Strategy” carried out between October and December 2016. The Strategy looked at the MOIA pay structure and sustainability, while providing key findings and recommendations.⁵⁰ The Strategy’s findings were presented to the LOTFA Board on 18 December 2016. The Pay Board also agreed with the findings and proposed conditions in their early 2017 meetings.

⁴⁹ See, LOTFA “Pay and Compensation Board (Pay Board) Operational Guidelines (April 2016) at page 9 *et seq.*

⁵⁰ See, *Id.*, (Recommendations section). Some of the key recommendations of the study were that: ANP pay should continue to be aligned with and match ANA pay for baseline pay, hazard pay and cadre based allowances in the short-to-medium term, but that as concerns bonuses and incentives for ANP and GDCCPD, the ANA should serve as a guide only; that the Pay Board should consider years of service (i.e. longevity) as a possible criterion for reform of the ANP pay structure; that MOIA systems be reconciled and that no changes in the payroll structure be made until APPS is fully operational; that the Pay Board governance and procedures be strengthened; and that a set of additional conditions be met before any changes to the pay structure be approved, among other recommendations.

The Pay Board voted in 2016 to recommend that the LOTFA-Board approve ANP petitions for increasing salary and incentives and a one-off bonus to police, pending the achievement of the CSTC-A-led “Personal Asset Inventory (PAI)” and the completion of data cleansing of WEPS and AHRIMS. However, both the PAI and data cleansing conditions were not achieved within the appropriate timeframe, rendering donors’ decision not to proceed with the payments of incentives and one-off bonus. In October 2017, seven new incentives were submitted to the Pay Board for deliberation. The Pay Board proceeded to recommend these incentives to the SPM TWG, and the incentives were also endorsed by the TWG for LOTFA Board approval. These new incentives included: i) GDPDC Medical Incentive; ii) ANP Special Force-Special Operations incentive; iii) ANP Medical-Occupational Danger Incentive; iv) ANP base pay increase by 5%, v) ANP HDIP increase, vi) ANP longevity pay, and vii) combining temporary pay with base pay; . The ultimate goal of these increases is to ensure that the ANP remain at optimum force strength and to attract new recruits. The LOTFA Project Board approved these recommended incentive increases at its December 2017 meeting.⁵¹ [See additional discussion below under LOTFA Project Board]. Petitions expected to come before the Pay and Compensation Board in 2018 include increased incentives for ANP special operations and education.

It appears to this Evaluation that the above described pay raise and incentives approved by the LOTFA Board in December 2017 may not have been *entirely consistent* with the recommendations of the 2016 “Pay Structure and Sustainability Strategy”. The Strategy recommends that, “the alignment of ANA and ANP should continue to match for baseline pay, hazard pay and cadre based allowances in the short and medium term”; and discusses the issue of ANP longevity and temporary pay.⁵² The Pay Board appears, however, to have used ANA as the sole guide to increasing ANP incentives, whereas the Strategy clearly states that the bonuses and incentives of the ANA are to be *but one of many* criteria considered.⁵³ In this respect, the Pay Board’s decisional process concerning ANP incentives may not have been as robust or multi-factored as it should have been. If HDIP is to be considered among the ANP “incentives and bonuses”—and not a special category of its own—then the Pay Board should have taken more criteria into account other than ANA bonuses and incentives. The Strategy does allow for the Pay Board to modify the options for reform set forth in the Strategy, based upon further internal discussions.⁵⁴ The Pay Board’s decision to combine temporary pay with base pay is, in the opinion of the Evaluation, likely within the liberal interpretation of Article 14 and 16 of the Police Inherent Law afforded by the Strategy and consistent with it.

⁵¹ Originally, it was stipulated by the Pay Board that these increases were only to take effect after certain pre-conditions were met by MOIA/ANP. The conditions were: i) approval of a new payroll regulation; ii) implementation of the APPS; iii) incorporation of the Pay Board activities and functions within the national budget formulation calendar; iv) development of levels of authority and thresholds for performance and discretionary based pay (bonuses and incentives); and v) development of a performance management system. The time frame anticipated for implementation of the conditions was 2 years. These pre-conditions were, however, ultimately effectively “waived”. CSTC-A managed to work with the donors to have the new pay increase and incentives approved at the Project Board on 11 December 2017; without the conditions, in order to equalize ANP pay with ANA.

⁵² “Pay Structure and Sustainability Strategy” (Recommendations section at page 2). It was recommended that ANP diverge from ANA in the longer term at the point that MOIA had begun to return to the goals of civilian policing for ANP and pending reforms of the MOIA and the Police Inherent Law.

⁵³ The Strategy states that “When determining the approval of bonuses and incentives for the ANP and CPD, bonuses and incentives of the ANA is neither a sufficient nor a necessary reason for making changes to the payroll structure of the ANP/CPD. Bonuses and incentives approved for the ANA can be used to guide decision making but it should be one of many criteria.”

⁵⁴ “Pay Structure and Sustainability Strategy” (Recommendations section at page 5).

The process of approval and consideration by the Donors at the end-2017 also lacked apparent adherence to the *pre-conditions* envisioned for such pay increases by the Strategy.⁵⁵ Furthermore, at the Pre-LOTFA Board meeting of 01 November 2017, some Donors claimed that they had not been able to participate in earlier TWG meetings held on the topic of the pay raise and incentives and required more time to consider. The United Kingdom in particular raised legal concerns regarding the HDIP increase. Hence, UNDP had to accommodate this and give Donors additional time for comment, despite the TWG endorsement of the pay raise and proposed incentives. UNDP thus proposed that the Donors adhere to an unconventional “silent procedure” for approving the pay incentives and increases.⁵⁶ Ultimately, no Donor broke the “silence” and the proposed pay raise and incentives were presented to the LOTFA Board and approved at the Board meeting of 11 December 2017. This was still something short of a full and robust exchange regarding the pay and incentive increases.

For the time being the LOTFA Board is the final and *de facto* decision maker with regards to ANP salary and incentives.⁵⁷ This includes an implicit ability to depart from “Pay and Compensation Board” guidelines and procedures when the Donors deem it expedient to do so. Significant structural limitations of the Pay Board and SPM project governance (i.e. the process for reaching consensus) appear to remain somewhat unclear. In the latest round of incentive increases, the LOTFA Board’s (i.e. Donor’s) process of reaching internal “consensus”—concerning approval of the incentives—became somewhat opaque with a “silent” process being utilized by the Donors at the very end-stage of discussion and before final approval at the LOTFA Board meeting of December 2017. In light of this and, particularly, the questions surrounding the decision process of the HDIP incentives, the Evaluation respectfully recommends that the LOTFA Donors revisit the conditions proposed by the Strategy, and conduct a study to see if the pay increase and approved incentives have addressed the issues that were raised/used as the justification.

The above scenario underscores the importance of UNDP’s continued work to reform the Police Inherent Law and MOIA’s related policies for the longer-term. Further legal reform and integration of incentives and bonuses with the MOIA’s budget and planning process will ensure that in the future the reward process is formalized and predictable as GIROA is able to assume a higher percentage of budget resources for ANP and GDCPD salaries.⁵⁸

Furthermore, as noted in the “Pay Structure and Sustainability Strategy,” ANP and ANA are two separate and distinct organizations. Aligning ANP to ANA—and especially the HDIP increases—while immediately necessary may carry a risk that ANP continues to remain more of a “paramilitary”

⁵⁵ Id. The conditions included, approval of a new payroll regulation; implementation of APPS; incorporation of Pay Board activities with MOIA budget formulation; development of bonuses and discretionary based pay; and development of a performance management system.

⁵⁶ The so-called “silent” procedure for approval of the pay raises and incentives, stipulated that in the absence of any objection or comment from any LOTFA donor (i.e. silence unbroken) for two weeks, the pay incentives would be deemed to be “approved” by the Donors at the end of the two week period of sustained silence, pending full and final approval at the LOTFA Board meeting of 11 December 2017.

⁵⁷ As noted in the “Pay Structure and Sustainability Strategy”:

“The Inherent Law provides clear guidance for which compensation and benefits officers and NCOs of the ANP and CPD are entitled. However, the full extent of the Inherent Law is not implemented. Many of the benefits and entitlements are not provided. This occurs for three reasons. First, since the LOTFA Commitment Letter has become the de facto policy anything not included in the Commitment Letter is sometimes forgotten. Second, the Ministry of Finance due to budget limitations does not allocate funds for expenditures not funded by LOTFA. Third, although the Inherent Law provides guidance on salary and benefits for police officers, it is not detailed enough and it needs to be supplemented by regulations and other policy notices. The General Directorate of Strategy and Policy has developed a Payroll Policy but the document is currently ignored and does not have legal status.” [Id. at p.25]

⁵⁸ Id. As further noted in the Strategy, “the current payroll structure is primarily based on the LOTFA Commitment Letter and is, therefore, legally ambiguous as per language in the [Police] Inherent Law”.

force, than a “civilian” police force. This Evaluation has highlighted the continuing need to build ANP *civilian policing* capacity. Operationally, the *de facto* security situation in Afghanistan continues to demand that ANP and its special operations units participate in and support joint operations with ANA and NATO forces. The extent to which ANA incentives should “drive” decisions on ANP incentives in the future is, however, an open question.

The Evaluation met with several LOTFA donors while in Kabul who offered the opinion that the Pay and Compensation Board could be additionally strengthened to include more technical expertise. Some donors opined that donor membership in the Pay and Compensation Board should be increased.

The Monitoring Agent and SPM Quality and Assurance Team

The Monitoring Agent (MA) (Moore Stephens) has been a dynamic addition to the LOTFA-SPM Project. Since 2015, LOTFA-SPM has supported the MA to be active in all 34 processes. This was coupled with the creation of a LOTFA-SPM Quality and Assurance Team in 2015 to oversee that MA’s work. The Evaluation reviewed all MA reports for 2016; as well as the SPM-TWG meetings and SPM quarterly and annual reports. The SPM Project leadership noted to the Evaluation that the MA experienced delay initially in 2015 with regard to reporting, but caught up with most of the late-2015 reports by end-2016. The SPM project has moved to improve the MA reporting and the MA was issuing its reports on time, but only Q1 and Q2 2017 MA reports were available to the Evaluation Team.

The Terms of Reference issued under its contract with UNDP established the objectives of the MA’s work. The objectives are to provide a reasonable assurance to UNDP LOTFA, Donors/Other Stakeholders and the MOIA that LOTFA funding advanced through the MOF is being used for its intended purposes and that the correct amounts are being disbursed to and are being received by the right beneficiaries.

A summary of the scope of Monitoring Agent (MA) services set out in the Terms of Reference is presented below:

- “1. Verify payments of Afghanistan National Police (ANP) remuneration and remuneration for the Central Prison Department (CPD) uniformed personnel salaries based on established eligibility criteria and documents provided by the MOIA and LOTFA;*
- 2. Verify transactions between UNDP LOTFA and MOF related to requests for advances and expense reports for eligible and accurate expenses based on documents provided by the MOIA and LOTFA;*
- 3. Undertake sample physical verification of personnel and compare the police headcount with reference to the Tashkil (MOIA HR database) based on documents provided by MOIA;*
- 4. Prepare monthly, quarterly, and annual analytical reports summarizing the results of the above monitoring activities, highlighting challenges and recurring issues identified for correction, areas of vulnerability and possible actions, and aged status of unresolved issues previously identified; and*
- 5. Bring critical issues to the immediate attention of UNDP LOTFA and the MOIA as identified, outside the regular reporting cycles.”*

The verification tasks to be performed by the MA fall in two categories namely (i) First round: Expenditure Verification (EV) and (i) Second round: Headcount Verification (or “Physical Verification”- PV). Additionally, the Pandora Data Software procured by the SPM Project assisted the MA to identify overpayment of reservists and identification of other issues. The MA utilized EPS/WEPS and payroll data interrogation to generate findings

The Evaluation was able to verify that the MA was fulfilling its ToR via a review of MA reports and interviews with stakeholders. Types of material issues identified by the MA during 2015-2016 included, but were not limited to, the following:

Material issues identified in Physical Verifications completed by the MA mid-July 2015 to end-2017		
2015	2016	2017
Lack of supporting documentation Overpayment of ANP reserve forces above Tashkil numbers Invalid ANP IDs ANP with invalid bank accounts in the EPS/WEPS system Cash payments made to ANP personnel who had a valid bank account Incorrect payments Taxes incorrectly deducted from police salaries (taxes not applied as per the Afghan tax law)	Lack of supporting documentation (i.e. transfer letters/termination letters, etc.) Overpayment of reservists (although by end-2016 such findings had drastically reduced) Incorrect payments (ANP being paid above their actual grade) Personnel not available for physical verification Unknown employee name/not listed in Tashkil Salary paid when marked "absent" from FOB/ANP station	Tashkil Figures Not Reconciling With WEPS Figures Salary Relating to 2017 Paid From Year 2018 Budget Salary Paid For More Days Than Recorded In The HR Report Salary Payment From Higher Grade Than Official Tashkil Grade Double Payment Of Salary Absence Deductions Not Applied Correctly Engineering Allowance of 2017 from year 2018 budget Overpayment of Salary Salary Payment without Transfer/Personnel information form (Ilm-u-Khabar) Payment of blocked salaries Payment to Standby Personnel Form Tawheed (Payroll Summary) is prepared manually Salary Payment to Personnel Under Police Custody

The MA issued recommendations to MOIA and UNDP LOTFA in 2016 for reconciling findings and to take proactive measures. For example, in order to correct lack of documentation, the MA recommended that MOIA improve its own cross-checks and provide accurate documentation to the MA. The MA continued to recommend that MOIA DG finance should instruct the PFOs and computer operators not to process the police salaries without proper and prior sufficient documentation according to approved Tashkil. For missing personnel or ANP assigned on temporary duty elsewhere, the MA requested that the MOIA HR department provide documentation to verify that such information was correct. For terminated employees, the MA requested that the MOIA confirm that the terminated staff are not being paid salaries through cross matching the monthly bank transfers sent to Mostofyat and monthly bank transfer to the related bank. Additionally, the MA further recommended that MOIA DG HR should instruct the HR officers in the provinces not to process the police salaries without proper and prior sufficient budget documentation and prior approved Tashkil.

For systems findings, the MA recommended in 2016, for example, that UNDP LOTFA-SPM continue with its data cleansing efforts and that duplicate IDs be followed up by the MOI and the reasons why different officers seemingly share the same ID Nos. will require clarification and that bank details for ANP be confirmed, etc. The MA recommended that for tax discrepancies, MOIA DG finance should instruct the PFOs to calculate the tax in EPS and WEPS correctly, if in doubt they can always contact the LOTFA help desk for instructions. In EPS system the manual calculation gives a wrong amount of tax to be deducted, while in WEPS it's calculated correctly.⁵⁹

As a result of MA findings, LOTFA-SPM was able to conserve funds and reverse ineligible payments to ANP. This in turn also helped MOIA to strengthen its internal processes for validation and

⁵⁹ During 2016, the SPM Project Quality Assurance and SPM WEPS team collaborated to address the issue of tax discrepancies in WEPS.

reconciliation. For the issue of overpayment to reservists, the LOTFA Board issued a letter to the MOIA stating that it would not pay for reservists beyond Q1 2016 and requiring MOIA to supply lists of all reservists. This enabled the LOTFA-SPM Commitment Letter 2016 to be formulated more accurately.

For the time period, July to December 2015, the MA visited 33 provinces every month (excepting Nuristan, which could not be visited due to security reasons). On the basis of the MA's findings during this time period, the deductions of ineligible expenses made by UNDP from LOTFA advances for the time period Jan 2016-March 2017 was USD 2.2m *As of Q1 and Q2 2017 the MA was testing an average of 76% of the Expenditures recorded in AFMIS in 30 provinces for ANP and GDPDC in compliance with the MA TOR under its new contract issued in 2017.*

According to SPM Project reports, the donors acknowledged that by 2016 there had been a visible improvement in addressing MA findings by MOIA over prior years. During the time period January to December 2015, 56% of MA findings were resolved (i.e. either by ANP providing missing documentation for identified cases where personnel could not be physically identified; or making a determination that no supporting documents could be supplied). For the period, January to March 2016, 69% of MA findings were resolved.

Yet, as of end-2017, some stakeholders interviewed by the Evaluation, including CSTC-A, were of the opinion that MOIA was still not acting on the MA recommendations as fully as MOIA could. For example, payments were withheld where officers could not be verified; however, *MOIA was not taking the extra step of combating corruption and prosecuting officers or employees responsible for making incorrect or fraudulent entries in the payroll system or disciplining MOIA staff who made errors.* Furthermore, some MOIA officials interviewed by the Evaluation team expressed concerns with the manner in which the MA carries out verifications at the provincial level, including the duration of MA stays at provinces; stating that the MA should remain at the provinces longer in order to collect more on-site documentation, etc. It is clear that many of the main issues first identified by the MOIA in 2015 have persisted through end-2017.

It appears that the number of ineligible transactions has dropped between 2015 and 2017. Yet, the MA has *continued to identify* ineligible expenses, classified as “disallowed” expenditures (i.e. food; ANP officers that cannot be verified (i.e. “ghost police”), and allowances not covered by the LOTFA commitment letters (i.e. death benefits for the families of ANP officers KIA). Coordination meetings are held between SPM and MOIA to review the “disallowed” expenses and the MOIA is given 30 days in which to refute the amount disallowed. If the MOIA is unable to refute the amount, then the SPM Project affirms the “disallowed expense” and a letter is issued to GIROA.

It is to be noted that LOTFA's policy is to pay ANP according to their “current position” (i.e. actual job function), rather than their “rank”, whereas MOIA stipulates that the officers should be paid by rank, not their current position. In most instances, ANP officers are carrying out functions and occupy current positions below their official rank. This is reported to have created tensions between MOIA and LOTFA-SPM. Salary arrears are another area that SPM has encountered (i.e. an ANP officer was not paid, because they were waiting for an ID to be issued). In these instances, SPM has occasionally overridden the system and approved such payments on grounds of fairness to the ANP officer concerned.

It is the impression of most GIROA stakeholders interviewed that with the support of LOTFA and CSTC-A, the MOIA has now begun to close the gap on the so-called “ghost officers”. While the MA only has capacity to sample a percentage of the overall ANP payroll each month, it appears that the new 2nd round of Physical Verification (PV) coupled with the MOIA “freezing” salaries of unverified ANP, may over time close the gap. MM and EFT are also closing the opportunity for corruption.

The MA continued to detect variances between WEPS and AFMIS monthly expenditures, as well as problems related to IDs into 2017. As noted elsewhere in this Evaluation report, an issue that

continued to impede the work of the MA during 2016 and 2017 was the lack of access to the AHRIMS database so that the MA could run AHRIMS data against WEPS in order to substantiate that individual officers are being paid the correct rank/grade and are receiving the correct incentive payments such as HDIP payments. Access to AHRIMS would allow the MA to perform data interrogation crosschecks covering all officers throughout all provinces. In addition, exported AHRIMS data would enable the MA to cross check that the payroll expenditure was being paid to fully legitimate officers who were recorded in AHRIMS. Finally, access to AHRIMS would allow the MA to verify that the Taskill has not been exceeded.

SPM significantly improved the accuracy of the payroll process and closed the gap on opportunities to commit fraud, via the development and launch of the *Digital M16* form. It is the view of the SPM project that the digital M16 has greatly improved the payroll process and closed the gap for corruption. The digital M16 eliminates the need for manual entry of data into the M16 form from the M41 form. This has had the effect of reducing discrepancies between WEPS and AFMIS payments and improving transparency and accuracy. The “leakage” in the system is improving as a result.

The digital M16 utilizing a bar code is viewed by all stakeholders interviewed by the Evaluation as one of the most significant improvements introduced by the SPM Project WEPS Team. Both MOIA and MOF informed the Evaluation that they are highly supportive of adding a bar code to the Digital M16 and endorse the current piloting (i.e. in Mazar; Herat and Bamyan). As of end-2017 Herat and Bamyan were already implementing the bar code readers. Mazar was due to roll-out bar code readers in late-December 2017 or early-2018.

The MA, Moore Stephens, worked with a local company (Afghan Holding Group - AHG) on the EV and PV of 2016 expenditures. In 2017, UNDP wanted to split EV and PV into two contracts to improve efficiency and timeliness of EV and PV. However, through the bidding process, Moore Stephens was the winner for EV, and AHG was the winner for PV. The decision to award the contracts was delayed because of concerns that the efficiency of the MA process might not be improved as anticipated by splitting the EV and PV contracts.

