

Report

Midterm Review of the National Area Based Development Project Ministry of Rural Rehabilitation and Development UNDP Afghanistan

Submitted by Mid Term Review Team Members

Dr. Annette Ittig Team Leader,
DR. Prabir Majumdar, Rural/Gender Expert,
DR. Mozzam Ahmad, Technical Expert
Ms. Ragina Hamidi, Gender Expert

April 2008

Acknowledgements

I am pleased to take this opportunity to express my appreciation to the many people who facilitated the research and field work in Afghanistan for the review team during our midterm assessment of the National Area Based Development Programme (“NABDP”).

I am particularly grateful to the other members of the NABDP midterm review team, especially to Ms. Rangina Hamidi, our gender specialist, who provided invaluable insights based on her extensive grassroots experience in Kandahar, and to Eng. Moazz Ahmed, our technical expert, who shared his extensive knowledge of infrastructure projects, procurement procedures and other engineering-related topics. Their findings, comments and recommendations have been incorporated into the body of this report; and their separate, individual contributions are presented, respectively, in “**Annex 6 – Gender in NABDP Phase II**”, and in “**Annex 5 - Implementation Support – Supplementary Technical and Cost Analysis Data, Comments and Recommendations**”. Prabir Mumanjar, who initially joined the review team as the gender and development specialist, has contributed some of the preliminary notes on institutional development.

Each of the team benefited from the support and resourcefulness of NABDP and MRRD colleagues in Kabul and in the field, including Neil Best, Feda Rahimi, Mr. Sadry, Akhtar Kuhestani, Ms. Nika Saeedi, Ms. Alison Rhind, Mr. Omarkhail, and Mr. Tariq Esmati. The assistance provided by Eng. Karim Matin, from NABDP, who accompanied us on most of our project site visits, is much appreciated, as is that of all of the other NABDP and MRRD colleagues who supported this project, particularly the regional offices

I would as well like to thank Ms. Nouchine Yaravi, Head of Office, UN-Habitat, whose team, including Dr. Hamida Noori and Ms Gol Gohtai Sahibayan, facilitated group discussions for us with local community groups in Kapisa, Jalalabad and Kandahar; as well as all of the Government of Afghanistan, UN and NGO colleagues, as well as donor representatives, who took time to meet with us for the review.

Above all, the team is indebted to each of the Afghan women, and men, who shared information about their communities with us.

The statements expressed herein are those of the authors and do not necessarily represent the official views of the NABDP or UNDP.

Dr. Annette Ittig
Team Leader, NABDP Midterm Review

April-2008

ACRONYMS

ABD	AREA BASED DEVELOPMENT
AIRD	AFGHAN INSTITUTE FOR RURAL DEVELOPMENT
ANDS	AFGHANISTAN NATIONAL DEVELOPMENT STRATEGY
AREU	AFGHAN RESEARCH AND EVALUATION UNIT
AREDP	AFGHAN RURAL ENTERPRISE DEVELOPMENT PROGRAMME
CDC	COMMUNITY DEVELOPMENT COUNCIL
CE	COMMUNITY EMPOWERMENT
CIDA	CANADIAN INTERNATIONAL DEVELOPMENT AGENCY
CPAP	COUNTRY PROGRAMME ACTION PLAN
DDA	DISTRICT DEVELOPMENT ASSEMBLY
DDP	DISTRICT DEVELOPMENT PLAN
DDR	DISARMAMENT, DEMOBILIZATION AND REINTEGRATION
DIAG	D ILLEGAL ARMED GROUPS
DFID	DEPARTMENT FOR INTERNATIONAL DEVELOPMENT (UK)
ER	ECONOMIC REGENERATION
FAO	FOOD AND AGRICULTURE ORGANIZATION
FP	FACILITATING PARTNER
GoA	GOVERNMENT OF AFGHANISTAN
IARCSC	INDEPENDENT ADMINISTRATIVE REFORM AND CIVIL SERVICE COMMISSION
ID	INSTITUTIONAL DEVELOPMENT
IDLG	INDEPENDENT DIRECTORATE FOR LOCAL GOVERNANCE
ILO	INTERNATIONAL LABOUR ORGANIZATION
IS	IMPLEMENTATION SUPPORT
MDGS	MILLENNIUM DEVELOPMENT GOALS
MOA	MINISTRY OF AGRICULTURE
MRRD	MINISTRY OF RURAL RECONSTRUCTION AND DEVELOPMENT
MYFF	MULTIYEAR FUNDING FRAMEWORK
NABDP	NATIONAL AREA BASED DEVELOPMENT PROGRAMME
NIM	NATIONAL IMPLEMENTATION MODALITY
NSP	NATIONAL SOLIDARITY PROGRAMME
PRRD	PROVINCIAL RURAL RECONSTRUCTION AND DEVELOPMENT DIRECTORATE
PRT	PROVINCIAL RECONSTRUCTION TEAM
UNAMA	UNITED NATIONS ASSISTANCE MISSION IN AFGHANISTAN
UNCT	UNITED NATIONS COUNTRY TEAM
UNDAF	UNITED NATIONS DEVELOPMENT ASSISTANCE FRAMEWORK
UNDP	UNITED NATIONS DEVELOPMENT PROGRAMME
UNHABITAT	UNITED NATIONS HUMAN SETTLEMENTS
UNHCR	UNITED NATIONS HIGH COMMISSION FOR REFUGEES
WB	WORLD BANK
WFP	WORLD FOOD PROGRAMME

TABLE OF CONTENTS

Acronyms	2
Table of Contents	3
Figures	
1. Map – NABDP coverage in Afghanistan (projects)	
2. Map – DDA establishment	
3. Map – Donor Funding for NABDP by province	
4. Implementation Support (a)	
5. Implementation Support (b)	
6. Implementation Support (c)	
Executive Summary	4
I. Introduction	9
A. The Area Based Development Approach	9
B. The Afghanistan Context and the Rationale for the NABDP	9
C. Programme Objectives, Linkages, Components	9
D. Midterm Review Objectives and Methodologies	10
E. Risks, Constraints and Assumptions	11
II. Programme Management – Evaluation Findings	
III. Programme Implementation - Evaluation Findings	11
A. Community Empowerment Component	11
1. Project Design Relevance, Intended Outputs and Assumptions	12
2. Actual Outputs – Effectiveness, Efficiency, Sustainability	13
3. Outcomes/Results	14
B. Economic Regeneration Component	15
1. Project Design Relevance, Intended Outputs and Assumptions	16
2. Actual Outputs – Effectiveness, Efficiency, Sustainability	17
3. Outcomes/Results	18
C. Institutional Development Component	19
1. Project Design Relevance, Intended Outputs and Assumptions	19
2. Actual Outputs - Effectiveness, Efficiency, Sustainability	24
3. Outcomes/Results	24
D. Implementation Support Component	

1. Project Design Relevance, Intended Outputs and Assumptions	
2. Actual Outputs - Effectiveness, Efficiency, Sustainability.....	
3. Outcomes/Results	24

III. Other findings	
IV Summary Analysis and Lessons Learned.....	24
V Recommendation.....	25
VI Conclusion	27
References.....	28

ANNEXES

Annex 1: Terms Of Reference.....	1-1
Annex 2: Table Of Site Visits And Persons Met.....	2-1
Annex 3: List Of Respondents	3-1
Annex 4: List of NABDP Phase II projects	4-1
Annex 5: Technical Annex by Eng. M. Ahmed.....	5-1
Annex 6: Gender Parity Issues in the NABDP by Ms. Rangina Hamidi.....	6-1
Annex 7 Evaluators Powerpoint Presentation to Stakeholders, Kabul, April 2008	7-1
Annex 8 MRRD Procurement Department: New Project Information	8-1
Annex 9 Rudat DDA, Nangahar, Excerpt of Proposal for Sugar Cane Business	9-1
Annex 10 Sample Monitoring Reports for NABDP Kandahar CIDA-Funded Project.....	10-1