At the time of launching the RFPs (late 2016/early 2017), UNDP was not aware of the PAI exercise. However, by the time the procurement was done (April 2017, UNDP had been made aware of the PAI exercise. Thus, the decision was made not to award the PV, and only award the EV contract to Moore Stephens. The EV contract was awarded in May 2017.. PAI essentially is 100% physical verification.

In October 2017, the donor issued a letter to the MOI indicating the decision to fund only PAI-validated personnel as of 1 March 2018.

SPM support to strengthening the Payroll Unit of MOIA

It is important not to lose sight of the fact that it is the MOIA that “creates” the payroll utilizing the WEPS platform at both the central and provincial levels. LOTFA closes each pay cycle, keeps the back-end of the WEPS system up and running, reconciles discrepancies based upon the MA reports and generates WEPS reports. Yet, it is the MOIA staff who enter data on the front line based upon time and attendance sheets and the Tashkill.

Thus, SPM Project support to the Payroll Unit of the MOIA is at the heart of SPM’s capacity building. This has taken the form of providing MOIA staff with WEPS trainings and conducting a Micro-Capacity Assessment (MCA), development of the Payroll Management Procedures Manual and Payroll Capacity Building Plan and “twinning” of MOIA staff. MA reports also made concrete recommendations to MOIA for improving systems and procedures.

SPM Micro Capacity Assessment (MCA) and capacity assessment tools

The LOTFA donors selected the management-consulting firm Grant Thornton to conduct a MCA in 2015 that utilized a questionnaire and monitoring framework that revealed a number of issues at MOIA. In addition, SPM staff worked with Grant Thornton beginning in Q4 2015 to develop capacity assessment tools for the MOIA payroll unit. An additional MCA was undertaken in 2016/17 that more closely evaluated MOIA, MOF, UNDP and CSTC-A progress towards meeting the Donor Conditions. The Evaluation reviewed the 2015 and 2016/17 MCAs.

The MCA reports have proved to be a crucial resource for UNDP, the SPM Project and the LOTFA Board and donors with an idea of each implementing partner's progress towards meeting the Donor Conditions. Opinion on the MCA assessment of progress varies depending upon the stakeholders interviewed, but it is clear to the Evaluation that all stakeholders interviewed view the MCA as a highly relevant tool for tracking progress against the Donor Conditions. The MCA furthermore appear to have spurred implementing partners to achieve their targets. This said, it appears to this Evaluation that in some cases the MCA may have made a more liberal interpretation of MOIA progress and capacity than some Donors are comfortable with. CSTC-A and a number of Donors continue to take a cautious and conservative interpretation of the MCA findings.

As of end-2017, the Donor Conditions for MOIA #10, #11 and #12 continue to be the principal items of concern for Donors and are the principal reason why the LOTFA Donors has been unable to reach a consensus on the Payroll management transition to the MOIA.

MOIA	B.10. MOIA will assess compliance with established policies and will share assessment results with donors.
MOIA	B.11. MOIA will regularly monitor personnel and payroll data according to established monitoring plans, to identify discrepancies, detect and avoid fraud, waste and abuse, correcting errors and deficiencies within 60 days of detection.
MOIA	B.12. MOIA will take administrative, disciplinary or legal action, as appropriate, in response to detected payment anomalies.

As noted elsewhere in this Evaluation report, the Evaluation is also particularly concerned with MOIA Donor Condition #4, given the continuing problems surrounding ANP IDs in the field.

MOIA	B.4. MOIA will maintain a valid, biometric identification card for at least 90% of Police and will ensure that no personnel will be entered into the Afghan Personnel and Payroll System (APPS) without a valid ID card.
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A full list of the Donor Conditions appears in the Annex of this Evaluation report.

The MCA reports 2016-2017 assess MOIA's progress towards meeting MOIA condition #10 as being met; and conditions #11 and #12 being "on track", but, again, significant Donors continue to question whether MCA's characterization is overly generous. According to the SPM Project, as of end-2017, the MOIA Finance Unit still produces inaccurate budget figures and an inaccurate Tashkill. SPM does not deem the capacity of MOIA Finance officers sufficient to enable them to accept advanced training on finance and payroll. The officers are under MOIA and not SPM control. Furthermore, the MOIA lacked a Director of Finance for more than a year. Other leadership posts within MOIA change frequently and titles of staff often do not match their backgrounds.⁶⁰

⁶⁰ According to the SPM Project, a trend has emerged during the past several years whereby MOIA becomes most interested in trainings and capacity building towards December when the "deadline" for a transition nears; in contrast to the rest of the year when MOIA appears to lack any focus on the issue.

CSTC-A also expressed to the Evaluation that it has continuing strong concerns as of mid-2017 regarding MOIA progress towards MOIA Donor Conditions #10, #11 and #12. As noted in the June 2017 MCA report, CSTC-A itself still has two significant Donor conditions that are not yet fulfilled (i.e. both relating to the development of the APPS database).

CSTC-A	D.2 CSTC-A will ensure the APPS system accommodates all MOIA employees' Tashkill.
CSTC-A	D.4 Details of the technical specifications of APPS will be reflected in an MOU between MOIA and CSTC-A.

The MCA found that as of June 30, 2017, the system requirements were generated by CSTC-A and MOIA. 89% (approximately 131 thousand) of all police out of 148 thousand personnel were registered in AHRIMS. A Personal Accountability Inventory (PAI) was performed through Combined Security Transition Command-Afghanistan (CSTC-A) jointly with the MOIA within the framework of Afghanistan Personnel and Payroll System (APPS) roll out. During the PAI process, approximately 105 thousand of ANP headcount existence were physically verified and cleansed in AHRIMS. CSTC-A has trained and deployed 20 Personnel Asset Inventory (PAI) Teams to carry out physical verification and data cleansing APPS.

APPS implementation initiated in July 2017 and is expected to complete by April 2018. The Evaluation found, however, that APPS was further delayed during Q3 and Q4 2017 and there is no firm delivery date for full operability. APPS will enter into a "piloting" phase in selected provinces in early-2018.

Meanwhile, it appears that MOF had met all of its three Donor Conditions and UNDP had met 3 out of 4 of its Donor Conditions by mid-2017 (See MCA reports June 2017).

According to MCA, the one unmet UNDP condition is on the improvement of the MOIA Finance and Internal Control Policy. UNDP made efforts in 2016 and 2017 to develop an inclusive HR Manual, that addresses the entire employment cycle for ANP. As of mid-2017 the updated HR Manual (developed with SPM project support) was under review of the MOIA. Additionally, as noted elsewhere in this Evaluation, the SPM Project successfully supported the development of a Personnel and Payroll Operating Manual (PPOM) for the MOIA and provided trainings on the PPOM at both national and subnational levels. Yet, as of mid-2017 implementation of HR and finance policies remained incomplete. This was confirmed by the Evaluation in its interviews with stakeholders.

UNDP	C.1. UNDP/SPM support MOIA in the development and implementation of HR and finance policies mentioned in Donor Condition B.1. UNDP/SPM will also conduct technical analyses (reports and studies) concerning existing legal and policy documents related to Payroll (HR and finance) and make recommendations for improvement.
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Yet, notwithstanding the June 2017 report of MCA, this Evaluation remains concerned about UNDP Donor Condition C-3 (i.e. capacity building of MOIA payroll management). As noted elsewhere in this report, this Evaluation cannot certify that UNDP has as yet built sufficient capacity for MOIA to fully operate its own Payroll Unit. As of end-2017 MOIA still lacks sufficient capacity for payroll to permit a "transfer" of the SPM Project's payroll functions to MOIA. This appears to have been the determination of the December 2017 LOTFA Board that voted for a 2018 AWP based upon "no transfer".

UNDP	C.3. UNDP/SPM will build capacity of MOIA in payroll management in accordance with its approved Annual Work Plan.
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Thus, it is the finding of this Evaluation that Donor Condition #3 for UNDP remains on-track, but as yet unmet if "transfer" is the operative criteria of the Donor Conditions. Only by taking a more narrow interpretation, focused upon only the goals of the AWP would it be possible to state that

UNDP Donor Condition C-3 has been met. Yet, this is also subject to interpretation given the fact that the SPM supported “twinings” that have occurred to date have been rather limited in scope.

Development of the Payroll Management Procedures Manual and Trainings on its Implementation

SPM developed the Payroll Management Procedures Manual (PMPM) in part as an attempt to lend structure to the MOIA Finance Department and encourage it take the lead on training. The PMPM addresses the capacity gaps identified in the MCA and documents payroll procedures and operations for MOIA in a single comprehensive document.

The PMPM was endorsed by the MOIA in early-2017 and approved by the MOIA and MOF in August 2017. Thereafter, the SPM held multiple train-the-trainers workshops in August 2017 for MOIA officers; ANP senior officers from Kabul central command, police stations and districts as well as PFOs and PHROs from selected provinces. It appears that a total of 90 MOIA/ANP staff had been trained on the PMPM by end of Q3 2017 (note: this is below the 2017 AWP target of 200 officers trained). The number of payroll stations using the approved PMPM remained below the 2017 target (i.e. an estimated 50% of payroll stations were using the manual, whereas the target was 75%). SPM will distribute copies to provinces in 2018 once the PMPM publication is ready.

The Evaluation reviewed the PMPM and found it to be accessible and thoroughly detailed. In fact, the PMPM is the most significant output of the SPM Project thus far to document the legal and regulations governing the MOIA payroll process. It clearly sets forth the functions, obligations and role of each of the MOIA departments at both national and sub-national level. It is also designed to serve as a training tool. The MOIA states that it is pleased with the PMPM and finds it to be a high-quality product, but notes that the new manual only takes account of the current processes, based upon the existing daily workflow at the MOIA. The Evaluation notes that the PMPM will have to be put through regular periodic updates and revisions going forward. LOTFA-SPM and Donors should support this process.

Effectiveness of project communication

The Evaluation received divergent opinion from various stakeholders interviewed as the overall level of communication between the SPM Project and their MOIA counterparts regarding payroll issues, policy, capacity building and systems development. SPM Project staff characterizes the overall level of communication as being frequent and satisfactory, citing both daily communication via email and regularized meetings (i.e. TWG meetings; Pay and Compensation Board, etc.) and reporting to MOIA (i.e. WEPS reports and other statistics) and other reports such as the MA reports that are circulated to MOIA officers and leadership. MOIA reported that staff works closely with SPM-WEPS on a day-to-day basis both at the central level and in provinces.

Meanwhile, according to the 2017 Q3 SPM Project Report prepared by UNDP, “*SPM appears to have fallen short of targets for Number of communication products (charts/leaflets/posters/ brochures etc.) on compensation, remunerations, and entitlements produced and disseminated to provincial payroll stations. Also, UNDP had not finalized plans TV and Radio programmes/ spots to educate the ANP and CPD on their benefits, entitlements, complaints etc. produced and broadcasted. The target for 2017 was 36 Radio broadcasts, 9 TV broadcasts (by region), dissemination of radio spots (270 times) to regional radio stations and TV spots (90 times). Procurement process was finalized, but contract was not awarded because of excessive contract amount proposed by the vendor. Activities postponed to 2018, subject to 2018 AWP approval.*”

The Evaluation asked numerous ANP stakeholders whether or not they believed that radio and TV would be an effective means of communicating payroll procedures to ANP officers and their families. The ANP senior commanders interviewed by the Evaluation pointed out that ANP has its own police

radio station that could be utilized by both LOTFA's SPM and MPD Project to disseminate information to the ANP rank and file.

B. Capacity building for payroll management

WEPS is utilized countrywide by the MOIA at both central and provincial levels. Currently, the SPM Project-WEPS Team maintains the "back-end" of the system with a staff of 12 that includes IT, programming, database management and encryption; while MOIA officers at the central and provincial levels enter WEPS data on the "front end" of the system. Meanwhile, the SPM-Project Capacity Building Team has the function of training MOIA staff on how to use the system. [See the *LOTFA Project Document (2016) and SPM-Project staff organogram for a complete overview of staffing in LOTFA-SPM*].

The SPM Project had numerous outputs during July-2015 to end-2017 that were designed to build the capacity of MOIA personnel (primarily in MOIA's Payroll, Human Resources, Finance and Budget directorates). These outputs included developing SOPs and strategic planning documents (i.e. the Payroll Unit Plan); monitoring and assessing MOIA's capacities (i.e. Micro-Capacity Assessments - also discussed above); and trainings on WEPS and payroll management (i.e. of either a short-term duration or longer-term practical trainings designed as "twinning" of MOIA employees by SPM Project staff at MOIA Kabul).

I. Support to MOIA Plans and SOPs for Payroll Management

The **Payroll Unit Plan (and its accompanying "Payroll Capacity Building Plan")** are perhaps LOTFA-SPM's most significant outputs in terms of furnishing the MOIA with a "blueprint" and SOPs to govern the payroll process. This is discussed in more detail below.

Other significant SPM SOPs and forms designed to increase MOIA payroll and financial capacities include: additional SOPs for WEPS; an **Operations Manual for WEPS payroll procedures**; the SPM supported **modification of the ANP attendance book with gender disaggregated data**; and **new leave forms for ANP units (disaggregated for gender)**; development of and **SOP for the AFMIS database** and work on **WEPS-PERSTAT reconciliation**. Additional deliverables (i.e. a proposal for a WEPS DRR plan; and additional payroll studies) are discussed elsewhere in this Evaluation report.

SPM supported modification of **ANP attendance book** with gender-disaggregated data. The SPM project states that the time and attendance sheets developed for the ANP and disaggregated for gender have improved statistics on the ANP and female police officers. SPM providing capacity building trainings on the new attendance forms printed with SPM support. This was deemed to make an impact upon the accuracy of ANP reporting. If attendance is not accurately reported then WEPS will be calculating payments against "junk". Quality assurance continues to be a major issue for the SPM Project and should continue to be strengthened. The **new ANP leave forms** were developed to keep track of ANP taking leave for certain periods of time. Previously, there was not leave form except for "leave tickets", which were only used by patrolmen. The new leave forms and attendance book were endorsed by the MOIA DG Personnel and were printed and delivered to all ANP units in early-2017. *The Evaluation was unable to confirm the incidence to which the ANP units are actually using the new leave form as of end-2017.*

Meanwhile, LOTFA-SPM developed **SOPs for WEPS-AFMIS** and performed WEPS and AFMIS reconciliation. The SPM Project developed SOPs for reconciling WEPS and AFMIS in early-2017 to identify discrepancies resulting from non-compliance with MOIA policies and to address errors, etc. The MOF prepares salary payment reports from AFMIS and the MOIA prepares payroll summary

reports from WEPS. The two reports had always contained unexplained variances to the lack of any established reconciliation procedures. The deployment of the **digital M16s** by the MOIA (developed by the SPM Project) provided MOIA with the capacity to use system data to perform reconciliations. SPM performed reconciliations in 2017 that identified irregularities including: duplicate M16s in WEPS (i.e. M16 generated more than once for the same personnel in a single month); generating M16s and M41s outside of WEPS and processing it in AFMIS; and wrong use of LOTFA funds resulting in ineligible payments. This has allowed for standardized internal verification and reconciliation that has enhanced MOF's procedures. For example, according to the SPM Q3 2017 project report, the value of M16s generated outside of WEPS during the time period January to September 2017 was AFN 312.2 million. These incidents were referred to the MA for further investigation.

An **SOP for AHRIMS** was developed by the SPM Project in 2016. According to the report of the MCA, as of 30 June 2017, 89% (approximately 131,000) of the total ANP Tashkill of 148,000 ANP were registered in AHRIMS. CSTC-A was in the process at end-2017 of finalizing its Personal Asset Inventory (PAI).

The SPM Project also supported **implementation of the new PERSTAT template (2017) and WEPS-PERSTAT reconciliation**. The SPM Project developed a new "PERSTAT template" for purposes of assisting in the data reconciliation effort. The PERSTAT template was only being used by 15 PPHQs as of end-June 2017. Usage had expanded to and estimated 50% of PPHQs by end-September 2017. Going forward, it will be required for SPM to continue working with MOIA to ensure that all PPHQs are utilizing the new PERSTAT template.

As of end-2017, the MOIA still lacks capacity to fully handle its human resources databases. MOIA informed the Evaluation, however, that LOTFA-SPM had provided significant support for the development of SOPs, based upon extensive consultations with MOIA and field missions. The MOIA also accorded a high level of satisfaction with SPM workshops and trainings surrounding the development of the SOPs. Forthcoming workforce analysis being conducted by MOIA in conjunction with CSTC-A should lend more insight in 2018.

Drafting of the Payroll Unit Plan (PUP and Payroll Capacity Building Plan (PCBP)

The SPM Project developed a draft Payroll Unit Plan (PUP) containing a Payroll Capacity Building Plan (PCBP) in late-2015 to mid-2016. The draft was presented to donors in the SPM-TWG and, thereafter, approved by MOIA and the LOTFA Board in May 2016. The PUP articulates the key payroll functions, legal requirements, processes and staffing of the MOIA payroll process. The PCBP sets forth the steps required to build the MOIA Payroll Unit capacity to be able to accept a transfer of the SPM Project's payroll functions pursuant to the letters of H.E. President Ghani and in compliance with the Donor Conditions. It reflects the "gap analysis" and recommendations of the MCA of December 2015.

The PUP and PCBP contemplate that a total of 33 MOIA will be required to staff the MOIA Payroll Unit. Of the total 33 staff, 19 were serving with the SPM Project as of mid-2016; 9 were already working at the MOIA; leaving only an additional 5 staff that needed to be recruited and trained by the MOIA to adequately staff the Payroll Unit.

According to the Q2 2016 SPM Project Report, recruitment for the new MOIA staff had begun as of end-May 2016 and the 5 vacant MOIA posts were expected to be filled by October 2016. While SPM Project reports and TWG meeting presentations report on the total number of Tashkill for ANP and GDPDC, there are no reports made specific to MOIA progress on staffing according to the approved Payroll Unit Plan. The representative of Canada specifically requested an update on this issue in the TWG meeting of 27 June 2016. It was agreed that MOIA would share the civilization strategy with the international community as part of the funding conditions to be fulfilled. Canada again asked for an update on the transition in the TWG meeting of 29 August 2016. No other TWG

meetings thereafter in 2016 or 2017 appear to have addressed MOIA progress on the civilization strategy or the 5 additional posts on CBR contracts supposed to be hired against the Payroll Unit Plan. There is no mention of MOIA human resources or trainings specific to the PUP in SPM quarterly reports during 2017. It is not clear whether the 14 MOIA staff “twinned” in 2017 were assigned to SPM on the basis of the PUP/PCBP. At any rate, the 19 “existing” SPM staff are on short-term UNDP contracts as of end-2017, awaiting a decision of the LOTFA Board as to whether they will be “transitioned” to the MOIA on CBR contracts in mid-2018. As noted below, MOIA needs to recruit appropriately qualified IT staff in preparation for any transition.

II. Trainings

Capacity Development Support and Trainings for MOIA WEPS teams (ANP/GDPDC); PHQ and PFOs

The LOTFA SPM Project has continued to experience challenges with training for the MOIA teams. There have been frequent turnovers of staff within MOIA—especially DG Finance. The high rates of turn-over reduce the impact of SPM trainings. Yet, the overall impression of the Donors and MOIA staff is that the trainings provided by SPM have increased the capacity of MOIA staff for payroll.

Capacity building trainings delivered to MOIA staff, ANP and GDPDC, at central and provincial levels during 2016 included WEPS trainings (computer lab based-not live); trainings on changes in the WEPS system, online ticketing system, data cleansing, the LOTFA commitment letters and budgets and the role of the MA. In addition, the SPM Project delivered ad hoc trainings to GDPDC and ANP. These trainings were delivered to GDPDC, ANP zones, PHQs, PFOs, PHROs and SMEs and computer operators. A training plan was developed in 2017. A table showing SPM Project capacity-building trainings conducted in 2016 and up to Q3 2017 is included in the ANNEX to this report.

SPM staff state that they have witnessed a considerable change in the capacity of PFOs since 2015/16 as a result of SPM trainings at the provincial level. Post training questionnaires show a high level of incorporating the training in their work. This was also stated in the Evaluation’s questionnaire and focus groups held for this Evaluation. Future trainings at MOIA will be conducted in-line with the Payroll Management Manual developed by SPM. SPM plans to train all 34 provinces on the new Payroll Procedures Manual.

“Twinned” MOIA staff at LOTFA-SPM

The LOTFA-SPM Project has trained on a “**twinning**” basis, 4 MOIA staff in 2015 and a total of 14 MOIA staff in 2016-2017. At end-2017, six of the “twinned” staff had desks inside the SPM capacity building office and worked there on a day-to-day basis. The remainder of the “twinned” staff still occupied their own desks within their respective MOIA departments.

The Evaluation held a focus group of all MOIA staff “twinned” by the SPM Project during 2017. This included distributing a questionnaire to the focus group members asking them to state whether or not the trainings provided by the SPM Project were valuable and how they had used the trainings in their work. The Evaluation then interviewed the twinned staff as to their impressions of the “twinning” process, including how the SPM Project has utilized their skills. [The ANNEX to this Evaluation Report contains the responses to the questionnaire].

The twinned staff agreed that overall the LOTFA-SPM Project had made a serious effort to train MOIA staff since 2015, but recognized the relative small amount of progress made within the MOIA. The staff confirmed that frequent turnover within the MOIA had hindered LOTFA-SPM capacity building outputs, as well as the fact that MOIA had not taken any responsibility for organizing trainings or developing a comprehensive training plan. This had prevented LOTFA-SPM payroll trainings from reaching an intermediate to advanced level. Another factor was that LOTFA training

plans and processes for a prospective MOIA Payroll Unit had been formulated and approved in 2016, but to date no comprehensive and targeted training plan had been implemented. Thus, as of end-2017 large gaps still exist in terms of overall capacity training for payroll. Beyond this, MOIA staff noted that while the SPM Project office has new computer equipment, no such equipment has been provided to MOIA offices by the LOTFA-SPM project that would facilitate the payroll processing.

In terms of their actual “twinning” experience at the SPM Project, the MOIA twinned staff noted that to date they were trained on M16 and database ID cleansing only. SPM has not yet trained MOIA staff on “back end” IT administrative skills, user systems, or WEPS system maintenance. The twinned staff, while valuing the opportunity to work alongside their SPM counterparts, noted that SPM had tasked them predominantly with “clerical” type of work such as data cleansing. They noted that in their individual capacities each of them is highly educated, possessing B.A. and M.A. degrees similar or identical to current SPM Project national staff. They further noted that, from their perspective, whatever SPM Project has requested of them, they have performed efficiently, including data cleansing and travel to the provinces to support provincial trainings and project monitoring. Thus, the MOIA staff believes that LOTFA-SPM could undertake a more robust “twining”, including IT administration and orientation to the “back-end” of the WEPS system.

The Evaluation questioned the SPM Project as to why SPM “twinning” has to date only occurred on the SPM capacity building/finance and human resources side of the SPM Project. The SPM Project confirmed that many of the “twinned” MOIA staff possess academic credentials similar to the SPM national project staff, but that none of the “twinned” MOIA or MOIA departmental staff possess adequate computer IT qualifications to enable them to absorb IT training. Thus, the SPM WEPS team has not yet trained any MOIA “twinned” or MOIA departmental staff on the “back end” of the WEPS system. Furthermore, the SPM WEPS team views its work as “mission critical” and informed the Evaluation that at the present time the SPM Project cannot “twin” MOIA staff to perform WEPS “backend” functions without risking compromising UNDP’s fiduciary obligations to LOTFA and its Donors. Again, SPM project leadership cites a lack of IT technical background and qualifications of MOIA staff, including the “twinned” staff. According to the SPM Project, the MOIA has not staffed its own IT department and never supplied SPM with IT Department staff to undergo twinning as requested by SPM in 2015.

Given the apparent failure of the MOIA to properly staff its IT Department, and given the discrepancy of opinion received by this Evaluation as to the IT qualifications of MOIA and their readiness to receive advanced IT training; it is the respectful opinion of this Evaluation that LOTFA Board should review the nature and extent of the SPM Project’s “twining” undertaken during 2016-2017. This should include a review of each MOIA staff member’s academic training and prior IT experience (as of end-2017) to verify whether or not MOIA staff can absorb more robust trainings (and whether or not the SPM project could have been delivering this training during the time period 2015-2017). MOIA staff who possess the same or similar academic qualifications and professional IT backgrounds as the SPM Project national staff should be accorded full and robust training by the SPM Project to perform specific functions according to both the current SPM Project and the prospective MOIA Payroll Unit Plan and Capacity Building Plan. This aligns with the transition goals and exit strategy of LOTFA-SPM, but also makes sense from the perspective of systems and human capital DRR. The twining programme going forward should take into account also the change over from WEPS to APPS that is scheduled to take place in 2018. If UNDP is concerned about its fiduciary obligations, then perhaps some type of internal “security clearance” could be undertaken to ensure that those limited MOIA staff who are trained on the “back end” of the WEPS system are trusted. Meanwhile, UNDP and the SPM Project should continue to advocate with the MOIA to fulfil its HR obligations and staff its IT department.

Overall, it appears that monitoring of LOTFA-SPM’s “twining’s” and trainings could be strengthened and made more detailed. SPM has made presentations to the SPM-TWG periodically and stated figures for trainings, but it is not immediately evident to this Evaluation that trainings have taken place with either the intensity or specificity required to enable MOIA staff to accept a transition

of all payroll functions according to the Payroll Unit Plan approved in mid-2016. While it would be optimal if all existing SPM national project staff were to agree to convert to MOIA contracts at the time of transition, this cannot be taken for granted. It is also in the interest of the MOIA and in-line with the NIM that MOIA take ownership over this issue and that some amount of HR redundancy be built-in to a future MOIA Payroll Unit.

Professional Certification Programmes for MOIA staff (American University of Afghanistan)

As of end-2017 the Professional Certification Programmes for MOIA staff at the American University of Afghanistan continued to be delayed. SPM WEPS team noted to the Evaluation that the planned two-year master courses for selected MOIA staff to take place at the American University of Afghanistan could be configured to offer an avenue for MOIA staff to receive advanced IT qualifications. No such IT training, has as yet been included in the curricula.

C. Systems integration and interface

SPM Project WEPS Team Support to the MOIA

As of 2016, with SPM Project support the MOIA’s stand-alone EPS had been fully migrated into WEPS. By March 2016 the SPM Project had achieved 100% WEPS coverage in all 34 provinces for both ANP and GDPDC payroll stations. SPM efforts to improve the overall functionality of WEPS have included developing an online ticketing system; implementation of the digital M16, WEPS data storage and management and the use of Geographical Information Systems (GIS). The MA and the SPM Quality Assurance Team have visited the provincial level ANP, PHQ and PFOs regularly

SPM Project notes that overall payroll delivery rates and percentages of payroll stations processing on time have improved markedly since mid-2015. The percentage of payroll stations processing salary on time (i.e. within 15 days of the close of the month) was extremely high with near 99% processing on time. The 1% that is delayed is mostly due to Internet connectivity, power outages (i.e. Kabul Bank disbursements) and security issues. Some salary delays have occurred due to corruption, but this is negligible.

Quarter/Year	Number of payroll stations processing salaries on time	Exceptions	Reasons why province(s) did not process on time
Q4 2016	158	Uruzgan, Kandahar, Kunduz, Helmand	Mostly due to security situation
Q1 2017	153	Uruzgan	Kabul Bank internet connectivity
Q2 2017	153	Uruzgan; Nuristan; 404 Maiwand zone;	Nuristan: Kabul Bank internet connectivity. 404 Maiwand zone: insufficient allotment in incentive object codes
Q3 2017	153	Uruzgan; Nuristan	Delays in issuing time and attendance reports.

In addition, the MOIA Budget and Finance Unit indicates that there is sometimes a “gap” between payroll processing and disbursement. WEPS may report, “processed”, but the provincial Mustafiat may not have “disbursed” the payment. The MOF Treasury Department informed the Evaluation that often MOIA processing of WEPS and associated forms (M16s) at the provincial level is delayed. [See, the Annex to this report for additional data]. WEPS is also currently working to ensure that AFMIS is compliant. The WEPS team⁶¹ attends meetings on an ad hoc basis with AFMIS counterparts to discuss issues.

Combined Percentages of ANP and GDPDC Salaries Paid Through Electronic Funds Transfer (EFT) and Mobile Money (MM) as opposed to the Trusted Agent (TA) modality

It appears that the SPM Project successfully supported the MOIA to reach its targets for Electronic Funds Transfer (EFT) and satisfy the Donor Condition. The percentage of ANP paid by EFT as of end-Q3 2017 was approximately 88%. The percentage of GDPDC pad by EFT as of end-Q3 2017 was 100% (note: To put GDPDC in perspective, there are only 6055 prison officers total in Afghanistan; which is about the number of ANP contained in a single province). The percentage of ANP/GDPDC personnel paid by EFT has expanded over time as shown in the following table:

⁶¹ There has been very little turnover in the SPM Project’s WEPS Team since mid-July 2015. In 2016, a single staff member did resign and moved to a new position at the U.S. Embassy. One factor that was noted by the Evaluation was that UNDP/LOTFA offered few trainings or professional continuing education to the SPM WEPS team members during the past 7 years; although there are now 2-3 trainings planned for 2018.

% MOIA ANP and GDPDC paid by EFT by quarter/year.		
Quarter/Year	ANP	GDPDC
End-2015	86%	n/a
Q1 2016	87%	n/a
Q2 2016	88%	99%
Q3-Q4 2016	89%	99%
Q1 2017	89%	99%
Q2 2017	89%	99%
Q3 2017	89%	100%
End-2017	n/a	n/a
*Compiled by the Evaluation from SPM Project reports and WEPS reports presented at TWG 2015-2017		

Expansion of Mobile Money (MM) has been more challenging and progress slow. The percentage of ANP paid through **MM** was less than 1% in June 2016, as of end-Q3 2017 this had risen to 2%. (note: the target was 6,000 ANP for 2017). From January to March 2017 there were no new MM registrations. According to the SPM Project this is due mainly to a lack of cooperation from Provincial ANP commanders and a lack of coordination between the commercial banks and the Afghan Wireless Communication Company (AWCC) on MM registration. The MOIA M&E unit noted to the Evaluation that the MM gap is closing and cited a new agreement between MOIA and MOF to reach targets and expand MM going forward. The objective of EFT and MM are to further reduce the need for use of the Trusted Agent (TA) modality of ANP/GDPDC pay distribution.

The MOIA states that it has received many complaints about the vendor that supplies the MM platform. The vendor does not cover many locations in Afghanistan and this forces the MOIA to continue to utilize **Trusted Agents (TA)** in these locations. The TA modality was still accounting for approximately 9% of ANP payroll payments; and 0% of GDPDC payments as of end-Q3 2017. This represents a reduction from 11% at end-Q3 2016.

The rationale for continued use of TA is their geographic reach. The TA modality is still predominantly used in the provinces of Helmand, Paktika, Kandahar, Daikundi, Zubul, Badakstan, Faryab, Jawzjan and Ghor. The TA is usually an individual riding a motorbike to point-to-point to disburse cash payments to ANP. In remote and mountainous regions, the road and security conditions can cause delays for the TA. The TA is required to post a bond with the MOIA, so that they have collateral at stake to prevent their taking the money. Sometimes individual ANP miss the TA's visit and are forced to wait until the next month to receive that salary along with the next month's disbursement.

SPM support to data cleansing between WEPS and AHRIMS and ID "cleansing" in support of CSTC-A led APPS development

The LOTFA SPM Project, with the assistance of the MOIA "twinned" staff has made progress between 2015 and 2017 with its data cleansing efforts to ensure that the WEPS database legacy data is reliable when transferred to CSTC-A for migration to the APPS database.

One challenge encountered by the SPM Project was the fact that MOIA for many months refused to grant SPM access to the "back end" of the AHRIMS database. AHRIMS contains the MOIA's human resources data for ANP/GDPDC, which is generated from PFOs/PHROs, based upon IDs. Meanwhile, the WEPS system makes payments on the basis of an individual ANP/GDPDC officer/patrolmen being able to prove identity with an ID. Thus, the ID is the common field that the two separate databases have in common. Reconciling and "cleansing" the data is a time-consuming

task, made more difficult by the fact that MOIA had not granted WEPS full access to AHRIMS until end-2016/early-2017. (See, SPM-TWG reports where this was a frequent concern of the donors).

Quarter/Year	% of IDs in WEPS that are cleansed
Q2 2016	57%
Q3 2016	62%
Q4 2016	66%
Q1 2017	69%
Q2 2017	74%
Q3 2017	80%
**Q4 2017	90%

*Source: SPM quarterly and annual project reports

**Source: SPM WEPS team interview

According to the SPM Project Report of Q1 2016, another major challenge to achieving complete cleansing of WEPS data is that MOIA has not adequately supported the process at the provincial level. The SPM Project’s field monitoring missions undertaken in 2016⁶² and the Monitoring Agent’s physical verifications have shown that many ANP patrolmen do not have ID cards, or have expired ID cards or temporary ones. Payments in the field are often calculated and disbursed for patrolmen who lack valid biometric IDs. This continues to undermine the integrity of the entire MOIA payroll process and WEPS data.

As stated elsewhere in this report, the continued inability of MOIA to get control of its ID issuing function and enforce this in the field is *inexplicable* considering that the annual Tashkill is only 150,000 ANP. This Evaluation team visited the ID issuance unit at the MOIA’s (old) compound in central Kabul during our scheduled meeting with the MOIA AHRIMS Managers (a senior ANP uniformed officer). The ID facility is a large room with several portable tables set up with the ID machines sitting on top. On the day we visited, the ID unit appeared to be completely over-capacity. There were approximately 200 or more ANP patrolmen and officers crammed into the room waiting *en masse* to be processed. There are no dedicated queuing lines. The MOIA staff sits at the tables trying to process IDs while the ANP personnel waits impatiently.

“Clean” and current IDs are at the root of the payroll process. The ability of the MOIA to supervise and institutionalize issuance of verified IDs is the subject of MOIA Donor Condition #4. Until the MOIA proves that it can remedy this situation with ID processing, replacement and verification, it will be difficult to attain accuracy, efficiency and transparency within the payroll process.

Despite repeated requests from the SPM WEPS team, AHRIMS continued to refuse to form a data reconciliation interface with LOTFA. AHRIMS is in essence “out dated” and most all stakeholders agree that AHRIMS should be completely replaced by “APPS” database in 2018-19. The SPM WEPS Team states that as of end-2017 over 90% of the IDs are cleansed in preparation for APPS. But SPM notes that this has been very difficult to keep up with due to rapid changes and turn-over in the Tashkill due to high numbers of ANP desertion, attrition and numbers of ANP killed in action. One issue of concern to the Evaluation team is that the CSTC-A development of APPS currently does not cover the GDPCD. UNDP senior management has raised this concern with CSTC-A.

MOIA has found it difficult to keep up with the frequency of changes in the Tashkill and feels that APPS will be an improvement. The Tashkill is changing each year at a rate that was formerly seen in every 3 to 4 year span on time. The MOIA AHRIMS Manager endorses the development of APPS

⁶² The Evaluation reviewed 2016 SPM field monitoring mission reports from Balkh, Badakhshan, Herat; and Kandahar provinces.

and looks forward to its implementation, but at the same time he lamented the fact that the MOIA AHRIMS unit had not benefited from any computer equipment, trainings or technical support from the CSTC-A that could have made AHRIMS a more accurate database. The AHRIMS unit received a power generator from the donors, but sometimes lacks the fuel to run it. The AHRIMS Manager also feels that there are factions within MOIA and ANP that do not want AHRIMS to be accurate in order to continue filling the system with “ghost officers”.

This Evaluation finds the continuing issues related to ID cards, delays in issuance of ID cards of ANP to be inexplicable. There are 150,000+ estimated ANP. Yet, MOIA had been unable to solve the ID problems in nearly 15 years of LOTFA assistance and significant support from CSTC-A. The MOIA’s ability to issue IDs forms the basis of MOIA Donor Condition B4. The June 2017 MCA noted that as of “June 30, 2017, CSTC-A had physically verified and validated biometric data of 82% (approximately 105 thousand) of ANP personnel before entering the data into the APPS.” [note: the Q2 target for 2017 was 90%]. Additionally, CSTC-A had deployed 20 PAI Teams to carry out additional physical verification and data cleansing for APPS.

Volume of WEPS Help Desk Calls and Categories

The Help Desk has formed a crucial part of WEPS system management and overall communication between the WEPS Team, MOIA, ANP, PHQ and PFOs. The Help Desk sits with the WEPS database team. The SPM Project WEPS Help Desk appears to be operating with a high-degree of efficiency and has responded to many complaints from provinces and questions relating to payroll, reconciliation and security. In 2016, the WEPS Team developed an online “ticketing” system for Help Desk complaints. Once the Help Desk resolves an issue, then the “ticket” is closed and these tickets enable the Help Desk to generate reports each quarter. The Help Desk also maintains WEPS issues logs.

The volume of WEPS Help Desk calls has tended to fluctuate on a month-to-month basis during the project, depending upon issues that the system is encountering or other issues some of which are outside of the control of the WEPS Team (i.e. failure of the commercial banks to issue payments in a timely manner; electricity outages; etc.). ID enrolment and ID issues have tended to represent on average at least half of such calls (i.e. 56% of all Helpdesk calls in Q1 2017 (199 out of 354 calls). While in other months EFT and banking support calls have formed the basis of a number of Help Desk calls (i.e 19% of the total calls made to the Help Desk in Q2 2017).

Main types of Help Desk Calls (January to March 2017)

- Unit Adjustments
- Access Management
- Archive
- Connectivity Issues
- Database
- EFT & Bank Support
- Enrolment support (ID issues)
- Incentive (HDIP) Queries
- Incident Management
- M16, M41 & M40 support
- Training issues and questions
- Tashkeel adjustments
- Transfer/promotion/etc.

In the absence of any radio and television advertising being undertaken by the SPM Project, the SPM Help Desk designed an on-line tool for ANP to respond if they have salary issues. The Help Desk informed the Evaluation that there is an on-going need to educate ANP and their families about pay processes and pay slips.

D. Systems infrastructure Development

Disaster Resilience and Recovery (DRR) Plan

The development of the MOIA DRR Plan for WEPS and payroll has been delayed and “off track” during the entire 2015-2017 programming period, principally due to MOIA’s refusal to allocate space for DRR servers. The SPM-Project pursued this issue diligently and repeatedly made proposals to MOIA based upon detailed assessments of possible locations to house the back-up DRR servers at MOIA facilities. The SPM-Project continued to report on progress on DRR at TWG meetings. Yet the MOIA kept rejecting the DRR proposals. Finally, near the end of 2016, MOIA approved and confirmed that the Training and Education General Command was a suitable site to house back-up servers for WEPS DRR and staff.

The security situation in Afghanistan continues to underscore a need for DRR. Both Kunduz and Helmond provinces fell briefly under enemy control at limited periods of time during the period July-2015 to end-2017. The SPM Project has dealt with such incidents and risks on an *ad hoc* basis successfully thus far. For example, in September 2015 when Kunduz fell under enemy control and the PHQ was attacked and IT equipment destroyed, compromising the payroll process and AFMIS functionality. Up to 2560 ANP and 136 CDP were impacted. The SPM Project responded immediately and effectively; assisting MOIA, ANP, PHQ and PFOs to recover systems operability and to resume payroll payments to ANP and GDPDC within a relatively short time period. *This was only possible due to the fact that the WEPS project in Kabul acted as the effective “DRR” for the provinces.*

At present, the SPM servers remain housed in the MOIA with no off-sight WEPS DRR yet in place. In addition to finalizing physical premises for DRR, the MOIA DRR plan will require staffing. The MOIA Director of Systems Development estimates that it will require at least 45 staff to operate a DRR centre for all of MOIA’s 15 different applications, including WEPS.

As of end-2017 it is not clear how MOIA’s systems could recover from a major incident at the central level (i.e. an electrical fire or a coordinated attack upon MOIA premises in Kabul) severely impacting the SPM WEPS servers. Going forward, the LOTFA-Board, UNDP and SPM-Project must continue to stress that the MOIA implement a DRR for LOTFA-SPM and MOIA’s payroll processes. Without a fully operational DRR plan in place with back-up servers for all systems, the impact of such an event could be significant. Encouragingly, according to UNDP, as of early-2018 the procurement process for DRR has been completed and a contract is in the process of being signed for a vendor to supply necessary equipment.

Internet Connectivity Issues

ICT connectivity and infrastructure is the “backbone” of the WEPS payroll system at both the national and sub-national levels. ICT infrastructure also forms a necessary part of any DRR plan. Achieving full Internet connectivity for both ANP and GDPDC, however, has been a challenge for LOTFA SPM.