EXECUTIVE SUMMARY

1. **Area Based Development Approach.** Area based development focuses upon the challenges of specific geographical areas where the degree of vulnerability and disadvantage distinguishes those areas from the rest of the country. In such contexts, area based programming aims to reduce the disparities between areas and groups, through investment in infrastructure, local economic development and, usually, subnational governance initiatives. It is particularly appropriate in post-conflict countries, like Afghanistan, where certain locations may have incurred greater damages than others.
2. **Rationale for the UNDP/MRRD National Area Based Development Programme.** At the 2002 Tokyo conference, the Government of Afghanistan's ("GoA") expressed to the donor community the need for area based programming in the country's reconstruction. The resultant National Area Based Development Programme ("NABDP") was launched as a National Priority Programme in 2002, with a Memorandum of Understanding between UNDP and the Ministry of Rural Reconstruction and Development ("MRRD"). The programme is implemented by MRRD, in the National Implementation Modality ("NIM"), and UNDP provides financial and substantive oversight.
3. The original focus of NABDP I was on priority recovery and macroeconomic regeneration in ten of Afghanistan's most vulnerable and disadvantaged areas, and on support to develop the institutional capacity of MRRD to plan and manage those activities. Shortly after its inception, NABDP was expanded to national coverage, as complex emergency conditions then existed throughout the country.
4. NABDP Phase I was completed in December 2005. Its Phase II, which is the subject of this midterm review, began in February 2006 and will be completed at the end of December 2008.
5. **Programme objectives, linkages, components.** The core objectives of NABDP Phase II involve support to local governance, poverty reduction, and institutional capacity development, through the following four project components:
 - institutional development
 - community empowerment
 - economic regeneration and
 - implementation support (social and productive infrastructure)

A fifth component, rural energy, was incorporated into the NABDP in March 2008. At the time of writing, however, it is not yet operational; and it is therefore not included in this review. Additionally, three related projects, the DIAG, CNTF and I-ALP-K, report directly to the NABDP programme manager.

6. The NABDP II is linked both to Government of Afghanistan policy frameworks, such as the Afghanistan National Development Strategy ("ANDS"), particularly its Agriculture and Rural Development sector strategy, and to the Afghanistan Compact, as well as to UN and UNDP programming framework such as the United Nations Development Assistance Framework ("UNDAF") and the UNDP Afghanistan Country Programme Action Plan ("CPAP").

7. The budget for the current phase of NABDP is US \$182,000,000; and the programme receives support from the governments of Canada, Japan, the United Kingdom, the Netherlands, Belgium and the United States, as well as from UNDP, which is also the agency through which all funding is currently channeled. The main partners for the programme are the GoA (MRRD and Ministry of Economy, other line ministries and provincial governments), UN agencies (UNDP, UNHCR, UNAMA), other national programmes (National Solidarity Programme), UNHABITAT and NGO Facilitating Partners, local communities and donors.
8. **Review Objectives.** This midterm review of the NABDP Phase II was commissioned by UNDP Afghanistan. The aims of this review were to assess the relevance, effectiveness, efficiency and sustainability of the programme, according to current field and organizational contexts. Lessons learned were to be distilled from its findings; and recommendations for the remainder of its Phase II, as well as strategies for follow on activities, were to be formulated. The aims of the review and the programme's strategic goals are described in the consultant evaluators' Terms of Reference ("TOR"), attached herewith as Annex 1, "**Terms of Reference**".
9. **Review relevance.** This midterm review is particularly timely in view of the significant changes in the country's political and security contexts since the 2006 inception of Phase II; and the evolution of MRRD strategies to better align with the ANDS, launched in March 2008. NABDP itself has expanded more rapidly than originally planned in its 2006 Programme Document; and it has taken on activities not envisaged in its programme design, such as facilitation of the SNC. It is therefore appropriate that NABDP be reviewed now to ensure that it can meet the current challenges for rural development
10. **Review Methodologies – Literature Review, Interviews, Site Visits and Stakeholder Consultations.** The review methodologies followed a participatory and consultative approach. The review included a literature review (sources are listed in "**References**" below), semi-structured key informant interviews and focus group discussions, as well as project site visits within Kapisa, Panjshir, Nangahar, Kandahar and Balkh provinces. (These sites are listed in Annex 2 "**Table of Site Visits and Persons Met**").
11. Nearly 150 respondents, among them UNDP and other UN agency representatives, donors, government officials and NGO respondents were interviewed. Male and female DDA representatives, as well as female CDC members in Kandahar, were also interviewed (see Annex 3, "**Respondents**").
12. In the absence of a results-based logical framework for the programme, the review measured progress against plan according to the ANDS benchmarks, NABDP's annual workplans and the NABDP project document's "Results and Resources Framework", and the UNDP CPAP expected outputs.
13. The evaluators as well undertook a powerpoint presentation of their preliminary findings and recommendations to stakeholders in Kabul upon completion of their fieldwork (Annex 4, "**Stakeholders Presentation in Kabul, 15 April 2008**"), the feedback from which has been incorporated into the midterm review report.
14. **Constraints, Risks and Assumptions.** The security situation in Afghanistan is fluid; and security concerns and logistical challenges, as well as the mission's restricted timeframe (26 field days), limited the scope and depth of the report as initially envisaged in the missions ambitious TOR, including much of the review's proposed fieldwork.

15. Access to project sites and beneficiaries was particularly limited in Kandahar. It was, therefore, not possible to undertake the finegrained analysis of the “Kandahar model”, which was to include an in-depth discussion of security and development linkages. Alternatively, the review has suggested selected topics for post-review analysis, which could subsequently be included in the final report as addenda. These are listed below, under “**Suggested Topics for Post-review Analysis**”.
16. For areas which were not accessible, the team was obliged to rely upon credible secondary sources and photographic documentation.
17. The turnover of staff at UNDP, NABDP and MRRD as well hindered the collection of background information on the inception and implementation of the programme. Moreover, the team was unable to benefit from the NABDP programme manager’s input into the initial stakeholder mapping and workplan preparation, as he was out of country.
18. **Overall Programme Concept and Design.** The NABDP concept and programme objectives are closely linked to national development priorities, as articulated in the Afghanistan National Development Strategy, particularly its Agricultural and Rural Development Sector Strategy. Rural development, governance and institutional capacity building needs in Afghanistan remain great; and support to subnational governance initiatives, organizational development and economic revitalization, thus remains a **relevant and appropriate** issue for donor support in achieving Afghanistan’s development strategies and the MDGs in that country.
19. **Programme Design.** NABDP is an ambitious and complex programme with four main components which do not consistently link to each other in as cohesive a manner as initially planned. Since 2006, NABDP has expanded rapidly, as one of the programmatic vehicles of choice for donors. As NABDP is taking on responsibility for more projects and components, there is a risk that the programme’s effectiveness will be diluted.
20. **Programme design – crosscutting issues.** Within the programme design, certain key crosscutting issues such as gender and capacity building have not been equally well understood or well-integrated into each of its four components.
21. **Programme Design - Exit strategy.** There is no time bound exit strategy for the handover of the programme to MRRD, or for the decrease the number of international advisors who provide technical assistance to NABDP.
22. **Programme design - lack of monitoring and reporting mechanism.** The programme design for NABDP Phase II did not include an in-house M&E unit. This responsibility was deferred to the MRRD M&E Unit. As a result, programme monitoring and reporting in Phase II has generally not been undertaken in a timely fashion, although the programme has recently established an M&E and Reporting Unit to address these issues more **efficiently and effectively**.
23. **Findings – Community Empowerment Component: Efficiency, Effectiveness, Results.** One of the greatest achievements of NABDP Phase II has been the facilitation of the 2006 subnational governance consultations (“SNC”) and the subsequent establishment of District Development Assemblies (“DDA”s) and support to the production of District Development Plans (“DDP”s). The Community Empowerment unit’s quantitative goal for DDA establishment throughout the country in Phase II is on schedule, despite security constraints and regional funding inequities in the programme.
24. The results for the intended follow on outputs/results for this achievement, however, are mixed. The operational guidelines have been revised and engendered, but the articulation of

a clear, simple TOR for the DDAs from those guidelines has not yet been articulated. In the review, the DDAs interviewed were often unclear about their mandates and roles, and there was confusion between the functions of a CDC and those of a DDA.