The SPM Project began exploring options for connecting ANP and GDPDC Payroll stations to the MOIA WEPS system in mid-2015. In 2016, SPM hired IT officers to support the payroll process in all 34 provinces. This involved conducting a sample check of 40 payroll stations in Kabul City in February 2016. The SPM Project reported results and presented analysis of alternative models of connectivity in the SPM-TWG and sub-TWG on Systems Integration. Thereafter, MOIA acted relatively quickly to extend fixed intra-net connectivity to most ANP payroll stations, but some PHQ relied upon alternative connectivity solutions such as a wireless bridge (i.e. “3G dongle”). As of 2017, due the efforts of the LOTFA SPM Project, all ANP payroll stations in all 34 provinces had achieved *fixed* Internet connectivity with MOIA. The number of ANP payroll stations with delayed due to Internet connectivity issues varied from month to month, province by province; however, most

delays are no longer Internet related (i.e. delays in Uruzgan PHQ during Q3 2017 were due to delayed documentation).

MOIA has not extended direct/fixed connectivity to all GDPDC as a result of the necessity to perform site evaluations and solicit bids from contractors. The SPM Project adapted to this constraint by exploring alternative means of connectivity for GDPDC payroll stations; including the use of public internet servers, but logging-onto the internet using a Virtual Private Network (VPN). This method ensured GDPDC payroll offices access to the centralized WEPS housed at MOIA Kabul. By end-2015, the SPM Project had accomplished migrating 33 of 34 GDPDC payroll stations from the EPS (i.e. stand alone) system to the WEPS (centralized) system utilizing VPN. By end-2016, the SPM Project had achieved VPN connectivity for all 34 GDPDC payroll stations. As a result of the SPM Project contracting 34 consultants in 2016 to provide technical support to network connectivity issues, no GDPDC payroll stations experienced any delays in payroll due to Internet connectivity issues in 2016 or 2017. PFOs within GDPDC payroll stations were also trained on WEPS.

The SPM Project and WEPS consultants developed a plan in 2016 for a more permanent solution that proposes to connect all GDPDC offices to the MOIA intranet via microwave bridges (i.e., wireless point-to-point connections). Yet, this process has been slow. The main cause of the delay is that in 20 provinces, GDPDC payroll stations cannot be directly connected to the LAN (Local Area Network) of PPHQs due to lack of “line of sight”. LOTFA-SPM raised this issue with the MOIA with a request that MOIA permit AWCC (MOIA’s communications provider) to permit the SPM Project contractor to install microwave wireless bridges on AWCC’s towers. MOIA refused this request, however, citing the contractual limitations of MOIA’s contract with AWCC. Thereafter, the SPM contractor proposed in mid-2017 that a VSAT (Very Small Aperture Terminal)—a satellite communications system—be installed as an alternative in the 20 provinces. This was deemed to be not a cost-effective solution. As of end-2017, discussions were still on-going between the SPM Project, MOIA and the contractor in an attempt to find a low-cost solution.

SPM supported installation of fibre optics at the MOIA in Kabul procurement process stalled in 2015. Yet, SPM Project was successful in procuring ICT equipment for the MOI-ICT department in Kabul.

Enhanced Network Monitoring for Selected Regions (Solar Winds)

In order to monitor performance and availability of WEPS in five regions in Afghanistan (Kandahar, Herat, Paktiya, Balkh and Kabul), LOTFA-SPM procured and deployed a network monitoring software solution in 2016 called “Solarwinds Network Performance Management”. This has enabled the SPM WEPS team to monitor issues related to WEPS and connectivity and to pro-actively respond to issues. Data gathered from the software platform logs indicated that in 2016 Kandahar, Balkh and Paktiya were the most problematic provinces due to poor Internet connectivity. In a further effort to prevent network downtime, SPM conducted specialized training on Solarwinds software in 2017. Additionally, the SPM Project supported the procurement of power back-up equipment at regional data centres. This effort proved successful and has greatly delays in payroll caused by connectivity issues. No payroll stations encountered delays due to network connectivity in Q1 through Q3 of 2017.

Cyber-security

MOIA conducts periodic cyber-security assessments via contractors funded by CSTC-A and CSTC-A monitors the cyber-security aspects of the MOIA systems. This is not a function of LOTFA-SPM, although the SPM Project has taken measures such as encryption, user passwords, etc. to protect data and access. The Evaluation suggests that going forward, LOTFA-SPM Project could report to the LOTFA board on the cyber-security measures and policies surrounding the payroll process and implemented by MOIA and MOF. This could include updates and analysis on how MOIA and MOF cyber security measures and policies protect the security of the payroll process and data; including reporting on MOF’s “vetting” of GIROA’s “up stream” counter-parts such as “Da Afghanistan Bank” and commercial correspondent banks through which payments are distributed. Again, while this is currently not a function of the LOTFA-SPM project, cyber-security is a significant issue.

E. LOTFA Funds transfer to MOF for police pay

LOTFA Commitment Letters (2015, 2016, 2017) (total amounts)

It is the finding of the Evaluation that resources have been supplied to LOTFA-SPM in a predictable and regular manner. Overall the Donors have fulfilled their commitments to LOTFA in a timely manner, proactively and transfer money on time. In general, 95% of Donor contributions to LOTFA go to fund the ANP payroll under the LOTFA-SPM Project, with the other 5% going towards the LOTFA-MPD Project's capacity building outputs and activities. Over time, the Donor mix and contributions have changed slightly. As of 2017, Japan had emerged as LOTFA's major contributor. The Netherlands was delayed slightly in one year due to conditions imposed by its Government. The EU has recently imposed stricter funding requirements that have somewhat slowed down the process. Funding by the donors does not appear to be a major issue, nor questioned at end-2017. LOTFA has moved to put in place significant oversight and compliance mechanisms since the controversial allegations of MOIA corruption and negative international press coverage pre-2015.

Efficiency, "cost-benefits" and "value for money" are difficult areas to measure. Overall, as of end-2017 the donors interviewed by the Evaluation appear to be satisfied with the level of "value for money" achieved by the SPM Project 2015-2017, stating that efficiencies are what could be expected given the endemic corruption and level of capacity within MOIA. When one considers that as of end-2017, nearly 99% of ANP officers were receiving their salaries on-time, then it could be argued that the payroll process was highly efficient. As described more fully below, however, there have been months during mid-2015 to end-2017 when budget delivery rates for LOTFA-SPM were lagging. Most of the factors responsible for low liquidations rates are beyond the LOTFA-SPM Project's control.

LOTFA-SPM has put in place-strengthened mechanisms for governance, monitoring and oversight during the current phase of the project. Measures such as the 2nd-round physical verifications of the MA and MOIA freezing of salaries have the potential to gradually "close the gap" with regard to the ANP "ghost officers", which will ultimately conserve budget. WEPS has been extended to all 34 provinces and the use of EFT and MM is growing, reducing the reliance upon the TA modality and closing the gap for fraud.

As noted above, the main area of concern for the Evaluation is in LOTFA-SPM's training and "twinning" of MOIA staff. The Evaluation questions whether or not the "twinned" staff could have been trained to undertake more responsibilities.

Total LOTFA NIM Advances Paid to MOF vs. total NIM expenditures (liquidation) recorded in AFMIS

Budget Delivery Rates

The total transferred LOTFA funds to the Afghan police in 2015 were USD 451,355,568. The total annual expenditure was USD 442,476,891. This translates in a delivery rate of 98.26%. For 2016 annual cycle; the results provide an overall annual delivery rate of 98.3%.

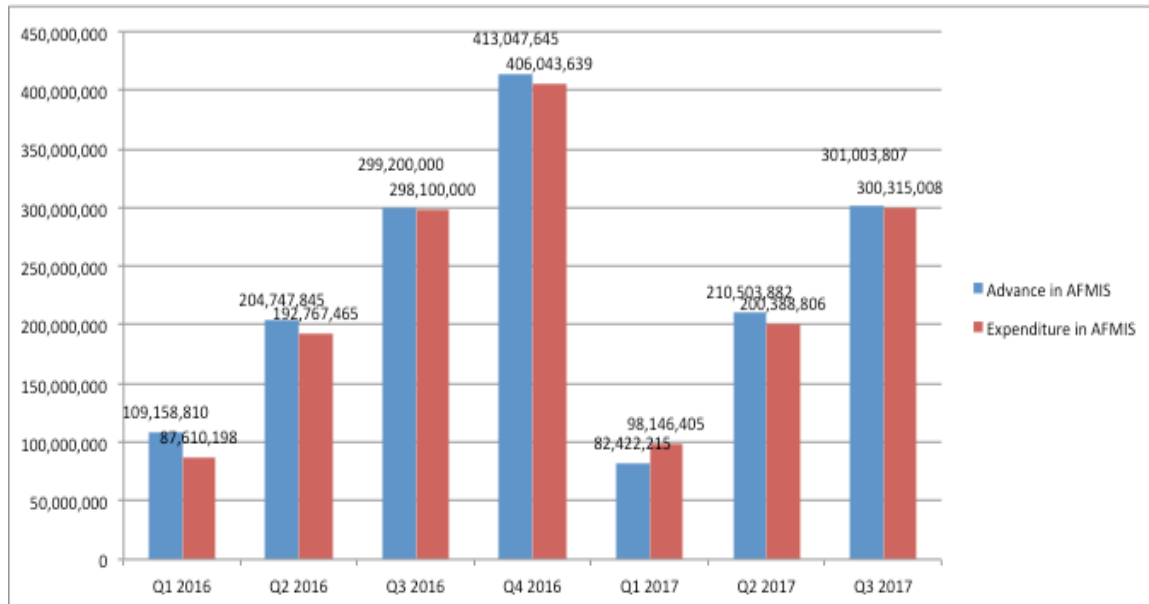


Table A below shows the advances paid by LOTFA in each respective quarter of 2015, in concept of payment of salaries and incentives of ANP and GDPDC officers received payments between the 25-30th of each month. By the end of the annual cycle; there were no reports of fund shortfalls and resolution of all pay delays. Table B shows the expenditures recorded in AFMIS for LOTFA payments.

LOTFA NIM Advances paid 2015. Table A

PERIOD	2015
JAN-MAR	USD 124,130,226
APR-JUN	USD 122,013,972
JUL-SEP	USD 102,888,748
OCT-DEC	USD 102,322,622
LOTFA ADVANCES ANNUAL TOTAL	USD 451,355,568

LOTFA Expenditures 2015. Table B

PERIOD	2015
JAN-MAR	USD 110,481,496
APR-JUN	USD 106,576,674
JUL-SEP	USD 124,143,723
OCT-DEC	USD 101,274,999
LOTFA EXPENDITURES ANNUAL TOTAL	USD 442,476,892

Tables C and D below show figures for 2016.

Table C. Total Advances 2016.

PERIOD	2016
Opening Balance	USD 8,878,678
JAN-MAR	USD 109,158,810
APR-JUN	USD 204,747,845
JUL-SEP	USD 299,200,000
OCT-DEC	USD 413,047,645
LOTFA ADVANCES ANNUAL TOTAL	USD 413,047,645

Table D. Total Expenditures 2016.

PERIOD	2016
JAN-MAR	USD 87,610,198
APR-JUN	USD 192,767,465
JUL-SEP	USD 298,100,000
OCT-DEC	USD 406,043,639
LOTFA EXPENDITURES ANNUAL TOTAL	USD 406,043,639

The **total LOTFA cumulative advances** to the MOF, for the twelve-month period, in 2016 was USD 413,047,645. The total amount of expenditures for the same period was USD 406,043,639. The total deductions from NIM advance from Jan 2016-March 2017 was USD 2.2 million.

For the period January – May 2016 the amount of USD 94,654 was identified as ineligible expenditures, but it was subsequently recovered from the MOIA. For the period January-May 2016, the MA physically verified a total of 7,697 police officers out of a sample of 7,765 (representing 4.7% of total ANP and GDPDC).

For the three quarters of 2017, results were the following as shown in Table E:

**NIM Advance Status - as of 31
Dec 2017
LOTFA-
SPM**

Month	Advance Received FY 2017		Advance Liquidation FY 2017	
	AFA	USD	AFA	USD
<i>Opening Balance</i>	466,556,449	7,004,006	-	-
January	1,535,673,831	22,999,975	-	-
February*	-	-	2,002,230,279	30,003,981
March*	3,571,048,300	52,499,975	3,571,048,300	52,499,975
April	4,373,757,318	64,999,975	3,163,153,962	47,008,765
May	1,824,283,011	26,999,975	2,428,687,695	36,019,250
June	2,456,267,494	35,999,976	2,372,317,601	34,856,835
July	2,256,657,090	32,999,975	1,853,085,471	27,121,155
August	1,435,465,891	20,999,975	2,497,694,200	36,533,164
September	2,495,284,291	36,499,975	2,479,687,090	36,271,882
October	2,685,694,278	38,999,975	2,059,503,199	29,911,820
November	1,982,397,691	28,999,975	1,700,894,244	24,809,650
December	2,577,395,782	37,499,975	3,378,751,863	49,234,951
Total:	27,660,481,425	406,503,732	27,507,053,904	404,271,429

Note: No expense reported during January 2017 period.

On 2017 the opening balance was USD 7,004,006. On the first Quarter; total advances were USD 82,422,215 and Expenditures were USD 98,146,405. On the second quarter cumulative total advances were USD 210,503,882 and USD 200,388,806 on expenditures. By the third quarter of 2017, advances were USD 301,003,807 and expenditures USD 300,315,008 in total. Total advances for FY 2017 were 406,503,732 USD and total liquidation was 404,271,429 USD.

Incentives paid to ANP

In regard to incentives the SPM WEPS team developed a standard template with dropdown menus to select the applicable incentive. Incentive payments delivered to the AFN classified by type, during the period August-December of 2015, were USD 263,256,829 in total. USD 8,397,525 were paid for Cadre, USD 23,694,250 for Medical, USD 17,283,507 for Engineering and USD 213,881,547 for Special Operations positions

Monitoring Agent Expenditure Verification Exercise and Second-round physical verification

As discussed elsewhere in this report, through the expenditure verification exercise, the MA has identified ineligible ANP/CPD salary payments amounting to USD 715,633.18 during January–July 2016. Of this amount, deductions totaling USD93,998.48 have been made while clarifications are still pending for the remaining amount of USD 621,634.69 *[Note: It is beyond the scope of this Evaluation report to include all statistics contained in the MA reports. See the ANNEX to this report for some additional statistics].*

% of Payroll Stations able to Process Salary Payments On-time

The percentage of financial reports finalized within 7 days of the close the month was 92% for 2015. The percentage of financial reports finalized on time was 90% for 2016. For Q1 2017, the percentage of payroll stations able to process monthly salary within 15 days of the close of the month was 99%. Most delays were caused by security concerns and New Kabul Bank Internet connectivity problems. For Q2 2017, the percentage was 99%. For Q3 2017, the percentage was 99%. Thus, the average actual payroll rates were near to 100% during all of 2017.

FFFMU Oversight

The FFFMU has fulfilled its intended role to manage the funds and enforce a level of compliance in the payments system. FFFMU has reviewed MOIA expenditures for compliance with the agreed object codes fields in the annual LOTFA commitment letters in a timely manner. FFFMU has proven its importance to compliance by questioning MOIA charges that are outside the scope of the negotiated commitment letter and also deducts from the tranche released to MOIA based upon MA reports. In addition, the FFFMU has regularly attended the TWG meetings and receives donor reports.

SPM reporting to Donors

In addition, UNDP and the SPM Project have regularly reported to the Donors and the LOTFA-Board, both informally and formally on a bilaterally and according to the LOTFA-SPM project document and governance structure frequently during the time period July-2015 to end-2017. This has occurred in the form of SPM Project quarterly and annual reports and in SPM-TWG, Combined-TWG and in LOTFA-Board Meetings. LOTFA Governance and reporting are further discussed under Output 6 *infra*.

F. Effective and efficient implementation of the SPM Project

Since mid-2015, LOTFA has instituted significant changes in terms of oversight, governance, procurement and reporting. The Evaluation interviewed a number of stakeholders to probe issues of SPM-Project Governance; implementation; lines of reporting between UNDP and MOIA; LOTFA-SPM Governance and Oversight and partnerships with implementing partners. The overall impression of Stakeholders was that the LOTFA-SPM Project Document and AWP were the product of an inclusive and consultative process with the MOIA and UNDP. The Project document(s) (2016 and 2017 revision/extension) clearly articulate the respective roles of the MOIA, the UNDP Country Office, SPM Project, LOTFA Board and SPM-TWG and three sub-TWGs. Furthermore, the Project documents were informed by the findings of a 2014 DIM audit; a due diligence audit conducted by the United Kingdom and the UNDP Country Office Support Services to LOTFA audit. In sum, it is the finding of the Evaluation that LOTFA-SPM's various governance and oversight mechanisms have fulfilled their targets and objects at end-2017.

UNDP CO Programme Unit and LOTFA-SPM Project

The UNDP CO, UNDP Country Director and the UNDP Rule of Law and Human Security Unit have been highly effective in both representing UNDP as an organization and in interfacing regularly with the LOTFA-Board and MOIA.

UNDP organized numerous meetings with donors, the MOIA/ANP and the LOTFA-SPM Project during mid-July to end-2017 that were held in addition to the SPM-TWG meetings and LOTFA-Board meetings. This included discussion of the results of the Micro-Capacity Assessments supported by the project. UNDP senior management and the UNDP Rule of Law and Human Security Unit have been instrumental in assisting LOTFA-SPM to formulate its AWP and M&E frameworks. Additional bi-lateral meetings were held by UNDP/SPM-Project with Donors throughout 2016-17 to discuss the draft MOIA Payroll Unit Plan and the overall payroll transition agenda. UNDP and the SPM Project also met frequently with the MOIA DM for Policy and Strategy and the GD for Finance and Budget in preparing the Payroll Unit Plan.

LOTFA-SPM Project, with the support of the UNDP Rule of Law and Human Security Unit, has made vast improvements in its staffing since 2015. 2015 began with significant changes to the internal management and human resources of the LOTFA-SPM project and a major staffing effort led-by the UNDP CO in 2015-2016.⁶³ This served to raise the SPM Project implementation rate from 12% at end-September 2015 to 36% by end-March 2016 and to 42% by end of June 2016. Higher security risks during May to mid-July 2016 impacted the project implementation rates negatively. The operational capability dropped from approximately 65% (prior to May) to 15-17% during the imposition of movement restrictions, and reduced further to 0% during Grey City and White City Alerts. When the restrictions were lifted, the project returned to its almost full operational capability at around 92% by end-2016. Implementation rates have remained high in 2017.

Opportunities for building the capacity of staff have increased and the relationship between LOTFA and the Donors is perceived by stakeholders to have improved in 2016 and 2017. Going forward, LOTFA-SPM should consider giving more opportunities, training and responsibility to the Afghan national LOTFA staff, as opposed to International LOTFA staff. This should include enhanced capacity building for Afghan national staff and involving them in Donor meetings.

⁶³ Mid-2015 to early-2016 initial SPM staff appointments included appointment of a new SPM Project Manager, Human Resources and Payroll specialist, Project Management Specialist, the Planning, Monitoring and Reporting Specialist, a Technical Legal Specialist; the Quality Assurance Specialist, Systems Integrator, Human Resources officer, Finance Officer, Coding specialist, Coordination officer and Administration officer and two translators.

As noted elsewhere in this report, the Evaluation found that levels of communication between MOIA staff and SPM Project staff could be strengthened. Most of the MOIA DG interviewed by the Evaluation stated that UNDP and the SPM Project staff communicated expectations clearly and met with them frequently. However, some MOIA senior officers interviewed by the Evaluation complained that they felt excluded from SPM-TWG meetings and the decision process. The Evaluation heard such testimony frequently enough during its time in Kabul that it is cause for concern. Given these statements, the Evaluation recommends that UNDP and the SPM Project office reassess the manner and quality (even the “tone”) with which they are interacting with MOIA senior “uniformed” officers. The “civilianisation” process and change-management now underway within MOIA (and facilitated by LOTFA) is a necessary part of reforming MOIA, combating entrenched corruption and building MOIA’s capacity to deliver on its mandate including all aspects of payroll management. But, that is not to say that the veteran uniformed staff of MOIA should not be accorded respect and their opinions taken into account.

Overall UNDP, LOTFA-SPM Project and the LOTFA-Board appear to have set clear expectations for MOIA and ANP. Yet, as noted elsewhere in this Evaluation, at end-2017, it was not clear why MOIA had not embraced some SPM Project outputs with a greater level of diligence (i.e. MOIA had not made any pro-active requests upon the SPM Project for specific trainings for MOIA staff tied to specific positions and functions in the payroll process). This issue pertains to both the ability of the SPM Project to influence outcomes at MOIA and the level of national ownership of the SPM-Project.