25. Initial training, beyond the original DDA formation workshops, has been undertaken by CE for some of the DDAs, but the results of these trainings are not consistent. Due to a high degree of earmarking of funds for the programme, some regions remain under-funded, with few post-DDP projects under implementation, and it is critical that community expectations, which were high, now be managed if the programme, and MRRD, are not to lose credibility.
26. **Findings – Gender Issues in Community Empowerment.** Female participation in the DDA and DDP processes are uneven, and vary according to regional and cultural contexts. In some areas, there are male and female DDAs who interact on a regular basis; in Kandahar, there are no female DDAs or even advisory committees to the male DDAs.
27. **Findings – Economic Regeneration (“ER”) Component: Efficiency, Effectiveness, Results.** Phase II ER has focused primarily on research and the theoretical, including the production of Regional Rural Economic Regeneration Strategies for each of NABDP’s seven regions of activity. Recently, ER has, with external partners, been involved in more practical activities, including the development of business plans for selected subsectors. ER’s recent consideration of DDP SME proposals as pilot projects is very promising, and it will strengthen linkages with IS and CE, which to date have been weak. ER’s linkages with the private sector have not yet been as well developed as envisaged in the Programme Document. There is also some duplication of ER’s efforts seen in other donor funded initiatives such as ASMED and Chemonics’ projects. The results to date from the ER component are therefore mixed.
37. **Findings – ER – Gender:** The businesses currently under ER consideration do not include social benefits, like day care, would encourage and help to retain female employees.
38. **Findings – Institutional Development Component: Efficiency, Effectiveness, Results.** ID’s various Phase II achievements include support to the development of MRRD’s Strategic Intent; capacity assessments of MRRD staff; and various professional development trainings for them. Several key managerial positions within NABDP are now held by national staff; and the transfer of skills from international advisors to national experts is ongoing and now there is no time-bound schedule for the reduction of international technical assistance or for the handover of the programme to MRRD.
39. There are several other government capacity building initiatives at MRRD, beyond NABDP/ID, as well as intra ministerial programmes, and these are not well-coordinated. Finally, there are significant differences in salary scales for national staff at MRRD and UNDP, and it is not realistic to expect NABDP staff to accept lower salaries when the programme is transferred to MRRD; nor would it be **sustainable** to pay salary top ups over a longer term.
40. **Institutional Development – Gender Findings.** The NABDP programme document supports gender mainstreaming, but in practice the NABDP’s performance is not satisfactory in this regard.
41. **Findings – Implementation Support Component: Efficiency, Effectiveness, Results.** The IS unit has achieved considerable success on its quantitative goals, particularly on infrastructure construction; and there are over 600 projects completed or ongoing in Phase II. A number of these are community contracted, and therefore lower in cost than private contracting. IS’s other achievements include improved project cycle management, Quality

Assurance, and the streamlining of procurement procedures for Kandahar. However, IS's qualitative goals are more difficult to assess; and there is not a strategic link between the QIPs undertaken by IS and longer term integrated development.

42. **Finding – Implementation Support – Gender.** Women are primarily indirect beneficiaries of the NABDP engineering projects, due to their lack of access to public areas in most of Afghanistan. There is no specific budget for women's projects.
43. **Recommendations towards a way forward** NABDP has grown rapidly during Phase II, and it is recommended that the remainder of Phase II focus on the consolidation of its gains, rather than on further expansion. Specific recommendations for the rest of Phase II, and for any follow on activities, include:
44. **Recommendations: Community empowerment** – Develop a clear TOR for DDAs from the operational guidelines; provide requisite follow up training to all DDAs before establishing additional ones. Address gender in the context of the region in which activities take place.
45. **Recommendations: Economic regeneration** –Greater linkages with private sector actors, such as AISA and the ACC, and investigation of relevant private public partnerships and CSR opportunities, are recommended, as is further development of projects from DDPs.
46. **Recommendations; Institutional development** –Produce a clear, timebound strategy for the transfer of skills from international to national experts. Build the capacity of local private contractors.
47. **Recommendations - Implementation support** –A key recommendation is that IS, in consultation with ER and CE, reduce the number of QIPS it undertakes, and implement projects which are more strategically linked to integrated rural community development.
48. **Recommendations – Gender.** A Gender Advisor should be positioned in NABDP to guide a mainstreaming process, including equal opportunity and affirmative action policies; allocation of a specific budget for women's projects; and increasing female participation in the DDA process, including lessons learned from NSP's formation of female CDCs
49. **Recommendations – Monitoring and Reporting.** The new MRRU should be informed by the NSP's more developed M&E Unit, and by its pilot project on community participatory monitoring.
50. **Recommendations - institutional arrangements and funding modalities.** NABDP has been constrained by the high percentage of donor support which is earmarked, as there is no limitation on earmarking through NEX. Additional vehicles for funding, such as through the ARTF and MoF, whereby earmarking is limited to 50%, should be considered. Support through the ARTF would still permit bilateral funding
1. **Recommendations selected topics for post-review analysis:** The following selected topics are suggested for post-review analysis and subsequent addenda to the final report:
 - Best practices in reporting, monitoring and evaluation in conflict-affected areas
 - The role of Public – Private Partnerships and Corporate Social Responsibility in local economic development - examples from Afghanistan and other fragile states
 - Measuring change management and organizational learning – an analysis of the outcomes of UNDP/NABDP technical assistance to MRRD
 - A roadmap for future NSP/NABDP synergies and convergence under “Governance” at MRRD
 - An assessment of NABDP stakeholder partnership processes and outcomes
 - Governance cost/benefit values

- The Kandahar prototype and its modified Helmand replication

51. **Conclusions.** Good governance and rural development needs in Afghanistan remain great, and NABDP is closely aligned to GoA priorities and national development strategies in those sectors. Support to interventions such the NABDP therefore remains a relevant and appropriate issue for donors for achieving MDG objectives in that country.
33. Since the 2006 inception of NABDP Phase II, there have been significant changes in the country's political and security contexts, in MRRD's strategies, and in the scope and number of activities undertaken by NABDP. NABDP is now a programme with nationwide coverage, although it has retained its original area-based approach in its customization of activities according to local context. MRRD/NABDP's successful use of adaptive management in insecure areas such as Kandahar, including community contracting and community security guarantees, are examples of this modified area based approach
34. NABDP is ahead of schedule in meeting various of its quantitative goals, such as the establishment of nearly 300 DDAs. However, the programme has not been able to provide the requisite training or support to district development priorities equally across the regions in which it has coverage. This is primarily due to regional inequities in donor funding. As a result, it is imperative that the programme now address community expectations in "underfunded" areas, if both it, and MRRD, are not to lose credibility.
35. It is therefore key that other channels for funding, beyond UNDP, and which limit the percentage of earmarking, be identified, such as the ARFT. This would allow greater national ownership for the programme, which is now seen to be more donor-driven than MRRD-led. UNDP's production of a time-bound exit strategy would be also be progress towards greater national ownership of the programme.
36. Given its rapid expansion, it is recommended that the remainder of NABDP Phase II be a period for consolidating its gains and for strengthening the linkages between its components as well as with other development actors, and particularly with NSP., as both programmes will be placed under a "Governance" stream in the restructured MRRD. This is in accordance with the ANDS-ARD sector strategy, and it should allow greater efficiency and cost-effectiveness to both NABDP and NSP. It is not yet clear whether there will be a convergence of these programmes when NSP is completed in 2010.
37. In the field, as PRRD's capacity remains weak and as UNDP does not currently have suboffices which can backstop NABDP, there are many agencies with demonstrated advantage in the areas of livelihoods, gender mainstreaming, and integrated community initiatives with whom the programme can partner, such as ILO, UNIFEM and UNHABITAT. NSP as well has experience in these areas. Interagency partnerships in the field will be more efficient and cost-effective than creating "mini-NABDPs", which would require additional staff and funding, and which would not further the synergies and collaboration envisaged in the ANDS ARD sector strategy, and requested by donors.
38. Finally, it will be necessary for MRRD and NABDP to clarify the positioning and roles of the DDAs with IDLG. UNDP and some of NABDP's other donors have already pledged support to IDLG, and the UNDP ASGP has recently realigned itself in recognition of IDLG's subgovernance mandate. The potential for district level hubs for community driven development is great, and considerable national and international effort has been expended in the DDA formation process. How the DDAs evolve will also depend upon political context, including the timing of constitutionally mandated elections for district councils.

39. In summary, the achievement of all of the outputs intended for Phase II are in progress, but will not be completed by the end of 2008. An extension, or follow on, to Phase II is therefore recommended, noting the recommendations made above, including the transfer of the programme to MRRD.

I INTRODUCTION

2. **Area Based Development Approach.** Area based development focuses upon the challenges of specific geographical areas where the degree of vulnerability and disadvantage distinguishes those areas from the rest of the country. In such contexts, area based programming aims to reduce the disparities between areas and groups, through investment in infrastructure, local economic development and, usually, subnational governance initiatives. It is particularly appropriate in post-conflict countries, like Afghanistan, where certain locations may have incurred greater damages than others. UNDP has extensive experience in area based approaches in transitional countries, including the PEACE/AARP (1997-2000) in Afghanistan, which was implemented by UNOPS.
3. **Rationale for the UNDP/MRRD National Area Based Development Programme.** At the 2002 Tokyo conference, the Government of Afghanistan's ("GoA") expressed the need for area based programming in the country's reconstruction. The resultant National Area Based Development Programme ("NABDP") was launched as a National Priority Programme in 2002, with a Memorandum of Understanding between UNDP and the Ministry of Rural Reconstruction and Development ("MRRD").
4. The original focus of NABDP was on priority recovery and macroeconomic regeneration in ten of Afghanistan's most vulnerable and disadvantaged areas, and on support to develop the institutional capacity of MRRD to plan and manage those activities. Shortly after its inception, NABDP was expanded to national coverage, as complex emergency conditions then existed throughout the country.
5. NABDP Phase I was completed in December 2005. Its Phase II, which is the subject of this midterm review, began in February 2006 and will be completed at the end of December 2008.
1. **Programme objectives, linkages, components.** A key objective of NABDP is to enable local communities to articulate their needs and priorities for poverty reduction and rural development to the national government, through the establishment of participatory and consultative mechanisms at the district and provincial levels, and thereby to strengthen service delivery and governance at the subnational level. Towards this objective, the NABDP supports local governance, poverty reduction, and institutional capacity development, through the following four project components:
 - institutional development
 - community empowerment
 - economic regeneration and
 - implementation support (social and productive infrastructure)

A fifth component, rural energy, was incorporated into the NABDP in March 2008. At the time of writing, however, it is not yet operational; and it is therefore not included in this review. Additionally, three related projects, the DIAG, CNTF and I-ALP-K, report directly to the NABDP programme manager.

2. NABDP is linked both to Government of Afghanistan policy frameworks, including

- The Afghanistan National Development Strategy (“ANDS”), particularly its Agriculture and Rural Development sector strategy
- The Afghanistan Compact

3. Its UN and UNDP programming frameworks include

- The United Nations Development Assistance Framework (“UNDAF”)
- the Multi-Year Funding Framework (“MYFF”) Service Line 1.3, local poverty initiatives, and 1.5, private sector development
- UNDP Afghanistan Country Programme Action Plan (“CPAP”)

The main partners for the programme are:

- GoA: Ministry of Rural Reconstruction and Development, Ministry of Economy, provincial governments
- Agencies: UNDP, UNAMA, UNHABITAT, UNHCR, NGO Facilitating Partners
- Other national programmes (National Solidarity Programme)
- Local communities
- Bilateral donors, including the Governments of Canada, Japan, Belgium, Norway, the Netherlands, and the USA

4. The programme is implemented through the MRRD, and financial and substantive oversight is provided by UNDP. The budget for the current phase of NABDP is US \$182,000,000. The programme receives support from the governments of Canada, Japan, the United Kingdom, the Netherlands, Belgium and the United States, as well as from UNDP, which is also the agency through which all funding is currently channeled.
5. **Review Objectives.** This midterm review of the NABDP Phase II was commissioned by UNDP Afghanistan. The aims of this review were to assess the relevance, effectiveness, efficiency and sustainability of the programme, according to current field and organizational contexts. Lessons learned were to be distilled from its findings; and recommendations for the remainder of its Phase II, as well as strategies for follow on activities, were to be formulated. The aims of the review and the programme’s strategic goals are described in the consultant evaluators’ Terms of Reference (“TOR”), attached herewith as Annex 1, “**Terms of Reference**”.
6. **Review relevance.** This midterm review is particularly timely in view of the significant changes to the country context, particularly in the areas of subnational governance and security, as well as to MRRD strategies, since the inception of NABDP II in 2006. Moreover, NABDP has expanded rapidly and to an extent not anticipated in its original design.
7. Changes in the country’s subnational governance structures are remarkable: a by-law to give the CDCs legal status is under consideration, as is a constitutionally mandated election of village and district councils. In addition, a new programme, which also has interests in subnational governance and development, the Independent Directorate for Local Governance (“IDLG”), has recently been launched, and this may affect the direction of NABDP’s programming, particularly with relation to the DDAs. Moreover, players not traditionally associated with medium to longer term assistance, like the PRTs, are now seen as NABDP development partners.