UNDP senior management and the SPM Project have continued to monitor progress against the AWP’s and to conduct M&E including progress against the “Donor Conditions”. In 2015, SPM developed a monitoring tool for the AWP’s that has been updated by the project on a monthly basis during 2015-2017. The indicators contained in the AWP appear to be well-scaled. The SPM Project has also supported several Micro-Capacity Assessments. In addition the SPM Project has routinely supported the efforts of the Monitoring Agent at the central and provincial level, facilitating access and data collection for the MA and reported on MA findings in the SPM-TWG meetings.

LOTFA Board (Steering Committee)

The Evaluation attended and observed the December 2017 meeting of the LOTFA Board, as well as reviewed notes and minutes from previous LOTFA Board meetings. The LOTFA Board appears to have worked well during the time period 2015 to 2017 as a vehicle for discussing and approving issues at the highest level of the MOIA. Its meetings are high profile and attended by all Donors and stakeholders, including UNDP, MOIA staff, ANP senior commanders, CSTC-A and other technical experts and consultants.

The LOTFA-Board met twice yearly in July and December of 2015, 2016 and 2017. The Board has closely monitored progress against the “Donor Conditions” and approved an extension of the SPM Project in December 2016 for an additional year. Most recently, at its December 2017 meeting the LOTFA Board approved across the board pay increases for the ANP and incentives in order to equalize ANP with ANA (MOD) pay and incentives. This amounted to an across the board increase of ANP salaries of 5% at a total annual cost of \$50 million per year. At its December 2017 meeting, the LOTFA Board also approved recommendations of the Pay and Compensation Board for changes to the approved incentives for ANP that included approval of incentives for medical; hazardous duty; danger pay and pay for ANP special forces.⁶⁴

⁶⁴ The Donors interviewed by the Evaluation view the ANP Special Forces incentive as a “reward” for the sacrifice that these “front line” units are making in the fight against the Taliban. As noted in the Situation Analysis of this report, it is (predominantly young) ANP recruits who have borne the brunt of casualties during 2015-2017.

Additionally, the LOTFA Board, at its meeting of December 2017, approved an interim-2018 AWP for LOTFA-SPM on the basis of “no transition”, with an understanding that it would re-assess the propriety of transitioning LOTFA-SPM to MOIA during early-2018. The 2018 interim-SPM Project AWP has a budget of \$510 million USD. There will need to be an extraordinary meeting of the LOTFA-Board at some point in 2018 to discuss this further.⁶⁵ UNDP, MOIA and the Donors are also waiting on the results of an independent review of LOTFA (covering only the MPD Project; not SPM Project) that was being completed in December 2017-January 2018 sponsored by UNDP HQ that will inform the LOTFA Board on the current capacity of the MOIA/ANP and the future of the MPD Project. The LOTFA Board’s approval of the 2018 interim-AWP ensures that the continuity of ANP payroll is not interrupted.⁶⁶

A new TOR for LOTFA has recently been developed by UNDP in a consultative process over the past year. As of end-2017, UNDP CO had submitted the draft TOR to UNDP HQ for feedback and was planning to actively solicit the input of stakeholders. In its current form, LOTFA is essentially run as projects and not a trust fund. The new ToR addresses this issue, by introducing pooled and earmarked funding. The pooled funding will help LOTFA move away from the current project-based approach, and will provide more flexibility to allocate the pooled fund to meet other needs and demands. Currently, LOTFA only operates in the security sector (i.e. the police). The new ToR is intended to expand LOTFA’s scope to the justice and anti-corruption sectors.

As noted elsewhere in this report it is recommended that UNDP consider strengthening LOTFA’s links to the President’s office. This likely can be achieved at project-level and may not require fund-level changes..

SPM-TWG and sub-working groups

The Evaluation reviewed a sample of combined SPM-TWG meeting minutes and materials held in years 2016 and 2017. It appears that the SPM-TWG and its three sub-TWG have fulfilled their Terms of Reference. [See LOTFA Project Document 2015 and LOTFA SPM Project Document 2016]. The representative sample of TWG meetings reviewed by the Evaluation shows that the Donors actively engaged in Q&A with LOTFA-SPM team leaders and staff making presentations and reports at the TWG meetings.

In the period July-2015 to December 2015, 19 out of a total of 24 possible TWG meetings were held (79%) and during the year 2016 a total of 44 TWGs (both sub-TWG and combined SPM and MPD TWG) were held. During 2017, SPM held 7 TWG meetings from March -Dec 2017; and in Jan- Feb 2017, SPM had 3 sub-TWGs, and 1 combined TWG (for SPM and MPD projects). Three SPM TWG meetings were cancelled for the months of June, September and December 2017 due to lack of quorum /security reasons].⁶⁷

⁶⁵ As of end-2017, all SPM Project staff were placed on short-term contracts due to expire in June 2018, pending a decision by the donors on the issue of the “transition”. In the event that a “partial” transition is approved, then LOTFA-SPM Project staff contracts will be adjusted accordingly and current SPM Project staff will have the option of transitioning to MOIA CBR contracts.

⁶⁶ Note: the LOTFA Board

⁶⁷ A number of donors stressed to the Evaluation the need to make the TWG reporting more “user friendly”. It is felt that the TWG meetings often include in-depth power point presentations and assorted materials that is highly technical. It would be better to have a 10 page max Executive Summary of the contents of all documents presented at TWG meetings, with action points for Donors and key stakeholders highlighted. The Italian Embassy noted that the diplomatic community in Kabul experiences a high turnover of staff. Thus, the SPM Project should also include some background info on LOTFA and a table of acronyms along with a summary of the main points of each TWG meeting.

MOIA General Directorate for International Cooperation (GDIC)

The Evaluation was not able to interview the MOIA GDIC while in Kabul. Thus, it is difficult to assess the extent to which the MOIA General Directorate for International Cooperation (GDIC) has taken on increasing responsibilities for management and administration of LOTFA governance. The Evaluation's findings that i) there was no MOIA request made upon the SPM Project to train staff for specific posts; ii) the fact that most developments and outputs during 2015 to 2017 appear to be either SPM or CSTC-A-led; and iii) the lack of sufficient capacity at MOIA as of end-2017 to warrant a partial transition; as well as iv) slow response on the part of MOIA for crucial elements of the payroll process (i.e. DRR), lead the Evaluation to the conclusion that MOIA GDIC could have been more proactive and taken on more duties. This said, however, MOIA staff were at all SPM-TWG meetings, accompanied SPM Project staff to the provinces to conduct systems inspections, verification and trainings and actively participated in the drafting of such deliverables as the "Payroll Unit Plan" and "Payroll Management Procedures Manual". In addition, MOIA senior officers and staff attended all LOTFA Board meetings. These factors point to the GDIC's involvement.

Implementation of Audit and Monitoring Recommendations

Throughout 2015 and 2016 the SPM Project worked to implement the recommendations from the 2015 LOTFA DIM audit administered by the Office of Audit and Investigations (OAI), the 2015 NIM audit and its 14 recommendations; and the UK Due Diligence assessment. UNDP and the Country office also supported and facilitated the Micro-Capacity Assessments in 2016.

UNDP, SPM Project and the Donors have also relied upon the findings of the Monitoring Agent (MA) consistently throughout 2016 and 2017. The findings of the MA are described in more detail in above sections of this report.

As of end-2017, MOIA had completed its first-ever audit of its payroll using MOIA civilian staff and according to an OIG-approved checklist and criteria. Although in draft form and not made available to the Evaluation team, the audit is the first time that MOIA has actually identified specific individuals responsible for misreporting and committing fraud. It remains to be seen what action MOIA will take based upon the audit findings once finalized. *[Note: The LOTFA-MPD Project has had outputs for OIG during 2015-2017].*

Risk Management

The Evaluation finds that the above LOTFA-SPM governance and oversight mechanisms have served to effectively manage risk during the period mid-2015 to end-2017. Analysis and discussion of risk was on the agenda of nearly every TWG meeting held in 2016-2017. SPM Project management utilized the TWG meetings to bring timely information of perceived risks to the attention of GIROA and the Donors (i.e. TWG meeting of 31 July 2017, wherein the SPM Project Team presented the risks of not continuing with the Disaster Recovery Plan (DRP), following a formal communication from MOIA's ICT Department suggesting DRP was no longer a necessity). This proved invaluable during the life of the project and in the case of DRP (DRR) it enabled the Donors and SPM to convince MOIA to reverse its decision to put the DRP on hold and to resume negotiations for a site to house WEPS DRR. The SPM AWP, Risk Log and Monitoring Frameworks also helped SPM to manage risk. Operationally, the SPM Project can be seen effectively managing risk on a variety of levels. This is seen in the SPM Project Team's response to the destruction of WEPS servers in Kunduz when anti-government forces seized control. As stated above, in 2016, UNDP commissioned an independent assessment of the LOTFA Risk framework, as part of the design and development of new post-2017 trust fund arrangements.

Gender

The LOTFA SPM and MPD projects have closely coordinated in the area of gender. LOTFA-SPM as a project has had gender-specific outputs geared to improve the visibility of female ANP officers, their inclusion in the MOIA payroll and their capacity to participation in MOIA payroll data entry and management. Women—whether female ANP officers and patrolmen or the families of ANP officers killed or wounded in action or the communities served and protected by ANP—are either direct or indirect beneficiaries of SPM.

The LOTFA-SPM Project Document and 2016 LOTFA-AWP includes gender disaggregated indicators for training; improvement of time and attendance processes and reporting. The 2017 LOTFA-AWP contemplates MOIA staff training in finance; human resources; WEPS; WEPS network monitoring; validation and reconciliation; and payroll internal control policies all disaggregated by gender. The SPM Project's subsequent incorporation of gender-disaggregated fields in WEPS in 2016 and training of PFOs and PHROs to supply gender-disaggregated data has enabled LOTFA-SPM and the MOIA to track salary payments and benefits paid to female ANP; as well as female police numbers and distribution by location, rank and police units. In addition, 2016 the SPM Project designed a new leave form for MOIA for ANP that included maternity leave among listed entitlements. SPM also assisted the MOIA Personnel Department to reformat the ANP attendance book to include gender that ANP began utilizing in March 2017.

By mid-2016 the LOTFA SPM-Project WEPS Team was able to apply search algorithms using data from the ID database, as well as from the MOIA Gender Department to identify gender disaggregated data in WEPS. LOTFA-SPM supported data in WEPS was able to document that in 2016 *only* approximately 2% of the ANP listed in the Tashkill was female, amounting to 2261 ANP officers as of December 2016. The 2% figure of females as a percentage of the total ANP remained steady throughout 2016 and 2017, even though the total number of female ANP in WEPS increased from 2261 (December 2016) to 2,825 (by September 2017). [See, "WEPS Payment Summary": SPM-TWG Power Point Presentation, Combined TWG 26 December 2016; and WEPS reports presented in subsequent TWG meetings in 2017].

Such data has also enabled MOIA to track the distribution of female police officers across Afghanistan's provinces and would not have been possible without the LOTFA-SPM intervention. The percentage of ANP and GDPDC paid by EFT has also been disaggregated by gender. The Evaluation finds that going forward, more LOTFA-SPM presentations and reports could provide gender-disaggregated statistics. SPM-TWG meeting materials should continue to provide such statistics. The Evaluation finds that all too often in SPM reports and frameworks the term "disaggregated by gender" appears, but with no corresponding figures for females. Yet, we recognize the fact that the MOIA departments with which the SPM Project works have themselves failed to hire female staff.

In terms of trainings and capacity buildings, all LOTFA-SPM trainings offered to MOIA during mid-2015 to end-2017 were designed to be gender inclusive. The SPM project consistently encouraged the MOIA to include female ANP officers in trainings when possible. In reviewing actual numbers of women in the training sessions, however, it is not evident to the Evaluation that MOIA included female staff in *trainings for WEPS and payroll management* during 2015-2017. For example, figures showed that as of June 2017 only male staff members had been trained for finance (34 staff, *all male*); human resource functions (34 staff, *all male*); and WEPS (34 staff; *all male*). [See *SPM training statistics as documented in LOTFA-SPM quarterly and annual reports 2015-2017*].⁶⁸ As referenced

⁶⁸ N.B. *It is noted that the LOTFA-MPD Project undertook other types of capacity building that included female ANP officers; as well as funding female ANP to attend training at the Sivas Police Vocational School in central Turkey during 2015-17. MPD also lead policy reviews at MOIA that included legislative reviews for*

above, this is likely due to the fact that there are virtually no female personnel in the departments with which the SPM Project partners.

Going forward, the MOIA and the SPM Project should immediately prepare an inventory of training needs of all female ANP/GDPCD personnel having responsibility for the payroll process and develop a dedicated training plan and schedule for these female personnel. *If ANP has not assigned any female officers to units or WEPS data entry and has not presented female officers for training, this fact should be clearly documented for each training; including a statement from MOIA as to why ANP could not supply female officers for such training.* UNDP and the SPM Project should continue to advocate with MOIA to staff more female officers in departments involved in the payroll process.

National Ownership and the UNDP National Implementation Modality (NIM)

The Assessment of the Evaluation is that in many ways the LOTFA-SPM Project has acted more like a DIM project than a NIM project. The LOTFA SPM project actually operates on a technical level as DIM. The Evaluation assesses that “national ownership” of the activities remains moderate as of end-2017. The Evaluation fully realizes, however, that the SPM Project has been significantly challenged in institutionalizing knowledge and trainings due to high turnover of staff and leadership at the MOIA.

SPM appears to have been effective at training MOIA at the central level and provincial level on how to enter data into the “front end” of the WEPS system. It appears that MOIA the level of enthusiasm for such trainings at MOIA continues to be strong. Participation of MOIA staff in previous SPM Project trainings has been high; but numbers trained remain slightly lower than expected and the Evaluation has expressed a concern about the lack of female MOIA staff participating. At the same time, the Evaluation found not a single example of a request being made independently by MOIA upon the SPM Project for targeted trainings for specific job functions.

Certainly the TWG must be counted among the “good practices” deployed by the SPM Project to enhance national ownership. Also, the participatory and inclusive process of developing SOPs and the new Payroll Unit Manual, wherein MOIA was encouraged to participate facilitated national ownership.

As noted elsewhere in this report, MOIA DG’s state that they are highly satisfied with UNDP/SPM and that SPM has communicated frequently, but could do more so. Meanwhile, other MOIA Kabul-based “uniformed” staff states that they are not accorded “respect” by the SPM Project team. Enough MOIA uniformed staff raised criticisms of the manner and tone accorded to them by SPM Project staff e raise concerns in the mind of the Evaluation. This may point to the need of an “attitude correction” on the part of UNDP/SPM towards MOIA uniformed staff (many of whom have given their entire professional careers to MOIA).

A review of the TWG meetings in 2016 and 2017 shows that staff from the President’s office have attended meetings, but not always. H.E. President Ghani’s appointed a special representative to liaise regularly with the SPM Project, TWG and LOTFA Project Board; however, stakeholders informed the Evaluation that this individual had been out of the country for much of 2017. Thus, LOTFA SPM-Project’s links to the President’s office could be strengthened. The Evaluation is making the

gender; strengthened the Police Women Council to improve the position of female police; improved the accountability of female-related complaints and supported advocacy campaigns to combat violence against women.].

recommendation that a “task force” of the LOTFA Board or a new sub-TWG be created for purposes of reporting on the transition both to the LOTFA Board and to the President’s office.

The appointment of new Minister of the MOIA brings with it hope that there will be a renewed sense of urgency on the part of GIROA towards taking ownership of the payroll process, implementing necessary reforms and hiring new staff in accordance with the Donor Conditions and the Payroll Unit Plan. Uncertainty surrounding upcoming elections and spectre of further turn-over in MOIA leadership and staffing depending on election result will necessitate that the sustainability of LOTFA and national ownership be re-evaluated post-election.

The Donor Conditions and Prospects for Transition of LOTFA Payroll Functions to MOIA and Exit Strategy

The scope of future support, including an exit strategy for LOTFA-SPM will depend upon whether or not the Donors and LOTFA Board approve a partial “transition” of LOTFA-SPM payroll functions to the MOIA in mid-2018 or whether the project continues on a “no transition” basis. The Donors have stipulated that the transition of LOTFA-SPM payroll management to the MOIA as “conditions-based”, not “time-based”, by way of contrast to H.E. President Ghani who has continued to set time-based deadlines. The basic idea behind the Donor Conditions is to ensure that sufficient capacity is built and key deliverables in place in advance of a transition of LOTFA SPM payroll functions to the fully functional MOIA Payroll Unit. As such, the Donor Conditions have served both as a catalyst for development and as a benchmark. According to the SPM Project, there is a limit to what SPM can do to promote MOIA satisfaction of the Donor Conditions. At some point this becomes a political issue.

As discussed elsewhere in this Evaluation, the consulting company RSM⁶⁹ has yet to declare that all donor conditions have been met. Many of the conditions are still listed as “in progress”. Particularly, MOIA Donor Conditions #10, #11 and #12 continue to be of significant concern. In the absence of these conditions being fully satisfied, it is doubtful that the Donors will permit a transition to occur—even of the non-fiduciary functions of SPM. This is a principal reason why the Donors and the LOTFA Board in its final meeting of 2017 approved an interim SPM Project AWP for 2018 on a “no transition” basis. If by June 2018, there is sufficient evidence that conditions have been satisfied to enable the Donors to approve a “partial” transition of the non-fiduciary functions of SPM to MOIA, then SPM Project staff contracts can be amended accordingly.

Not a single stakeholder interviewed by the Evaluation, including MOF and MOIA staff, believed that a full-transition and “exit” was immediately possible until at a minimum the CSTC-A “APPS” database is fully operational and MOIA has hired and trained necessary staff. The APPS database is delayed, however, and still in a “pilot” phase as of early-2018 and it is still not clear when APPS will be fully functional. Implementing trainings and hiring at the MOIA has historically taken a long time.

As of end-2017 MOIA still has not stabilized its human resources—which are also a key component of any transition. MOIA staff is transferred frequently without MOIA necessarily matching a person’s skills and training with his/her job descriptions. Currently, key positions at MOIA such as payroll officers and budget advisors continue to be handled by “uniformed” staff, rather than civilians. Going forward, it will be important to bring the civilianisation process into MOIA payroll and budget units. The post of MOIA DG for Finance and Budget affairs has remained vacant for the past two years. This position should be filled as a prerequisite for any transition.

⁶⁹ RSM in an independent audit firm commissioned by UNDP to assess the Donor Conditions.

Given the fact that IDs are at the root of the payroll process, the Evaluation is suggesting that the LOTFA Board consider amending the Donor Conditions to add a new condition about the MOIA's capacity to issue ID cards. This would entail a requirement that the MOIA strengthen its capacities for issuing biometric IDs, including timeliness of issuance and replacement; upgrading ID processing facilities in Kabul and creation of "mobile ID units" to service the ID needs of ANP at the provincial level. It is not clear to the Evaluation that the introduction of APPS will, in and of itself, solve the MOIA's ID issuance and tracking problems. APPS will contain verified biometric data, but the current ID situation appears to be capable of repetition; unless MOIA improves its ID issuance capacity and procedures.

Some stakeholders believe that MOIA will be ready for a "partial transition" at mid-2018/end-2018, with UNDP maintaining overall fiduciary responsibility for the MOIA payroll. This should occur in phases and be accompanied by more intensive capacity building by LOTFA-SPM and the donors. The MOIA Acting Deputy Minister for Support stated that there needed to be more direct communication between DM Support and the SPM Project, but also stated that MOIA capacity was not yet sufficient to accept a transfer. DM support suggested that the transition should be "phased", beginning with several provinces handled by a pilot MOIA Payroll Unit shadowing the SPM-Project teams. DG Support estimates that it could take up to two years to build the required capacity at MOIA. Meanwhile, the DG Personnel noted that MOIA's various HR and personnel departments (i.e. Cadre Personnel Department; HR Department; Recruitment Department and the Tashkill Department) are currently separated. It would be an idea to combine these departments into a single department. There is also a need to involve the Independent Civil Service Commission in the recruitment process to ensure compliance with Afghanistan law.