8. It is therefore appropriate that NABDP be reviewed now to ensure that it can meet the current challenges for rural communities' empowerment and poverty reduction, and for MRRD's institutional development.
9. **Review Methodologies – Literature Review, Interviews, Site Visits and Stakeholder Consultations.** The review methodologies followed a participatory and consultative approach. The review included a literature review (sources are listed in “References” below), semi-structured key informant interviews and focus group discussions, as well as project site visits within Kapisa, Panjshir, Nangahar, Kandahar and Balkh provinces. (These sites are listed in Annex 2 “Table of Site Visits and Persons Met”).
10. Nearly 150 respondents, among them UNDP and other UN agency representatives, donors, government officials and NGO respondents were interviewed. Male and female DDA representatives, as well as female CDC members in Kandahar, were also interviewed (see Annex 3, “Respondents”).
11. The review measured progress against plan according to the ANDS benchmarks, NABDP's annual workplans and the NABDP project document's “Results and Resources Framework”, and the UNDP CPAP expected outputs.
12. The evaluators as well undertook a powerpoint presentation of their preliminary findings and recommendations to stakeholders in Kabul upon completion of their fieldwork (Annex 4, “Stakeholders Presentation in Kabul, 15 April 2008”), the feedback from which has been incorporated into the midterm review report.
13. **Constraints, Risks and Assumptions.** The security situation in Afghanistan is fluid; and security concerns and logistical challenges, as well as the mission's restricted timeframe (26 field days), limited the scope and depth of the report as initially envisaged in the missions ambitious TOR, including much of the review's proposed fieldwork.
14. Due to security constraints, access was particularly limited in Kandahar¹; and it was only possible for the team to meet selected DDA representatives for discussion in the NABDP Kandahar office. No site visits were permitted. It was, therefore, not possible to undertake the finegrained analysis of the “Kandahar model”, which was to include an in-depth discussion of security and development linkages. However, it would have been possible to prepare a preliminary Kandahar study through a random survey of accessible communities, with the engagement of local NGOs, and to collate and analyze the resultant data, had there been an additional three weeks in the mission timetable.
15. Alternatively, the review has suggested selected topics for post-review analysis, which could subsequently be included in the final report as addenda. These are listed below, under “Suggested Topics for Post-review Analysis”.
16. For areas which were not accessible, the team was obliged to rely upon credible secondary sources and photographic documentation of projects.
17. The turnover of staff at NABDP and MRRD as well hindered the collection of background information on the inception and implementation of the programme. Finally, the team was unable to benefit from the NABDP programme manager's input into the initial stakeholder mapping and workplan preparation, as he was out of country.

¹ UNDSS, Southern Region: “Movement is restricted to... no movement by foot “

18. **Access.** Cultural constraints also hindered some of the team’s access to NABDP beneficiaries and participants, particularly to female DDA members².

II EVALUATION FINDINGS

40. The evaluation findings refer to project design and relevance, intended project component outputs; actual outputs, outcomes/results, and project assumptions. Lessons learned and recommendations are given below in the report in sections **III, “Lessons Learned”, and IV, “Recommendations”**.
6. **Overall Programme Concept and Design.** The NABDP concept and programme objectives are closely linked to national development priorities, as articulated in the Afghanistan National Development Strategy, particularly its Agricultural and Rural Development Sector Strategy. Rural development, governance and institutional capacity building needs in Afghanistan remain great; and support to subnational governance initiatives, organizational development and economic revitalization, thus remains a **relevant and appropriate** issue for donor support in achieving Afghanistan’s development strategies and the MDGs in that country.
7. **Programme Design.** NABDP is an ambitious and complex programme with four main components which do not consistently link to each other in as cohesive a manner as initially planned. Since 2006, NABDP has expanded rapidly, as one of the programmatic vehicles of choice for donors. As NABDP incurs responsibility for yet more projects and components, there is a risk that the programme’s effectiveness will be diluted.
8. **Programme Design – centralization of NABDP.** Although it was anticipated in the programme design that much of NABDP’s activities would be decentralized to its regional offices, NABDP remains a highly centralized programme. Even in regions where implementation procedures have been streamlined, all activity must be channeled through Kabul. Due to the still limited capacity of MRRD at district and provincial levels, and the current absence of UNDP suboffices, backstopping for the programme in the field is weak or nonexistent.
9. **Programme Design and Outputs – Effect of earmarking.** Over 90% of NABDP’s budget is earmarked; this has been an issue throughout the programme’s Phase II. This trend has been noted in Steering Committee reports for 2006-2007, and in the NABDP 2006 Annual Report.³ Much of this donor earmarking is for projects in the south and east of the country, in the same locations where their respective governments support a PRT presence.
10. This has resulted in a regional inequity of funding for the programme’s activities, and NABDP has now evolved into a **highly provincialized programme** with nationwide coverage. Consequently, the balance and types of longer term strategic development projects which were anticipated in the 2006 Programme Document to be undertaken in NABDP II, according to its 2006 Programme Document, have not significantly altered from the primarily **small infrastructure QIPs** which are not strategically linked to an integrated community development plan, that were undertaken in Phase I. Moreover, these projects are

² The international male gender specialist originally engaged by UNDP was unable to access female DDA members in Kapisa, even though accompanied by a national female colleague from UNHABITAT. A national female gender specialist was subsequently added to the team.

³ September 20, 2006 Steering Committee Report; p. 12 of 2006 Annual Report

concentrated in the south and east of the country, and comparatively few resources are available for projects in the north, central and western regions.

11. **Programme ownership – effect of earmarking.** The high proportion of earmarked funding has as well resulted in the programme becoming more **donor-driven** at the expense of **national ownership**. UNDP has financial and substantive oversight for NABDP, and it is the channel through which the programme receives donor support. As the agency which has closest contact with donors for NABDP, UNDP has not been successful in advocating for a reduction in earmarked funds.
12. **Programme design – crosscutting issues.** Within the programme design, certain key crosscutting issues such as gender and capacity building have not been equally well understood or well-integrated into each of its four components. With regard to gender, although mainstreaming is presented as a priority within the programme document, there is as yet no Gender Advisor positioned in the NABDP; and the programme’s results in this area are less than satisfactory. With regard to capacity building, the transfer of skills from international advisors and consultants to national experts, and to MRRD, has not been as timely as originally anticipated; and costs for international technical assistance remain high. UNDP supports technical assistance at NABDP, and it is ultimately responsible for producing, and adhering to a time-bound strategy for the gradual withdrawal of international technical assistance to the programme, and for its handover to MRRD.
13. There is no clear exit strategy for the handover of the programme to MRRD.
14. **Duplication and Coordination of NABDP with other Programmes and Projects.** In the programme design, it is assumed that NABDP will coordinate and collaborate with other programmes and MRRD departments. While there has been synergy with NSP, there is significant overlap between some of the NABDP components and other initiatives at MRRD, e.g. with ID and AIRD and other capacity building projects at MRRD.
15. **Programme Design- Reporting and monitoring.** Programme monitoring and reporting in Phase II has been hindered by the absence of an in-house M&E unit; this was not included in the Phase II programme design. The programme has recently established an M&E and Reporting Unit to address these issues more **efficiently and effectively**. Close coordination and synergy between this MRRU and NSP’s M&E, which has a well-developed, all-encompassing system and which includes the same sectors, communities and areas of geographical focus as NABDP, would be more efficient and effective than having MRRU “re-invent” another M&E system. Furthermore, NSP’s investigation and piloting of “community participatory monitoring” is a promising initiative, and also one with which NABDP MRRU should consider..
- 16.

II.A. ECONOMIC REGENERATION COMPONENT

41. **Background.** The precursor to the ER component in NABDP II was the Macroeconomic Regeneration Component in Phase I. The main activities of the latter were preliminary feasibility studies on rose oil processing and revitalizing a cotton spinning factory, with private sector partners. Its results were modest, and not well linked to Phase I recovery projects.
42. **Project Component Relevance.** Economic regeneration is closely linked to development priorities at the national level, as articulated in the ANDS, and particularly in its Agriculture and Rural Development sector strategy. Poverty reduction in Afghanistan remains a

significant issue for the country's progress, and support to economic regeneration initiatives remains a **relevant** issue for donors for achieving sustainable community development objectives there.

43. **Other Economic Development Initiatives.** In MRRD, rural economic development policy is also considered at AIRD; at AREDP; and at a microlevel at NSP. Beyond MRRD, there are various donor funded programmes, including ASMED and CHEMONICS, and GTZ, CRS and ILO projects that also focus on rural enterprise and sector and sub-sector activities.
44. **ER's Intended Outputs** Phase II ER has focused primarily on research and the theoretical, according to its workplan. This work is intended to feed into the AREDP, particularly into its import substitution activities. Since mid-2007, ER has, with external partners, been involved in more practical activities, including the development of business plans for selected subsectors, for both domestic and international markets. This has resulted in ER's revised logframe of activities, presented below, as **Programme Matrix 1**.