The success of any transition will depend upon LOTFA-SPM resources and activities being transferred to MOIA in a systematic manner. Thus, UNDP and SPM should become more pro-active going forward in assisting MOIA to advertise and recruit qualified staff pursuant and specific to the approved Payroll Unit Plan. As of end-2017 it had been well over a year since the Payroll Unit Plan was approved. The "Payroll Unit Plan" (approved on June 6th, 2016) contemplates the staffing of new teams at MOIA to be composed of the 19 existing SPM staff (assuming that staff chose to remain), plus 5 new positions (to be advertised and recruited by MOIA) and 9 existing MOIA staff. Of the 5 new positions, 4 finance analysts were recruited by MOIA since March 2017. The remaining position--the MOIA Deputy Director for Payroll-- has not yet been recruited. This recruitment will be triggered by the LOTFA Board's decision on the transition.

It is an open question how many of the existing SPM Project staff would remain at the MOIA Payroll Unit if forced to go on an MOIA contract. While replacing current SPM staff could complicate the transition, it is certainly not an insurmountable problem for GIROA or the donors. The current SPM Project staff, including the WEPS Team, is highly qualified and capable, but they certainly are not indispensable and there are other Afghan nationals who possess similar qualifications and academic degrees.

As stated elsewhere in this report, the Evaluation believes that LOTFA-SPM trainings and "twinning" of MOIA staff could be made more robust and *track specific posts in the planned MOIA/Payroll Unit Plan and organogram* going forward. SPM Project staff interviewed by the Evaluation was not able to cite a single example of MOIA making a specific and detailed request to the SPM Project as yet to train *specific* MOIA officers to perform the job description of a *specific* post.

Many stakeholders cited an on-going level of endemic corruption at MOIA as a significant reason for the Donors to delay such transition. Stakeholders generally view LOTFA-SPM as a bulwark against corruption. One Afghanistan national stakeholder interviewed opined to the Evaluation that "UNDP's continued management of the fiduciary duties is crucial...if the payroll were transferred to MOIA, then 50% of it would disappear to criminal elements...there are in fact persons who have their eyes on this and are hoping that the payroll is transferred." While it is impossible for the Evaluation

to verify such a statement, it can be said objectively that corruption at MOIA is reported by a number of organizations and experts to continue at end-2017.

Stakeholders, including CSTC-A, noted that MOIA has yet to truly act on the MA reports and identification of issues such as “ghost policemen” in the ANP ranks and illicit pay. As of end-2017, despite LOTFA-SPM efforts there has been little “uptake” by MOIA of the MA reports. The Evaluation recommends that LOTFA-MOIA continue to strengthen its anti-corruption efforts and programming. The data contained in MA and TWG reports should be packaged for decision makers in a readily accessible format that can enable decision makers to take action, not simply reports and folders containing raw data. The Evaluation recommends that a full and comprehensive forensic audit of MOIA payroll for ANP be conducted at some point in 2018—especially in light of reform of the Police Inherent Law and expected shift in number of ANP officers.

Finally, as stated elsewhere in this report, the Evaluation perceives that there is currently a deficit in oversight specifically for the transition process. The LOTFA-SPM project includes oversight mechanisms such as the MA reports and the reports on compliance with the Donor Conditions as well as TWGs. Yet, there is not a formal independent oversight mechanism of the LOTFA Board specifically tasked with monitoring the transition. The President has designated a member of his transition team to liaise with LOTFA, however, the individual concerned has been away from Afghanistan for much of the past year. Thus, the Evaluation suggests that the LOTFA Board take measures to strengthen oversight of the transition process with a more reliable link to the President’s office. UNDP must take care to avoid any conflict of interest and the impression that LOTFA-SPM is hesitating on building capacity in order to prevent SPM staff from “working themselves out of a job”. The reality is that a “botched” or ineffective transition could result in the provincial ANP not getting paid and impact the ANP’s readiness for counter-insurgency operations.

Sustainability

As of end-2017, it does not appear to the Evaluation that results achieved by LOTFA to date are sustainable without continued international assistance and reinforced capacity building. While the MOIA exhibits increased public financial management capabilities as a result of the SPM support to ANP, this has not yet been institutionalized or reached a critical mass to be self-sustaining or permit even a partial transfer. Trainings need to become much more targeted and the “twinning” of SPM staff need to be made more robust. UNDP should continue to assist MOIA to hire and train the personnel required to adequately staff and operationalize the “Payroll Unit Plan”. The UNDP ROL unit currently supports the recruitment of 191 civilians including 5 for the Payroll Unit, and will facilitate the transfers of 29 SPM staff to MOIA under CBR contracts (i.e. higher pay rates for civilians).

Sustainability after 2020 is a significant issue, but not yet truly on the LOTFA agenda. UNDP and the LOTFA Donors should ensure that this is being discussed as of 2018. Each of the various models of a “transition” of UNDP’s payroll fiduciary duties to MOIA carries with it different imperatives as concerns national ownership; budget and sustainability. Thus, what is required to sustain MOIA Payroll Functions will in large part be influenced by the Donors’ impending decision (expected in early to mid-2018) as to whether a partial transfer of the SPM Project’s payroll management functions to the MOIA Payroll Unit can occur. As far as the Evaluation is able to tell, as of end-2017, the SPM Project had not trained a single MOIA employee on management of the “backend” of the WEPS system, nor had MOIA requested such training. The agreement is to use SPM existing staff, but it is not clear how many SPM will in fact remain at MOIA following a transition. For purposes of built-in redundancy alone, at some future point MOIA staff must be trained on the back-end of the system. Another point is that once the CSTC-A led APPS system is operational, it will also entail its own training.

A positive factor is that LOTFA-SPM has laid the foundation for future sustainability of its intervention (i.e. in WEPS system operability and design; legislative reform; the development of the Payroll Unit Plan and other SOPs and the introduction of oversight and monitoring tools). The question is the extent to which the MOIA has the political will to *institutionalize* such tools and LOTFA's compliance and oversight mechanisms within the MOIA. In the opinion of the Evaluation this had yet to occur. This must be re-assessed by LOTFA in 2018 and 2019.

The new Minister of the Interior has mentioned the need for MOIA to formulate a new "Action Plan" for the transition that clearly sets forth UNDP's "fiduciary" and "non-fiduciary" roles. In terms of an expansion/replication of LOTFA to include other actors besides MOIA, there has been only limited discussion of this to date. The "Personal Asset Inventory" (PAI) is expected to inform MOIA of human resource needs and capacities. There is an additional "Micro-Capacity Assessment" MCA planned for early-2018 that will lead to a clearer idea of potential for a transition at mid-2018.

It does not appear to the Evaluation that as of end-2017 GIROA is able to contribute to the fiscal sustainability of the ANP. Beyond this, the Evaluation received testimony from reliable interlocutors that should the LOTFA-SPM fiduciary responsibilities be transferred to MOIA that the funding would be placed at significant levels of risk for mismanagement and possibly theft. There is possible scope for case-agnostic testing and piloting of fiscal transfer and fiduciary capacities by LOTFA to MOIA during late 2018/2019 with a view towards possible "conditional" transfer or partial transfer of management and fiduciary by 2020 in combination with some level of GIROA co-financing of the ANP payroll. This would depend, however, upon LOTFA conducting additional capacity assessments. The political reality is that the LOTFA SPM fiduciary responsibilities will likely remain with UNDP (or another implementer) unless the donors and GIROA agreed to put payroll fund on government's budget. This is very unlikely, but if ever occurred, then LOTFA would cease to exist or would exist only for LOTFA capacity-development projects/activities, but not payroll.

Recommendations

Recommendation 1. The Evaluation recommends that a transfer of LOTFA SPM’s payroll functions to the MOIA not take place until such time as all donor conditions are fully met; the MOIA Payroll Unit is fully staffed and trained and the APPS data base is fully functional and deployed in all 34 provinces.

Recommendation 2. The Evaluation recommends that the LOTFA Board consider revising the MOIA Donor Condition B4 to add a requirement that the MOIA strengthen its capacities for issuing biometric IDs, including timeliness of issuance and replacement; upgrading ID processing facilities in Kabul and creation of “mobile ID units” to service the ID needs of ANP at the provincial level. “Clean” and current IDs are at the root of the payroll process. It is not apparent that the introduction of APPS alone will solve all of MOIA’s ID issues.

Recommendation 3. The Evaluation recommends that UNDP and the SPM Project strengthen its links to the President’s office, for purposes of reporting on the readiness of MOIA for a “transition” both to the LOTFA Board and to the President’s office.

Recommendation 4. The Evaluation respectfully recommends that the LOTFA Donors revisit the conditions proposed by the “Pay Structure and Sustainability Strategy”, and conduct a study to see if the pay increase and incentives approved by the LOTFA Board at its December 2017 meeting have sufficiently addressed the issues that were raised/used as the justification.

Recommendation 5. The Evaluation recommends that UNDP and the SPM Project review the format and content of reporting at TWG meetings so as to include an “Executive Summary” of each TWG meeting, and its presentations and minutes with key “action points” identified. TWGs should include tracking of legislative updates in their reports. The reform of the Police Inherent Law is a topic that should receive regular reporting within SPM-TWG meetings.

Recommendation 6. The Evaluation recommends that UNDP and the SPM Project monitor more extensively against CPD Outcome 2 going forward. UNDP might also consider at an appropriate time adding more detailed indicators in LOTFA projects for female ANP/GDPDP officers; women and children of surviving ANP killed in action and/or other indicators for most vulnerable groups. The “One UN” Results Matrix (from which the CPD derives) and/or future SPM AWP might be appropriate places for UNDP to consider placing such indicators.

Recommendation 7. The Evaluation recommends that UNDP and the SPM Project explore synergies with UNDP’s Afghanistan Access to Justice Project (AA2J)—particularly to enable the SPM Project to benefit from data from the AA2J Legal Aid Grant Facility (which offers legal aid to vulnerable groups across 8 of Afghanistan’s provinces) in order to better assess the link between payroll management for ANP and citizen’s experiences and perceptions of ANP and security.

Recommendation 8. The Evaluation recommends that UNDP and the LOTFA SPM Project continue to advocate with MOIA/ANP that more female officers be assigned to units having payroll functions.

Recommendation 9. The Evaluation recommends that MOIA and the SPM Project immediately prepare an inventory of training needs of all female ANP/GDPDP personnel having responsibility for the payroll process and develop a dedicated training plan and schedule for these female personnel. If ANP has not assigned any female officers to units or WEPS data entry and has not presented female officers for training, this fact should be clearly documented for each training; including a statement from MOIA as to why ANP could not supply female officers for such training.

Recommendation 10. The Evaluation recommends that the SPM Project implement a training plan for the Payroll Procedures Manual in all 34 provinces in 2018.

Recommendation 11. The Evaluation recommends that UNDP and the LOTFA Board review the SPM Project’s “twinning” of MOIA staff, including how individual MOIA staff have been tasked by the SPM Project; a review of each MOIA twinned staff member’s academic credentials and professional background; and the extent to which SPM Project “twinning” has aligned with the approved MOIA Payroll Unit Plan and Payroll Unit Capacity Building Plan. UNDP should ensure that the SPM Project “twinning” is sufficiently robust as to ensure a meaningful opportunity for MOIA to assume the non-fiduciary aspects of the payroll process. The twinning programme going forward should take into account also the change over from WEPS to APPS that is scheduled to take place in 2018. The LOTFA Board, UNDP and the SPM Project should continue to advocate with MOIA for MOIA to hire IT qualified staff and refer them to the SPM Project for training and “twinning”.

Recommendation 12. The Evaluation recommends that the SPM Project incorporate enhanced “anti-corruption” outputs and activities (and/or indicators) in its programming and that the MOIA take all necessary steps –per MOIA Donor Condition B12—to ensure that the MA findings pointing to possible fraud or corruption within the MOIA or ANP—specifically related to and involving the payroll process—are investigated by the Inspector General Office (IGO) and violators referred to the Attorney General of Afghanistan for prosecution. Any SPM outputs in this regard should be closely coordinated with MPD Project outputs and activities for the IGO to bolster MOIA internal audit capacity and capability and the capacity of the anti-corruption cell within the IGO.

Recommendation 13. The Evaluation recommends that the MOIA OIG and MA more closely cooperate and coordinate and that the LOTFA Board expand the scope of the MA’s work including possibly extending the duration of the MA’s time spent in each province.

Recommendation 14. The Evaluation recommends that UNDP and the LOTFA Board advocate with CSTC-A to accelerate the piloting of the APPS database to achieve its full deployment by mid-2018; including conducting required APPS orientation and training sessions for MOIA staff at central and provincial levels.

Recommendation 15. The Evaluation recommends that UNDP and the LOTFA Board advocate strongly with GIROA/MOIA that a comprehensive forensic audit of the MOIA (ANP) payroll system be completed within 6 months following full operability and deployment of the APPS system, but in any event, that such audit be completed by no later than 01 April 2019. It is envisioned that such an audit would be more comprehensive and wide-ranging than the typical “sampling” conducted by the MA in its monthly reports. This is viewed as necessary to establish a new “baseline” to inform LOTFA and GIROA decision-making and future SPM programming at the point in time at which the APPS system is made fully operational.

Recommendation 16. The Evaluation recommends that the SPM Project probe the reasons underlying ANP willingness (or lack thereof) to use MM platforms. It is recommended that, if necessary, the SPM Project institute a new round of trainings for Provincial ANP Commanders; PPQH; PFOs and PHROs with the objective of expanding the percentage of ANP paid through the Mobile Money mechanism and to become familiar with the PERSTAT template.

Recommendation 17. The Evaluation recommends that the MOIA facilitate continued access to the AHRIMS database to enable SPM Project staff to crosscheck AHRIMS records against data in WEPS to enhance the integrity of WEPS legacy data transferred to CSTC-A in connection with the development of APPS.

Recommendation 18. The Evaluation recommends that MOIA continue to cooperate with the SPM Project to implement the DRR system for WEPS. MOIA should give utmost priority to the DRR system establishment.

Recommendation 19. The Evaluation recommends that going forward, LOTFA-SPM Project begin to report to the LOTFA board on the cyber-security measures and policies surrounding the payroll process and implemented by MOIA and MOF surrounding the payroll process. This could include updates and analysis on how MOIA and MOF cyber security measures and policies protect the security of the payroll process and data; including reporting on MOF's "vetting" of GIROA's "up stream" counter-parts such as Da Afghanistan Bank and commercial correspondent banks through which payments are distributed. While this is currently not a function of the LOTFA-SPM project, cyber-security is a significant issue.

Recommendation 20. The Evaluation recommends that UNDP and the SPM Project assess the manner and quality of engagement of SPM staff with MOIA senior "uniformed" officers and ensure that relations with MOIA uniformed staff are conducted with respect and courtesy.

Recommendation 21. The Evaluation recommends that the SPM Project educate ANP and their family members about the pay process; pay slips and entitlements via radio and TV broadcasts in addition to distributing printed materials.

Lessons Learned

- MOIA lacks sufficient capacity and oversight mechanisms in place as of end-2017 that would permit a transfer of the SPM Project's payroll management functions to a MOIA Payroll Unit in a manner that could guarantee the integrity and security of LOTFA funds and ensure the continued and unhindered distribution of ANP and GDPCD payroll. A partial (i.e. non-fiduciary) transfer may be possible in mid- to late-2018, depending on the further assessment of the LOTFA Board.
- It is necessary that the question of a transfer of the SPM Project's payroll management functions to MOIA continue to be conditions-based, not time-based.
- It is difficult to guarantee the integrity of the MOIA payroll process, so long as human resource databases and payroll databases remain stand-alone and non-integrated.
- The development of SOPs, manuals and strategies for the MOIA payroll process is no substitute for the "hands-on" capacity building and training of its personnel (many of whom possess advanced academic degrees and qualifications).
- The LOTFA-SPM Project oversight mechanisms, Donor Conditions and governance structures have worked in sync and resulted in improved rates of programme implementation and progress towards targets and benchmarks.
- While not a typical project for UNDP as a development organization, the LOTFA-SPM Project proves that UNDP is able to operate effectively (rendering both fiduciary services and development implementation) within a conflict-country context such as Afghanistan, carrying extreme political and security risks; alongside a U.N. political mission and an active international military engagement, and in partnership with a national implementing partner.

ANNEX

ANNEX 1. “Donor Conditions” for SPM (2015-2017)

Table showing Donor Conditions for LOTFA-SPM project 2015-2017

Implementing Partner	Donor Condition
MoF	A.1. MOF will expand the Electronic Fund Transfer (EFT), Mobile Money, or other commercial bank payment services available to serve at least 90% of the Afghan National Police (ANP) and the Central Prison Department (CPD). MOIA will extend full support to MOF for achievement of this condition.
MoF	A.2. MOF will ensure that commercial banks contracted to provide Electronic Fund Transfer, Mobile Money or commercial bank payment services, deposit funds in individual Police accounts by the 1 st of each month (solar calendar) for the previous month’s pay.
MoF	A.3. MOF will conclude a Memorandum of Understanding (MOU) with the central bank and MOIA to ensure that pay documents are automatically transferred without separate manual entry.
MOIA	B.1. MOIA will have developed and implemented Human Resources (HR) policies at the National and sub-National levels, that clearly and comprehensively address Afghan National Police (ANP) and General Directorate of Prisons and Detention Centres (GDPDC) recruitment, promotion, termination, and transfer.
MOIA	B.2. MOIA will develop and revise existing Finance policies for the proper accounting of Police pay, including guidance to direct the source of funds to be used for each category and status of Police and the use of the LOTFA fund code.
MOIA	B.3. MOIA will ensure adherence to the Standard Operating Procedures (SOP) for data entry into the Afghanistan Human Resource Information Management System (AHRIMS), including slotting of all police.
MOIA	B.4. MOIA will maintain a valid, biometric identification card for at least 90% of Police and will ensure that no personnel will be entered into the Afghan Personnel and Payroll System (APPS) without a valid ID card.
MOIA	B.5. MOIA will extend full support to MOF for achievement of the MOF conditions set out in Section I above.
MOIA	B.6. MOIA will provide CSTC-A with its requirements for the development of the system in accordance with Afghan law and MOIA policies.
MOIA	B.7. The MOIA will participate in CSTC-A system acceptance, and implement (install and use) the APPS system to standards agreed with CSTC-A. These standards will account for variations across Afghanistan in security, electricity availability, network connectivity and system availability.
MOIA	B.8. MOIA will use only EFT, mobile money, or commercial bank payment service in areas where it is available, without any Police pay disbursement by Trusted Agents. If the listed services do not exist in an area, Trusted Agents may be utilized with written authorization from the Director General under the supervision and accountability of the Provincial Chief of Police or the Commanding Officer of the provincial prison.
MOIA	B.9. The MOIA will expand network connectivity to all Provincial Headquarters to support usage of the implemented system from CSTC-A.
MOIA	B.10. MOIA will assess compliance with established policies and will share assessment results with donors.
MOIA	B.11. MOIA will regularly monitor personnel and payroll data according to established monitoring plans, to identify discrepancies, detect and avoid fraud, waste and abuse, correcting errors and deficiencies within 60 days of detection.
MOIA	B.12. MOIA will take administrative, disciplinary or legal action, as appropriate, in response to detected payment anomalies.
UNDP	C.1. UNDP/SPM support MOIA in the development and implementation of HR and finance policies mentioned in Donor Condition B.1. UNDP/SPM will also conduct technical analyses (reports and studies) concerning existing legal and policy documents related to Payroll (HR and finance) and make recommendations for improvement.
UNDP	C.2. The UNDP/SPM will provide independent Monitoring Agent services, and provide regular reports to donors and MOIA, with findings and recommendations.

UNDP	C.3. UNDP/SPM will build capacity of MOIA in payroll management in accordance with its approved Annual Work Plan.
UNDP	C.4. UNDP/SPM will contract an independent audit firm to conduct an assessment of MOIA's compliance with the donor conditions listed in Part II above.
CSTC-A	D.1. CSTC-A will fully fund and manage the development of an integrated Afghan Personnel and Payroll System (APPS).
CSTC-A	D.2 CSTC-A will ensure the APPS system accommodates all MOIA employees' tashkill.
CSTC-A	D.3 CSTC-A will develop the interface between APPS to the MOIA Identification Card System. The system will rely on the MOIA biometric, vetted identification card as the single unique identifier of Police in personnel and pay records. The system will also perform integrity checks of the identification cards against payroll records.
CSTC-A	D.4 Details of the technical specifications of APPS will be reflected in an MOU between MOIA and CSTC-A.