Programme Matrix 1 – Economic Regeneration
Logical Framework, Intended Outputs, Output Targets, Indicative Activities, Assumptions
 (**Outputs/Results Column Added by Review)

Description Narrative Summary	Objectively Verifiable Indicator (OVI)	Means Of Verification (MOV)	Results** *	Outputs/ Results to date***
Economic Regeneration Component Goals				
GOAL <ul style="list-style-type: none"> The sustainable reduction of poverty and improvement of livelihoods through developing rural SMEs in Balkh, Bamyan, Nangarhar, Kandahar and Heart 	Indicators: <p>1.1: No of business plans formulated</p> <p>1.2: Improved rural-urban linkage and economic activities</p> <p>1.3: No of women specific projects</p> <p>1.4: No of beneficiaries and skill development training for them</p> <p>1.5: No of people accessing community seed grant</p> <p>1.6: Number of people employed by the SMEs in the region</p>	Research findings Secondary data findings Other ministry consultations District Development Plans Physical verification from community people Market research Socio-Economic Assessment by FPs	Three business Plans formulated	
PURPOSE Advancing the strategies for promoting sustainable livelihoods in rural areas, basic study on regional rural economic characterization, provincial profile, and niche sector identification for economic regeneration Sub-sector / value chain analysis, identification of IGAs and potential entrepreneurs; Business plan development (for technically feasible and economically viable enterprises) in the selected sub-sectors Provided implementation support to facilitate the rural enterprises				
1. Comprehensive rural development plans, based on community development processes and economic regeneration assessments and	Indicators: <p>3.1: Regional Economic Regeneration Strategies prepared and updated for 7 regions until 2008.</p> <p>3.2 : Three SME in each province (Hirat, Balkh and Bamyan)</p>	Expert socio-economic assessment of provinces/ regions Develop economic regeneration scenarios and strategies	RERS prepared for 7 regions Nine SME plans	

Description Narrative Summary	Objectively Verifiable Indicator (OVI)	Means Of Verification (MOV)	Results** *	Outputs/ Results to date***
<p>strategies.</p> <p>2. Nine business plan development for SMEs</p> <p>3. Rural SMEs are established in selected provinces</p> <p>4. Lessons learned from SMEs will contribute to AREDP</p> <p>5. Contribution to capacity building in AREDP/MRRD</p> <p>6. Business models are selected for various provinces which benefit communities /district provinces peoples.</p> <p>7. Training on appropriate skills</p>	<p>employing about 50 – 60 people directly in each SME and having indirect employment impacts in many folds depending upon backward –forward linkages</p> <p>3.3: Best practices in rural SMEs</p>	<p>Sub-sector analysis and business development by hiring FPs. Feedback from DDAs</p> <p>Policy feedback to AREDP Recommendation on strategies and best practices for economic development.</p>	<p>Produced, not Finalized as of April 2008</p> <p>Rural SMEs not Yet established</p> <p>Subsector Analyses undertaken</p> <p>No DDA feedback</p> <p>Business models Not yet selected; Training not Yet started</p>	

Assumptions:

Helps both private Financial Institutions and possibly MRRD for Micro and SME lending programs in the future and as well as the Entrepreneurs to have access to Financial Resources for solving Cash problems and etc.

39. Actual Outputs of the Economic Regeneration Component included:

- Preparatory work towards developing a national rural economic regeneration framework: This resulted in the production of Regional Rural Economic Regeneration strategies – a major study to develop a planning framework for rural development – for each of NABDP’s seven regions; this research will feed into the Afghanistan Rural Enterprise Development Programme (“AREDP”), an intra-ministry policy project to be housed at MRRD and which will focus upon domestic markets and import substitution.
- Sector business plans were produced for three regions. (3 for each region = 9 plans)
- Pilot projects based on DDP SME proposals under consideration

45. Economic Regeneration Planned but Uncompleted Work. Various outputs envisaged in the original workplan were not achieved, e.g.:

- Sector business plans for four of the seven regions were not completed due to security constraints
- Business models have not yet been selected
- Training has not yet started

- Projects targeted to female beneficiaries selected (carpets, almond shelling) but not commenced

46. **Economic Regeneration – Outcomes/results.** The outcomes of this project component are thus mixed. Much useful preparation in advance of AREDP has been undertaken. ER’s use of DDP SME proposals for pilot projects is promising, and brings value-added; this is not something other actors are supporting as yet. An excerpt from one DDP SME proposal, for a sugar cane processing factory, from Rudat District, Nangahar, is reproduced as **Annex 12**. This type of activity encouraging, and is one indication of how the DDAs can function as hubs for development activities in their districts. This type of activity also strengthens ER’s linkages with the CE and IS components of NABDP; these linkages are currently weak.
47. **Finding.** ER’s links with private sector actors have not been developed as anticipated in the NABDP Programme Document; and interaction with AISA, ACC, and other private sector players, as well as the potential for public private partnerships and CSR support to SME, could help ER grow its work
48. **Finding.** The carpet and almond entrepreneurs interviewed by the review in Mazar, and whose business proposals were under consideration by ER, referred to the women who might work in their businesses as “beneficiaries” and not “employees”, as they would not be salaried. A sustainable, profitable business requires employees, not beneficiaries. Moreover, the workloads expected of the “beneficiaries” were unrealistic, and they needed to be revised for the finalization of the respective business plans.
49. **Finding.** ER, as part of a programme which focuses upon meso-level actors and activities, should not take on microenterprise; this activity is more appropriate to village level actors such as NSP and its CDCs. Similarly, it is premature to consider export promotion and international markets (as is the case in the Mazar carpet business plan) at this stage of ER’s activity: research and activity focused upon the domestic market, and import substitution is more appropriate.
50. **Finding – Gender Issues.** The inclusion of social benefits, like day care will be key to encouraging and retaining female employees.

II.B COMMUNITY EMPOWERMENT COMPONENT

51. **Background.** There was no Community Empowerment component in NABDP Phase I. It is only in Phase II that there has been an emphasis on community enablement, with local participation in subnational governance and development planning activities
52. **Community Empowerment Component Relevance** This is a priority for the GoA, as articulated in its ANDS. Support to subnational governance, through initiatives like NABDP/CE thus remains a **relevant issue** for UNDP and other donors towards achieving good governance and other MDG objectives there.
53. **Community Empowerment Component - Intended Outputs.** According to the original workplan, there were as noted in Matrix 2 below,

Programme Matrix 2 – CE Intended Outputs, Inputs/Activities and Outcomes/Results

Intended output	Output Target	Indicative Activities	Results ***
1. Comprehensive rural development plans, based on community		Establish DDAs based on CDCs	298 DDAs

<p>development processes and economic regeneration assessments and strategies.</p> <p>1.</p>	<p>3.1: District/provincial level community participation mechanisms established in at least 300 districts/20 provinces.</p> <p>3.2 : DDPs for at least 3 regions by end 2008</p> <p>3.3:</p>	<p>and other community representatives.</p> <p>Establish working relations between DDAs and district authorities; facilitate integration of community development plans into DDPs</p> <p>Establish consultative mechanisms and working relations between DDAs, Provincial Shuras and PDCs</p>	<p>established 18 womens advisory Groups formed</p> <p>XX DDPs produced XX training modules prepared And rolled out XX DDA trainings XX PDPs facilitated</p>
--	--	---	--

***as of April 2008, review findings

17. **CE Project Component –Actual Outputs.** CE’s greatest achievement in Phase II has undoubtedly been the design and facilitation of the SNC, the establishment of DDAs and support to the production of DDPs. To carry out these work, CE hired 61 new staff.

54. Actual outputs included:

- DDAs in 298 districts established; this is nearly the total Phase II goal of 300 DDAs. This number includes 41 male/female DDAs, and 18 women’s advisory committees.
- DDAs trained
- DDPs for XX districts completed
- Operational guidelines revised and engendered
- Training modules prepared and rolled out

18. These tasks were not accomplished without challenges, noting that some of the **assumptions** upon which the programme design was based, such as security conditions remaining stable, were beyond the control of UNDP/NABDP.

19. The extent to which these initial developmental and subnational governance accomplishments can be **sustainable and credible** will depend on their being further focused and supported in all of the areas in which NABDP has coverage. This will be at least partially dependent upon more equitable, and less earmarked, donor support. There is a **risk** to the credibility of the programme, and to MRRD, if training and community priority development projects cannot be undertaken in each of the areas where DDAs have been established. For example, in two of the “underfunded” regions, in Mazar and in Kapisa, local respondents strongly expressed their disappointment that their priority projects had not yet been implemented.

20. In some other locations, DDA representatives were unclear of their responsibilities, and in some places there was a lack of clarity in the difference between a DDA and a CDC. These groups advised that they had not received any training beyond the initial DDA formation, and they also requested that these training sessions be offered to them.

55. Actual Outcomes/Results – Linkage of CE Component to ER, IS, ID Components.
Although envisaged in the original workplan, there not yet a strong linkage of the CE to the ER and IS units.

56. **Finding – Gender.** There are no female DDAs or women’s advisory committees in Kandahar. The NABDP regional office advised that women’s groups could not be formed due to local cultural constraints. However, NSP has established women’s CDC, at least in the communities in and around Kandahar City, and the NABDP should be informed by NSP’s local experience.
57. **Observation – IDLG.** The IDLG mandate includes subnational governance and community development, as well as the establishment of DDAs. UNDP, as well as some of the other donors to NABDP, have already pledged support to IDLG; and UNDP’s ASGP has recently been reorganized to take into account the IDLG initiative.

II. C INSTITUTIONAL DEVELOPMENT COMPONENT

58. **Background.** The Institutional Development⁴ component of NABDP II has evolved from the Capacity Development Unit of its Phase I. The main activities of the latter were the reconstruction of MRRD infrastructure and the development of Ministry staff skills. The Phase II Institutional Development (“ID”) component focuses upon building organizational and managerial capacity.
59. **Other Capacity Development Initiatives at MRRD.** Within MRRD, beyond ID/NABDP, there are several other government capacity development activities, e.g. the DFID-funded support to strategic planning for Sustainable Rural Livelihoods and the Asia Development Bank’s Technical Assistance to the Monitoring and Evaluation Department. In addition, the AIRD was established at MRRD to support ministerial policy development and strategy directions. Furthermore, NSP is now starting Professional Development and Human Capacity Development Programmes under its Training Unit. Finally, beyond the MRRD, there are also various intra-ministerial capacity development initiatives, such as the IARCSC.
60. **Project Component Relevance.** Institutional development in support of an accelerated implementation of its national development strategy and programmes is a GoA priority, and it is articulated in the ANDS. Support to initiatives linked to government capacity building, such as the NABDP ID, therefore remains a **relevant** issue for UNDP and other donors towards achieving good governance and development objectives there.
61. **Key issues for ID.** As noted in the NABDP programme document, these include:

Expediting the establishment of program management capacity in MRRD
 Developing and strengthening the capacity of provincial district
 Developing central capacity for project preparation and implementation support⁵

62. **Intended Output – Institutional Development Component.** According to the 2006 NABDP Project Document “Results and Resources Framework”, the programme outcome which most closely relates to the ID component is outcome (2), “**A well-established institutional capacity and technical capability in MRRD to fulfil its mandate of promoting community-based rural regeneration and livelihoods and support implementation and management of comprehensive rural development strategies/plans in a participatory, coordinated, sustainable manner.**” The intended outputs, output targets and indicative activities given below are from the Framework; the “**Results**” represent the findings of the review.

Programme Matrix 3 – ID Intended Outputs, Targets, Activities, Results

Intended Outputs	Output Targets	Indicative Activities	Outcomes/Results to date
1. Strengthened management and implementation capacity of MRRD and relevant partner institutions to address rural development and economic	a- MRRD comprehensive institutional development plan in place and implemented b Optimized use of	1.1 Map and conduct initial review of current structure to establish basic clarity/cohesiveness, reduce duplication/repetitions, improve communication, reporting and	Review Undertaken

⁴ Institutional development in this context refers to (p. 21, ft. 4)

⁵ NABDP Program Document 2006-08 pg 23

regeneration needs and priorities	resources and lines of authority/responsibility by 2008 c Gradual transfer of responsibility from international to national experts and reduced need for international input beyond 2008 d-Technical Support Units in 7 regions established and functioning e PRRD offices' implementation capacity strengthened	coordination	
	-	1.2 Establish Programme Management Office incorporate the Planning & Provincial Liaison Depts as a foundation structure for monitoring, coordination, planning	PMO office established but not fully functionality
		1.3 Review Programme Management Cycle with participation of key departments and programmes involves, to establish a clear process and assumption of accountability	PMC reviewed, process ongoing
		1.4 Support PMO to take responsibility for programmes management, developing appropriate policies, planning, budgeting and conducting regular reviews/reporting	Not yet achieved
		1.5 Support the establishment of appropriate coordination and consultation structures at national, provincial levels	Undertaken by CE Unit
		1.6 Support the establishment and development of TSUs to support PRRDs and project implementation	Undertaken by IS Unit
		1.7 Improve the efficiency of key departments/programmes through providing managers and other key staff with appropriate supervisory and people management skills and tools	Training undertaken and ongoing
		1.8 Improve technical capacity through providing specialized technical support in finance procurement, human resources, engineering, etc.	Support provided; the extent to which this expertise has been transferred to national staff is not clear
		1.9 Support establishing an effective and accessible MIS for collating, maintaining and managing up to date information on key aspects and activities of MRRD's organization and programmes	MIS established

		1.10 Support establishing PDCs and provide technical assistance and training to enable partners to effectively engage in comprehensive rural development planning and coordination of implementation	PDCs established through CE; no follow up training to date; training modules recently completed by CE, not rolled out
		1.11 Review, strengthen Capacity Development Dept to assume responsibility for maintaining and building on the level of capacities established	Review and assessment undertaken by ID
		1.12 Provide for professional development, resources as needs identified	Various trainings undertaken for management
		1.13 Development work plan for stage 2 ID	Work plan revised, but no exit plan yet developed, no clear strategy/timetable for handover of NABDP, or ID, to MRRD

63. According to the Framework, ID’s outputs in Phase II are satisfactory, except for the rate of transfer of skills to national experts and the development of an exit strategy. Furthermore, it is not clear the extent to ID coordinates with the other capacity building exercises at MRRD. There could be greater synergies with AIRD and NSP, for example, in this sector.
64. One of ID’s target outputs for Phase II in the Framework is © “...**gradual transfer of responsibility from international to national experts and reduced needs for international input beyond 2008.**” As well, ID is tasked with developing an exit strategy for external technical assistance; and it should also guide MRRD in sustainability and self-reliance in this area over the medium to long term⁶
65. **Finding – transfer of skills from international to national experts.** Since the beginning of Phase II in 2006, several key managerial responsibilities have been transferred to national experts. Among these are the NABDP regional manager positions, and the appointments of a National Programme Coordinator and Heads of HR and Administration. While the international advisors have been a valuable human resource for NABDP/MRRD, they have not built capacity to the extent envisaged, nor have their skills been transferred to national experts in as timely a fashion as planned.
66. **Finding – UNDP responsibilities.** There is as yet no timebound exit strategy for the handover of NABDP to MRRD, nor is there a schedule for the withdrawal of international experts. As UNDP contracts all international assistance to NABDP, it has the ultimate responsibility for these tasks, and for ensuring that these strategies are formulated – through ID or in-house - and followed.
67. As well as the number of international consultants, the number of international advisors at NABDP also remains high, and in the NABDP budget, international staff costs are approximately 50% higher than national staff costs. Although national staff still receive

⁶ NABDP 2006 programme document, p. 5

salary top-ups⁷, and the PRR, whereby civil service salaries may be raised to a maximum of \$200 per month, is under implementation, salary differences between UNDP/NABDP national staff and MRRD national staff are still significant. It is not realistic to expect that NABDP's national staff will accept lower MRRD salaries, without top ups, once the programme is handed over to MRRD; and donor-supported top-ups are **not sustainable** over a longer term.