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ANNEX 3. List of Persons/Institutions Interviewed

UNDP CO Senior Management
UNDP Rule of Law and Human Security Unit
UNAMA (U.N. Police Advisers)
Embassy of the United States of America
Embassy of the Republic of Italy
Delegation of the European Union
LOTFA Board
(former) Adviser the President of Afghanistan on the Transition
LOTFA-SPM Project Team Leader and staff
SPM Project WEPS Manager and WEPS Team
FFFMU
MOIA staff (including MOIA “twinned” staff)
DG Legal
DG Personnel
Director of Systems Development
ANP Provincial Commanders and PFO/PHRO (from 4 provinces)
Ministry of Finance
MOF Treasury Department
MOIA AHRIMS
MOIA Budget and Finance
MOIA DG Support
DM Planning and Policy
MOIA General Command for Education and Training
MOIA M&E Unit

ANNEX 4. Questionnaire Distributed by LOTFA-SPM Evaluation to MOIA Staff

LOTFA-SPM EVALUATION

Questionnaire for MOIA staff (*English language version*)

MOIA Department: _____ Job Title/Function: _____

1. Did you benefit from LOTFA-SPM sponsored capacity-building or trainings during 2015-2017?

YES	NO

If "Yes", please briefly describe how this changed the way that you perform your job at MOIA:

--

2. In your opinion, has overall capacity for payroll management at MOIA increased, decreased or remained the same between 2015-2017 as a result of the LOTFA-SPM project?

Please check the appropriate box for the time period 2015-2017:

Decreased	Remained the same	Increased

Please provide examples of how MOIA capacity for payroll management has changed over

--

time:

ANNEX 5. Table of Responses to Questionnaire

Survey of MOIA staff obtained LOTFA-SPM sponsored capacity-building trainings									
S N	MOIA Department	Job Title	1. Did you benefit from LOTFA-SPM sponsored capacity-building or trainings during 2015-2017?		If "Yes", please briefly describe how this changed the way that you perform your job at MOIA:	2. In your opinion, has overall capacity for payroll management at MOIA increased, decreased or remained the same between 2015-2017 as a result of the LOTFA-SPM project?			Please provide examples of how MOIA capacity for payroll management has changed over time:
			Yes	No		Decreased	Remained the same	Increased	
1	DG Finance and Budget	Payroll SME*	1		WEPS has established a good financial relationship between centre and provinces. Monitoring has be improved, accountability increased day by day, salary payment to Ghost Personal has been stopped, Payroll Management, Process Manual is a good achievement			1	Development of WEPS which is very useful, regular trainings for central and provincial staff, greater support of LOTFA to DG Finance and Budget at national and central level to provide the opportunity for transition.
2	DG Finance and Budget	Payroll SME*	1		WEPS has provided payroll facilities and can produce a correct report in a short time			1	Development of WEPS which is very useful, and provided facility of correct report in a short time.
3	DG Finance and Budget	Payroll SME*	1		WEPS has provided payroll facilities and can produce a correct report in a short time			1	Development of WEPS which is very useful, and provided verification facility and computerized payroll for MOF
4	DG Finance and	Payroll SME*	1		We can provide training ourselves with less resources			1	Barcode system is established which has eased our work

Survey of MOIA staff obtained LOTFA-SPM sponsored capacity-building trainings									
S N	MOIA Departm ent	Job Title	1. Did you benefit from LOTFA- SPM sponsored capacity-building or trainings during 2015- 2017?		If "Yes", please briefly describe how this changed the way that you perform your job at MOIA:	2. In your opinion, has overall capacity for payroll management at MOIA increased, decreased or remained the same between 2015- 2017 as a result of the LOTFA- SPM project?			Please provide examples of how MOIA capacity for payroll management has changed over time:
	Budget								
5	DG Finance and Budget	Finance SME*	1		WEPS has provided payroll facilities and learned about Payroll Management, Process Manual			1	Development of WEPS which is very useful, and provided calculation training.
6	DG Finance and Budget	Payroll SME*	1		Payroll management improved through trainings provided by LOTFA-SPM. Financial Management, using WEPS and generating payroll			1	I can generate M16 and M41 and bring some modification if required, I can solve the problems there.
7	DG Finance and Budget	Financial Analyst	1		Efficiency and speed in day to day or routine tasks, using AFMIS, WEPS and its implementation, and introduction to research process, fund and budget analysis and on-time implementation			1	Establishment of Barcode System in M16, computerized payroll process, and increase capacity of payroll management.
8	DG Finance and Budget	Financial Analyst	1		Some positive changes e.g. payroll process for all police personal, and using WEPS			1	New Payroll Management and Procedure Manual is developed which is good. But LOTFA SPM is not fully committed to MOIA capacity building.

Survey of MOIA staff obtained LOTFA-SPM sponsored capacity-building trainings								
S N	MOIA Departm ent	Job Title	1. Did you benefit from LOTFA- SPM sponsored capacity-building or trainings during 2015- 2017?		If "Yes", please briefly describe how this changed the way that you perform your job at MOIA:	2. In your opinion, has overall capacity for payroll management at MOIA increased, decreased or remained the same between 2015- 2017 as a result of the LOTFA- SPM project?		Please provide examples of how MOIA capacity for payroll management has changed over time:
9	DG Finance and Budget	Payroll SME*	1		Payroll management improved through trainings provided by LOTFA-SPM. Financial Management, using WEPS and generating payroll			1 I know WEPS, introduction to financial policy particularly of payroll policy; my capacity is build in payroll procedure manual; knowing about budget expenditure, knowing about the types and amount of incentives; and the supporting documents for payroll.
10	DG Finance and Budget	Payroll SME*	1		Payroll management improved through trainings provided by LOTFA-SPM. Financial Management, using WEPS and generating payroll			1 I know WEPS, introduction to financial policy particularly of payroll policy; and financial corruption has reduced.
11	DG Finance and Budget	Payroll SME*	1		I have attended only one training regarding WEPS, it was very useful. But I am not happy that I was not introduced to the other courses.			1 Development of WEPS which is very useful, and provided facility of correct report in a short time.
12	DG Finance and Budget	Payroll SME*	1		Registration and making ID cards through WEPS. Leave forms, statistics and attendance book, generating data for payroll, and payroll payment.			1 WEPS is very useful, and provided facility of correct report in a short time.

Survey of MOIA staff obtained LOTFA-SPM sponsored capacity-building trainings								
S N	MOIA Departm ent	Job Title	1. Did you benefit from LOTFA- SPM sponsored capacity-building or trainings during 2015- 2017?		If "Yes", please briefly describe how this changed the way that you perform your job at MOIA:	2. In your opinion, has overall capacity for payroll management at MOIA increased, decreased or remained the same between 2015- 2017 as a result of the LOTFA- SPM project?		Please provide examples of how MOIA capacity for payroll management has changed over time:
13	DG Personal	Personal File Manager	1		This has supported us to manage personal leaves, statistics and attendance book, it has cleaned the payroll management		1	LOTFA has supported us in HR and financial management and brought facilities in our work in the provinces e.g. attendance book, new statistics form, leave forms to simplify police work, and cleaning the data for 1000 ID cards in the system.
14	DG Audit	Personal File Auditor	1		establishment of payroll management system, quick accessibility to documentations through WEPS, and good payroll management.		1	Development of WEPS is very useful, eased and accelerated the payroll and avoided the over payment in the payroll.
15	DG Audit	Personal File Auditor		1	We have received the training from the DG Audit Office regarding auditing the payroll and documentations.		1	Generating computerized M16 is a positive change. Payroll payment according to the ID cards through Kabul Bank is an indication of improvement
16	DG Audit	Personal File Auditor	1		Only 9 persons from DG Audit has received a 3 days course regarding WEPS		1	WEPS has eliminated a lot of problems; but WEPS itself is also not a complete developed system, it need more work to be completed as technology is changing and improving day by

Survey of MOIA staff obtained LOTFA-SPM sponsored capacity-building trainings									
S N	MOIA Departm ent	Job Title	1. Did you benefit from LOTFA- SPM sponsored capacity-building or trainings during 2015- 2017?		If "Yes", please briefly describe how this changed the way that you perform your job at MOIA:	2. In your opinion, has overall capacity for payroll management at MOIA increased, decreased or remained the same between 2015- 2017 as a result of the LOTFA- SPM project?			Please provide examples of how MOIA capacity for payroll management has changed over time:
									day.
17	DG Prison	Deputy Finance Director and Payroll Manager	1		Payroll process at national and regional level has been established through a computerized online system and caused a lot of facilities; and we can report statistics confidently through WEPS			1	Payroll process has been standardized, corruption eliminated, Ghost police reduced, forms are developed based on standards, barcode system has been established, and our staff capacity has been improved remarkably.

ANNEX 6. Key Statistics for LOTFA-SPM (DRAFT)

*Awaiting more data from SPM Project

Statistical Annex for Evaluation Report: Data Points

Budget and financial cumulative figures compiled for each year and quarter

Amount in USD	Cumulative 2016				Cumulative 2017			
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017
Advance in AFMIS	109,158,810	204,747,845	299,200,000	413,047,645	82,422,215	210,503,882	301,003,807	
Expenditure in AFMIS	87,610,198	192,767,465	298,100,000	406,043,639	98,146,405	200,388,806	300,315,008	

of provinces utilizing digital M-16 in each year.

Digital M-16	Cumulative 2016				Cumulative 2017			
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017
# of provinces utilizing digital M-16				34	34	34	34	34

Yellow highlighted cells means no data available in QPR/APR

of Help Desk calls per quarter/year

Hilp Disk Calls	Cumulative 2016				Cumulative 2017			
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017
# of provinces utilizing digital M-16	586			193	354	198	103	1328

Yellow highlighted cells means no data available in QPR/APR

of payroll stations processing salary on time (per quarter/year)

Payroll Stations	Cumulative 2016				Cumulative 2017		
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017
payroll stations processing salary on time				158	153	153	153

*158 out of 161 payroll stations processed the salaries on-time

*In January 2017, eight payroll stations in Kabul were merged into the Kabul central payroll station for greater efficiency, reducing the total number of payroll stations from 161 to 153.

Yellow highlighted cells means no data available in QPR/APR

% Amount of EFT coverage per quarter/year

EFT Coverage	Cumulative 2016				Cumulative 2017		
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017
% Amount of EFT coverage	87%	88%	89%	89%	91%	91%	91%

Mobile Banking registrations

EFT Coverage	Cumulative 2016				Cumulative 2017		
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017
No. of Mobile Banking Registrations	1,198			3,661			

of MOIA staff required to fully staff the approved "Payroll Unit Plan" vs. # hired as of end-2017

No. of Police	# of MOIA staff required	# hired as of October 2017
	Number	Number
Total Number	157,000	149,879

of MOIA staff trained on Payroll SOPs

No. of MOIA Staff Trained	# of MOIA staff Trained	
	Number	
Payroll SOPs	330	

of MOIA “twinned staff” per each year 2015, 2016 and 2017.

Twinned Staff	Year		
	2015	2016	2017
No. of MOIA “twinned staff”			14

of MOIA staff trained on WEPS

No. of MOIA Staff Trained	# of MOIA staff Trained	
	Number	
WEPS	366	

of SPM donors in each year

No. of Donors	Year		
	2015	2016	2017
No. of Donors	19	16	16

of TWG meetings held each year.

No. of TWG Meeting	Year		
	2015	2016	2017
No. of TWG Meetings held each year		44	7

of MA visits to the provinces on a quarterly/annual basis

MA VISITS	2016				2017		
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017
No. of MA visit to provinces	71	99	77	99			

of ineligible expenses identified per MA report (per quarter or annually)

Expenses [in \$]	Amount of Ineligible Expenses in 2016 [in \$]				Amount of Ineligible Expenses in 2017[in \$]		
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017
Amount of ineligible expenses	4,127,415			323,204	715,633	970,000	1,670,000

“Tashkill” counts per year

Year	Year		
	2015	2016	2017
No. of Tashkill personal	157,000	157,000	157,000

of female police in in WEPS pay list by year

Female Personal	Amount of Ineligible Expenses in 2016 [in \$]				Amount of Ineligible Expenses in 2017[in \$]		
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017
No. of female personal/year/quarter			2,318		2,679	2,705	

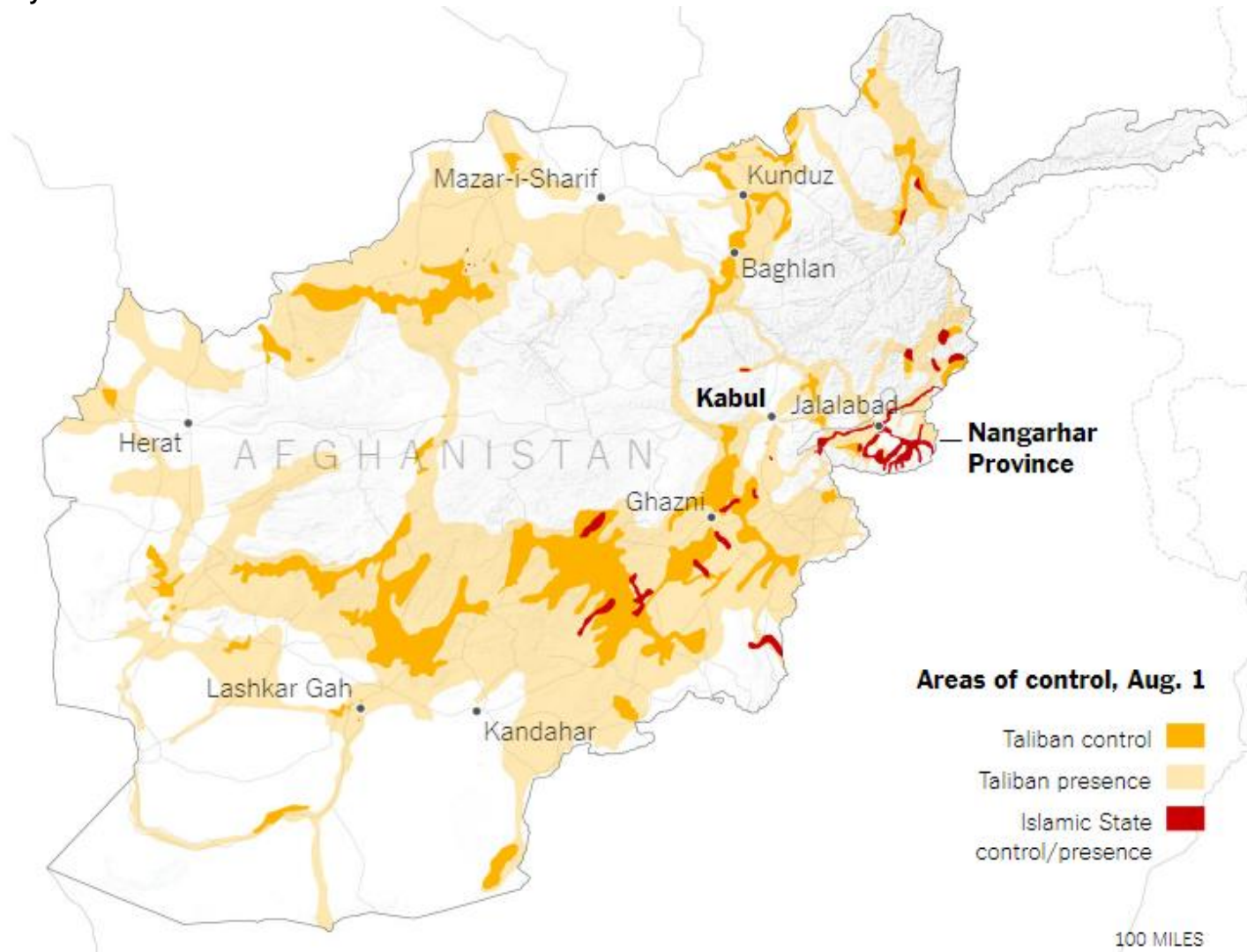
UNAMA estimates for civilian casualties by quarter /year

Civilian Casualties	Year		
	2015	2016	2017
Death	2,682	2,616	2,640
Injured	5,808	5,915	5,379
Total	8,490	8,531	8,019

UNAMA estimates for civilian casualties by quarter /year

Civilian Casualties	Year		
	2015	2016	2017
Death	2,682	2,616	2,640

Country area under effective control of the Taliban



ANNEX 7. List of SPM Project Capacity building trainings conducted in 2016-2017

Dates	Training conducted/ Specific area(s) of training	Target group	Number of trainees
15-17 February 2016	WEPS training in computer lab	GDPDC	2
13 – 15 March 2016	WEPS Training in computer lab	Police Zones	4
9 – 13 April 2016	New changes to WEPS system and official launch of Online Ticketing System, Data Cleansing, LOTFA Commitment letter, Afghanistan National Budget Formulation, Monitoring Agent (MA) roles	PHQs (PHQs Police Head Quarters in 34 provinces) and Police Zones (ANCOP (Afghan National Civil Order Police) in 9 provinces, and ABP (Afghan Border Police) in 8 provinces	54
21 – 23 May 2016	New changes to WEPS system and official launch of Online Ticketing System, Data Cleansing, LOTFA Commitment letter, Afghanistan National Budget Formulation, MA roles	GDPDC (General Directorate of Prisons and Detention Centers in 34 provinces)	54
29 – 31 May 2016	Ad hoc practical WEPS training, Data Cleansing, LOTFA Commitment letter, and Afghanistan National Budget Formulation, MA roles	GDPDC	4
28 – 30 May 2016	New changes to WEPS system and official launch of Online Ticketing System, Data Cleansing, LOTFA Commitment letter, Afghanistan National Budget Formulation, MA roles	ANCOP & ABP (Afghan National Civil Order Police) in 9 provinces & ABP (Afghan Border Police) in 8 provinces,	46
3 – 6 July 2016	WEPS training in computer lab	PHQ	3
1 – 5 October 2016	New changes of WEPS system, introduction to Microsoft SharePoint, and Geographical Information Systems (GIS), Chart of Accounts and allotments, Personnel and Cadre Policy & Data Cleansing, Mobile Money, Budget Formulation and Execution, Policies Awareness, Consultants' findings, Changes in attendance and new leave request form, file management, and MA roles	PHQs and Police Zones, ABP and ANCOP, Provincial Finance Officers (PFOs), Provincial Human Resource Officers (PHROs), SMEs ((CSTC-A Subject Matter Experts/Specialists) in the provinces), Computer Operators	140
25–27 September 2016	WEPS training in computer lab	Police Zones	8
19 – 21 November 2016	New changes of WEPS system, introduction to Microsoft SharePoint, and GIS, Chart of Accounts and allotments, Personnel and Cadre Policy & Data Cleansing, Mobile Money, Budget Formulation and Execution, Policies Awareness, Consultants' findings, Changes in attendance and new leave request form, and MA roles	ABP and ANCOP, PFOs, PHROs, SMEs, Computer Operators	51

13-15 Marcy 2017	i) New changes in WEPS system and digital M16, ii) Online Ticketing System for Helpdesk, iii) HR related matters; iv) finance related matters; and v) quality assurance activities and MA Findings.	PFOs/PHROs from GDPDC	54
23-25 April 2017	i) New changes in WEPS system and digital M16, ii) Online Ticketing System for Helpdesk, iii) HR related matters; iv) finance related matters; and v) quality assurance activities and MA Findings.	PFOs/PHROs from GDPDC	34
20-23 May 2017	The training focused on the use of the new attendance books, leave forms, and the PERSTAT template to submit monthly HR reports.	PFOs/PHROs	270 Subject Matter Experts (SMEs), and computer operators from all 34 provinces
6-7 May 2017	WEPS orientation training: WEPS system, the payroll processes, finance forms, budget codes, internal controls, and verification methods	OIG	9 new civilian auditors

ANNEX 8. Terms of Reference for the LOTFA-SPM Evaluation

International Consultant (Evaluation Expert-Team Leader)

Location :	UNDP/LOTFA-SPM, Kabul, AFGHANISTAN
Application Deadline :	20-Sep-17 (Midnight New York, USA)
Type of Contract :	Individual Contract
Post Level :	International Consultant
Languages Required :	English
Duration of Initial Contract :	4 weeks (with maximum 20 Working days)

Background

UNDP Global Mission Statement

UNDP is the UN's global development network, an organization advocating for change and connecting countries to knowledge, experience and resources to help people build a better life. We are on the ground in 166 countries, working with national counterparts on their own solutions to global and national development challenges.

UNDP Afghanistan Mission Statement

UNDP supports stabilization, state-building, governance and development priorities in Afghanistan. UNDP support, in partnership with the Government, the United Nations system, the donor community and other development stakeholders, has contributed to institutional development efforts leading to positive impact on the lives of Afghan citizens. Over the years, UNDP support has spanned such milestone efforts as the adoption of the Constitution; Presidential, Parliamentary and Provincial Council elections; institutional development through capacity-building to the legislative, the judicial and executive arms of the state, and key ministries, Government agencies and commissions at the national and subnational levels.

UNDP has played a key role in the management of the Law and Order Trust Fund for Afghanistan (LOTFA), which supports the Government in developing and maintaining the national Police force and in efforts to stabilize the internal security environment. Major demobilizations, disarmaments and rehabilitations and area-based livelihoods and reconstruction programmes have taken place nationwide. UNDP Programmes in Afghanistan have benefited from the very active support of donors. UNDP Afghanistan is committed to the highest standards of transparency and accountability and works in close coordination with the United Nations Assistance Mission in Afghanistan and the UN system as a whole to maximize the impact of its development efforts on the ground.

Organizational Context

Law and Order Trust Fund for Afghanistan (LOTFA)

The new LOTFA consists of two Projects. One Project, the Support to Payroll Management Project (SPM), provides exclusively for full MOIA payroll management until December 2016. The second LOTFA Project, MOIA and Police Development Project (MPD), is centered on developing national capacity for self-sustained reform and improvement of the MOIA as an institution, and the police services as instruments for citizen safety and maintenance of the rule of law. The two new Projects were jointly developed by GIROA, MOIA, UNDP, donors and other partners.

Support to Payroll Management Project (SPM)

The SPM is a dedicated payroll management project with approximately 40 national staff and 3 international staff working closely together with MOIA staff from the Budget & Finance, HR and ICT departments to ensure timely payment of Salaries and incentives to the Afghan National Police (ANP) and Central Prison Department (CPD) officers.

The expected outcome of the SPM project is GIROA's (i.e. MOIA) ability to independently manage all non-fiduciary aspects of payroll for the ANP and CPD, including producing relevant reports for donors in their specified formats. MOIA should also be able to manage the full range of functions related to payroll, i.e. human resources, accounting, and information and communication technology in a seamless manner.

The project is divided into 6 outputs as follows:

- Output 1 entails having in place updated legislative, policy and regulatory framework and business processes, implemented and functional in support of independent MOIA payroll management.
- Output 2 entails MOIA personnel (in Payroll, Human Resources (HR), Finance and Budget as appropriate) being able to independently undertake all payroll inputs, processing and validation tasks to agreed and measurable standards, using the reliability, accuracy and timeliness of personnel data and payroll to support improved evidence-based planning, prioritization and decisions.
- Output 3 covers MOIA's payroll systems which should electronically be linked with HR systems, implemented and operational nationwide, and covers all pertinent and validated personnel. Three interconnected activity results are to be achieved for the overall achievement of this Output.

- Output 4 covers the provisions of the necessary infrastructures to support the full functionality of MOIA payroll systems during and after the SPM project.
- Output 5 is the core function of the SPM project as it entails the transfer of funds, on a timely and regular basis, to MOF for Police Pay.
- Output 6 is the SPM Project management component which is to ensure that the rest of the outputs get implemented in accordance with the project document and in a timely, efficient, accountable and effective manner.

Objective of the Assignment

As per the UNDP project management cycle, a mid-term evaluation of the project is to be conducted.

The main purpose of the evaluation is to evaluate the project achievements from the inception (i.e. 01 July 2015) till now, and to help guide the project's implementation from now till end of the project to realize its objective. The MTE is also meant to synthesize lessons to help improve the project design and implementation of project activities.

The findings and recommendations will be insightful for UNDP as it works to improve the planning, design and management of the SPM, and for the international community to continue their support to LOTFA. In the evaluation of SPM, the effectiveness, efficiency, relevance, impact and sustainability of UNDP's involvement and its added value will be considered. The evaluation will examine UNDP's technical support and oversight mechanism and assess whether and where UNDP was successful in fulfilling this function and whether certain aspects could have been done better and how.

Duties and Responsibilities

Scope of Work and Deliverables:

The specific deliverables of this assignment are as follows:

As per the UNDP project management cycle, a midterm evaluation of the project is to be conducted. The main purpose of this evaluation is to assess the effectiveness and impact of SPM against its objectives set out in the project document 01 July 2015 – 31 December 2017.

The findings and recommendations will be insightful for UNDP as it works to improve the planning, design and management of the project and for the international community to continue their support to SPM.

In the mid-term evaluation of SPM, the effectiveness, efficiency, relevance, impact and sustainability of UNDP's involvement and its added value will be considered. The evaluation will examine UNDP's technical support and oversight mechanism and assess whether and where UNDP was successful in fulfilling this function and whether certain areas could have been done better and how.

Evaluation Scope and objectives:

The evaluation will cover all outputs of SPM and results achieved under each output. The evaluation team will analyze the design, implementation, outputs, outcome, impact, and sustainability dimensions of SPM. In looking at the sustainability dimensions of SPM, the evaluation team should identify the gaps between the medium and long-term needs of MOIA and SPM support. The team should also review the effectiveness, efficiency, relevance and sustainability of the project.

Each of these aspects will be assessed through following evaluation questions as follows:

Effectiveness: Provide a comprehensive analysis of the effectiveness of implementation of SPM, with regards to the relation between the inputs, outputs, and activities, analyzing whether these are logical and commensurate with the needs and resources allocated to the project. Analyze the quality of program design. Analyze whether activities are achieving satisfactory results in relation to stated objectives short and long term. The evaluation should review all outputs of SPM and respond to the below questions:

- Has SPM successfully delivered on the results as identified under each of the project outputs? What were the major factors that influenced the achievement or non-achievement of the objectives;
- Did the ANP and GDPDC personnel funded through SPM received their monthly remunerations in a timely and effectively manner in all 34 provinces;
- How has sustained salary payment of ANP led to increased presence of ANP across the country? Is there a logical correlation between the amount of funding towards salary payment and growth of the police force over time;
- Has the Web-enabled Electronic Payroll System (WEPS) and Electronic Funds Transfer (EFT) contributed towards accountability and transparency in police salary payment at police payroll stations (PHQs, ANCOP, ABP and CPD);
- How effective was the governance arrangement of the project? To what extent has there been collaboration and communication among UNDP, donors and MOIA at the central level? How effective have the capacity development initiatives undertaken by SPM been? Have the initiatives been adequate and resulted in sustainable capacity in the target MOIA departments at the central, provincial and regional offices;
- How effective has SPM been in addressing the challenges in salary payments through different mechanisms i.e. WEPS, Trusted agent and mobile money;

- Has the capacity development support of SPM to the ANP led to an increased public financial management capabilities within MOIA;
- How effective and efficient were the lines of reporting between UNDP and MOIA, and how clear was the division of responsibilities and accountability of various functions and activities between the government and UNDP;
- How was the overall project designing process? Was it designed through a consultative process with MOIA counterparts, donors and other stakeholders;
- Was the oversight role provided by the UNDP country office effective? Were there oversight control mechanisms in place and was UNDP successful in fulfilling this function;
- How effective was the international partners' role in SPM including funding, implementation of activities, communication and overall coordination.

Efficiency:

- To what extent are funding, staff, and other resources used to achieving the expected results of the project;
- Based on cost-benefit analysis what conclusions can be drawn regarding 'value for money' and cost related efficiencies or inefficiencies in implementing SPM;
- What was the quality and timeliness of the implementation of activities and the responsiveness of the project to adapt and respond to changes and challenges;
- What were the risks and how effective was expectation management;
- Were the organizational structures, management, planning and implementation processes effective and efficient;
- Did the project/intervention use the resources in the most economical manner to achieve its objectives? Have the resources invested led to the achievement of the intended results? What lessons can be taken going forward on how to increase the efficiency of SPM;
- How effective and efficient was UNDP's support in each of the various areas where UNDP was involved (UNDP support at the central, provincial, operational and technical level).

Sustainability:

The evaluation should have an in-depth review of SPM sustainability and provide recommendations for future improvements in terms of sustainability, both financially and substantively:

- What is the sustainability of the results achieved, with focus on capacities built and ability of the institutions to operate with reduced international technical assistance in the future;
- How predictably and regularly have resources been supplied to SPM? What can be done to improve the predictability and sustainability/efficiency of fund raising;
- To what extent are SPM capacity building initiatives/trainings sustainable in MOIA to operate with reduced international technical assistance in the future;
- To what extent is the GIROA taking measures for the fiscal sustainability of the ANP;
- What is the possible scope of future support including exit strategy and recommendations on how best the project can maximize the transfer of project activities and resources to MOIA in a systemic manner? What are other resources (both human and financial) to be used to sustain the program;
- What is needed for the programme/intervention to be adapted/replicated further? What are people's resources, motivation and ability to continue these activities in the future.

Impact:

Take stock of overall SPM impact and respond to the questions below:

- What are the results of intervention in terms of changes in the lives of beneficiaries against set indicators;
- To what extent has SPM impacted the wider objective of re-building the ANP? What changes, both positive and negative, both intended and unintended, can be attributed to the interventions;
- What is the estimated impact of the SPM funding on overall security in the country;
- What were the intended and unintended aspects of the program related to the political, security and developmental dimensions;
- What would be key recommendations (at both operational and strategic level) in regard to the future of SPM;
- What has been the impact of the chosen modality National Implementation Modality (NIM) of project implementation on MOIA capacity building.

Relevance / National Ownership:

UNDP weighs national ownership as the highest priority and it is no different in SPM. All activities were nationally led and owned for sustainable results' delivery. Hence, the evaluation should give this aspect specific consideration and respond to the questions below:

- What is the value/relevance of the intervention in relation to the national and international partners' policies and priorities;
- How effective was SPM in garnering national ownership of the activities;

- What were good practices? Where was the project not able to deliver on enhancing national ownership and why;
- How much support did the Government provide to SPM's efforts to garner national ownership;
- Provide a comprehensive analysis of the overall national ownership building efforts and identify strengths and weaknesses.

Methodology:

One International (Team Lead) and one National Consultant will be hired to engage in a consultative process with the relevant GIROA institutions, International Community, LOTFA Project Board members, UNDP Country Office (CO), and to assess the challenges and processes and provide recommendations for the future.

The team leader will propose an evaluation methodology and agree on a detailed plan for the assignment as part of the evaluation inception report. The national consultant will assist the team leader with research (for example revising documents in Dari and Pashtu), facilitate meetings with national counterparts and provide translation services. The methodology will include:

- **Desk study:** The evaluation team should examine all relevant SPM documents (including project design, work plans, progress, quarterly and annual progress reports, assessments, board documents, monitoring reports, etc.). These documents will be provided by UNDP;
- **Development and finalization of methodology:** The evaluation team will have a kick-off meeting with relevant counterparts and will finalize the tools for collection and analysis of data. This will be done in close consultation and discussion with UNDP CO, SPM project management, National Director for the project, MOIA and MOF staff and donors;
- **Field visits:** The team should study the work of SPM in two representative provinces. The team should also interview with the Provincial Chief of Police, interested civil society organizations, women's groups, UN relevant agencies, and donors;
- **Interviewing line ministries and stakeholders:** The evaluator should also hold interviews with line ministries' officials at central and sub-national level of MOIA, and MOF. The team will also interview local communities, men and women. Furthermore, senior management and other key focal points in SPM, senior management and other key focal points in UNDP, key managerial and advisory staff in LOTFA, and representatives of all donor partners contributing to SPM need to be interviewed (key informant interviews, focus group discussions, as appropriate);
- **Review and finalization of report:** The draft of the evaluation report will be shared with all stakeholders for feedback/ comments and inputs incorporated as applicable in the final report.

Evaluation Reference Guidelines

Evaluation Product (Deliverables)

The deliverables of the evaluation are comprised of:

- **Evaluation Work Plan:** A work plan specifying the start and end date of the evaluation to identify how and when the evaluation team is going to conduct the evaluation;
- **Evaluation Inception Report:** An inception report should be prepared by the evaluation team before going into the full-fledged data collection exercise. It should detail the evaluation team's understanding of what is being evaluated and why, showing how each evaluation question will be answered by way of: proposed methods, proposed sources of data and data collection and analysis procedures. The inception report should include a proposed schedule of tasks, activities and deliverables, designating a team member with the lead responsibility for each task or product. Prior to preparing the report, a detailed report format should be submitted for UNDP's approval;
- Presentations of preliminary findings;
- **Draft Evaluation Report:** A draft report for review and inputs from all project partners;
- **Workshop:** A half-day workshop for all relevant stakeholders at central level where the evaluation team presents and seeks consultation on its findings and recommendations;
- **Final Evaluation Report:** A final report of no more than 40 pages plus annexes to be submitted to UNDP.

Evaluation Team Composition and Required Competencies

- The evaluation team will be comprised of a team of two persons: one international consultant (team leader) with one national assistant;
- The international Expert must have solid understanding of research methods and a minimum of 8 years of work experience in the relevant areas as specified below:
- Security sector or police reform, institutional strengthening and capacity building of which at least five years should be experience of working for, or closely partnering with, international organizations working in a developing country context;
- Experience in conducting first hand project evaluations in the UN context utilising a variety of methodologies;
- Advanced degree in financial management, business administration, law, public affairs or international developments studies;

- Experience in evaluation of law enforcement and capacity building projects;
- Extensive experience in conflict countries, institution and state building initiatives;
- Knowledge of Afghanistan country context and the state's institutional framework;
- Experience in undertaking evaluation reviews/studies and impact assessments of development projects; knowledge of management and implementation of trust funds will be an advantage;
- Ability to present information in transparent and comprehensive manner;
- Written and spoken fluency in English, knowledge of local languages is an asset.

Evaluation Ethics

The evaluation will be conducted in accordance with the principles outlined in the Ethical Guidelines for Evaluation (UNEG 2008) and the evaluation team must take measures to ensure compliance with the evaluator code of conduct (e.g. measures to safeguard the rights and confidentiality of their sources, provisions to collect and report data, particularly permissions needed to interview or obtain information about children and young people, provisions to store and maintain security of collected information; and protocols to ensure anonymity and confidentiality). The evaluation will also be in line with the UNEG and UNDP Evaluation Norms and Standards.

Expected Outputs and Deliverables; Estimated Duration to Complete; Payment:

The estimated time for the consultant to conduct this evaluation is 20 working days over a period of one month and is scheduled to start in October 2017. A tentative time table is outlined below that could be amended in consultation with UNDP.

- Desk review (3 days) **10%**
- Support finalization of the evaluation design and methods and preparing the detailed inception report (3 days) **10%**
- In-country evaluation mission (visits to the field, interviews, questionnaires) – (7 days) **20 %**
- Analysis of the information collected and preparing the draft report (3 days) **10%**
- Stakeholder meeting and presentation of the preliminary findings (1 day) **10%**
- Incorporating comments **and submission and acceptance of final evaluation report** (3 days) **40%**

Payment Modality

Payments under the contract shall be delivery based and be made on receipt of the specific milestone reports indicated above, and including a timesheet according to UNDP procurement formats for individual contractors. These shall be as indicated in the table above, and shall be made upon approval by Head of Rule of Law & Human Security Unit. Upon receipt of final comments, the consultant shall finalize the report for formal acceptance by UNDP at which point the final payment shall be released.

Competencies

Competencies

- Demonstrates integrity by modelling the UN's values and ethical standards;
- Promotes the vision, mission, and strategic goals of UNDP;
- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability;
- Treats all people fairly without favouritism.

Special skills requirements

- Proven knowledge of evaluation methods;
- Seeks and applies knowledge, information, and best practices from within and outside of UNDP.

Management and Leadership:

- Builds strong relationships with clients, focuses on impact and result for the client and responds positively to feedback;
- Consistently approaches work with energy and a positive, constructive attitude;
- Demonstrates openness to change and ability to manage complexities;
- Ability to lead effectively, mentoring as well as conflict resolution skills;
- Demonstrates strong oral and written communication skills;
- Remains calm, in control and good humoured even under pressure;
- Proven networking, team-building, organizational and communication skills.

Required Skills and Experience

Academic Qualifications:

- Advanced university degree in relevant disciplines (e.g., public administration, business administration, international relations, peace and conflict studies, political science, social science, Law and related fields).

Years of experience:

- The team leader must have a minimum of of work experience in the areas of Law, Police reform, Security sector programme management, community recovery, reconciliation, and institutional strengthening;
- Experience in organizational management, structures and systems, operations, capacity development, reporting, and monitoring is desired but not essential;
- Experience in working internationally at the national and sub national human security sphere.

Language:

- Excellent written and oral English skills a necessary requirement;
- Competence in Dari and/or Pashtu is an asset.

Work Arrangements

Institutional Arrangements

- The International Consultant (IC) will work under the overall supervision of the Head of Rule of Law & Human Security Unit. The Consultant shall work in close collaboration with LOTFA SPM;
- UNDP office will provide office space and internet facility, logistical and other support service including transport and security applicable to UNDP international personnel. The Consultant however is expected to bring his/her own laptop and mobile phone and meet local communications costs (LOTFA/SPM will provide a local pre-paid SIM card). Costs to arrange meetings, workshops, travel costs to and DSA during field visits (if any), etc. shall be covered by LOTFA/SPM project.

Duration of the Work

- The performance under the contract shall take place over total contract duration of 20 working days over 4 weeks period, excluding joining and repatriation travel days. The target date for the start of work will be around October 2017 depending on the availability of the appropriate Consultant.

Duty Station

- The duty station for the contractor is Kabul, Afghanistan for the entire duration of the contract. Some field visits outside Kabul are envisaged under the contract and therefore the IC will undergo a 3 days SSAFE training. The Contractor will be required to report regularly and be present at LOTFA/SPM project office (MOIA and/or UNOCA) during the working hours, security conditions permitting. The contractor will follow the working hours and weekends as applicable to LOTFA/SPM staff. Contractor's movement for meetings and consultations shall be coordinated by LOTFA/SPM project office. The contractor is at all times required to observe UNDP security rules and regulations.

Price Proposal and Schedule of Payments:

The contractor shall submit a price proposal as below:

- Daily Fee – The contractor shall propose a daily fee which should be inclusive of his professional fee, local communication cost and insurance (inclusive of medical health and medical evacuation). The number of working days for which the daily fee shall be payable under the contract is **20 working days**;
- Living Allowance (LA) – The contractor shall propose a LA at the Kabul applicable rate of **USD 162 per night** for his/her stay at the duty station. The number of nights for which the LA shall be payable under the contract is **28 nights**. The contractor is **NOT** allowed to stay in a place of his/her choice other than the UNDSS approved places. UNDP will provide MORSS compliant accommodation in UNOCA to the contractor. The payment of accommodation shall be made directly to the contractor;
- Travel & Visa – The contractor shall propose an estimated lump sum for home-Kabul-home travel and Afghanistan visa expenses.

The total professional fee, shall be converted into a lump sum contract and payments under the contract shall be made on submission and acceptance of deliverables under the contract in accordance with the abovementioned schedule of payment.

Evaluation Method and Criteria

Individual consultants will be evaluated based on the following methodology:

Cumulative analysis:

The award of the contract shall be made to the individual consultant whose offer has been evaluated and determined as:

- Responsive/compliant/acceptable, and;
- Having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation.

* Technical Criteria weight 70%

* Financial Criteria weight 30%

Only candidates obtaining a minimum of 49 points (70% of the total technical points) would be considered for the Financial Evaluation.

Technical Criteria – Maximum 70 points:

Technical Proposal (30 marks)

- Technical Approach & Methodology (20 marks) – This explain the understanding of the objectives of the assignment, approach to the services, methodology for carrying out the activities and obtaining the expected output, and the degree of detail of such output. The Applicant should also explain the

methodologies proposed to adopt and highlight the compatibility of those methodologies with the proposed approach;

- Work Plan (10 marks) – The Applicant should propose the main activities of the assignment, their content and duration, phasing and interrelations, milestones (including interim approvals by the Client), and delivery dates. The proposed work plan should be consistent with the technical approach and methodology, showing understanding of the TOR and ability to translate them into a feasible working plan.

Qualification and Experience (40 marks) [evaluation of CV]

- General Qualification (10 marks);
- Experience relevant to the assignment (25 marks);
- Experience of working for projects funded by UNDP (5 marks).

Documents to be included when submitting the proposals:

Interested individual consultants must submit the following documents/information to demonstrate their qualifications in one single PDF document:

- Duly accomplished Confirmation of Interest and Submission of Financial Proposal Template using the template provided by UNDP (Annex II);
- Personal CV or P11, indicating all past experience from similar projects, as well as the contact details (email and telephone number) of the Candidate and at least three (3) professional references.

Technical proposal:

- Brief description of why the individual considers him/herself as the most suitable for the assignment;
- A methodology, on how they will approach and complete the assignment and work plan as indicated above.