68. One of the **assumptions** of this organizational learning process is that the national staff, who benefit from NABDP/ID's capacity building exercises, will remain at MRRD. As most of the national Programme Advisors in Phase I are no longer with NABDP or MRRD, and those who remain are in different positions, this cannot be assumed. Institutional and managerial development will therefore need to be ongoing activities within MRRD.
69. **Other Findings⁸ The efficiency and transparency** This has improved markedly during the implementation of this phase as a result of concerted efforts of both the MRRD and NABDP leadership⁹. The recent establishments of the Monitoring & Result Reporting Unit (MRRU), the Quality Control Unit (QC) are examples in improvements in design systems, planning implementation and reporting to donors. However, there is a need for better documentation both program and financial; more strategic HRD policy integrated into the programs corporate planning system within NABDP. The difference in the concepts of institutional development and capacity development within the program is not well understood¹⁰.
70. As NABDP's corporate level indicators are set at the impact level and the causal link is generally weak from the projects/programs outputs to these indicators, it is not possible to confidently say whether the NABDPs projects and programs, and specifically the Institutional Development goal, is effectively contributing to its corporate level goals and MRRD's Strategic Intent 1386-1389. These goals include:
1. the desirability of a greater focus on strategic planning;
 2. the need for donors to increase the security of the organization's funding;
 3. a need for greater emphasis on developing and documenting performance and accountability systems including quality assurance (QA);
 4. the desirability of achieving further gains in efficiency and transparency; and
 5. further strengthening of the relationship for ID component and Afghanistan Institute for Rural development (AIRD).

There is considerable overlap between and amongst the issues addressed.

⁷ See Annual Workplan 2008 Budget item

⁸ Preliminary findings from Prabir Mujandar's *Independent Report to UNDP: NABDP Institutional Development Component*, April 2008, have been incorporated into this section. The full text of Dr. Mujandar's report is available from UNDP.

⁹ And donor demand for improved reporting and accountability. See for example, CIDA's review of NABDP: www.acdi-cida.gc.ca "Afghanistan Programmes".

¹⁰ A narrow definition equates institutional development with the process of strengthening individual government organizations or entities. On the other extreme, a broader view defines institutional development to include improvements in both public and private organizations as well as in the rules, regulations, practices, values, and customs that shape and influence an entire society.

71. **Finding - Strategic Planning.** The ID component's efforts to strengthen strategic planning within within the Ministry, particularly the development of the MRRD's Strategic Intent (1386-1388) and various department strategic plans, is encouraging. These are very much still in progress¹¹ and so there is some ground to be covered before these are fully linked to the practical implementation plans of the individual departments, programs and projects within MRRD.
72. **Finding – Core Business of ID.** A related issue to this strengthening of strategic planning is the desirability to clarify ID's core business. While the definition of 'core business' is certainly best developed by ID in consultation with stakeholders both within and external to MRRD to assist this process, the review suggests 'core business' might be defined as giving focus and priority to activities which:
- address a regional/sub-regional development problem (or opportunity), for which a regional/sub-regional solution is required;
 - build institutional capacity within NABDP, MRRD, PRRD, through training, technical assistance, information provision and the development of regional/sub-regional support and information networks;
 - are compatible with the technical as opposed to policy mandate of MRRD;
 - have demonstrable MRRD/UNDP support rather than just demonstrated need
 - fit within the current main strategic priorities of (i) governance and (ii) social and economic development;
 - are complementary with ongoing MRRD programs ; and
 - Do not duplicate the work of other department within MRRD, other Ministries and stakeholders
33. **Finding – The core business of ID and AIRD are quite similar.** However, the Afghanistan Institute for Rural Development (AIRD) within MRRD is marginalized by and not connected with NABDP and other units. It suffers from rivalry and thus has little impact.
34. **Finding – Coordination, Duplication.** The consultative group on Institutional Development is not active and as such cannot manage the coordination process and hence is not broad based, thereby not overcoming duplication and impeding wide consensus commitment
35. **Finding – Greater funding security would enable the NABDP, through ID, to be more strategic and to improve its efficiency and effectiveness.** The NABDP will be constrained in planning strategically as long as the program lacks security in its funding. The short-term funding horizon applied by most donors is not conducive to encouraging longer-term planning and commitments¹². These financial difficulties are compounded by the limitations of its "core funding"¹³ for ID. Donors need to consider how many additional "non-core" activities can be supported by core funded management and support services without seriously eroding the level of support for existing activities. This is important given the expansion of the Institutional development work program¹⁴.

¹¹ Due to the Priority Reform Structure which is 75% complete and almost coming to an end.

¹² During a discussion with a senior member of MRRD it was indicated that program components should have a balance between quick implementation and long term development which is sustainable.

¹³ A discussion with staff within ID revealed that there is no committed or approved budget for ID.

¹⁴ Work Plan 2008.

36. If secured funding was combined with greater flexibility in the use of program funds and possibly even supplemented with increased voluntary contributions, to address the inadequacy of the core funding in meeting core business needs, this would also increase ID effectiveness¹⁵.
37. **Finding - Performance and Accountability including Quality Assurance** . There is currently an emphasis on monitoring the implementation of individual activities, and no macro-level framework for performance and accountability. A macro-level performance accountability monitoring framework would assist in building a strong long term and sustainable development partnership between donors and the NABDP; and to develop one would require close consultation with UNDP, MRRD and donors. A well-developed performance accountability and quality assurance system will improve donor confidence in NABDP PMO that, in turn, will promote greater security of funding.
38. A performance and accountability framework is crucial for NABDP in that it will provide a vehicle to help operationalise a strategic plan and give voice to the principles, issues and concerns that NABDP has identified as important. This plan when developed should articulate the standards to which NABDP will hold itself accountable and provide NABDP Management and its steering committee with a measurement strategy helping to ensure follow through on 'commitments' made.
39. Donors increasingly expect the NABDP, as part of its accountability responsibilities, show that it is delivering quality outputs/outcomes. Moreover, any increased flexibility in the use of donor funds, as recommended above, would depend on increased donor confidence in the appropriate use and acquittal of this assistance. Such increased donor confidence would require a prerequisite, improvement in the performance and accountability mechanism of the program including quality assurance and staff performance assessment systems.
40. Similarly NABDP needs to link staff remuneration, salary bonuses and promotions to robust staff performance assessments. Thus for both external and internal reasons, there is pressure to demonstrate effective performance of both staff and activities. It follows that there is a need to more fully develop and document performance and accountability systems including quality assurance systems that represent good practice, monitor both staff and activity performance and assess the quality of NABDP programs and projects components. Essentially this requires a recognition by ID unit that community at large have a significant interest in not only knowing about the quality of its programs and projects delivered but also about the quality and health of this important partner organization's system
41. Support by ID is generally based on the application of a limited range of preconceived technical inputs, there has been little attention to the systematic assessment. Baselines for evaluating the success of support strategies have rarely been set up except for provinces, where extensive work has been done. It was not clear to what extent project interventions have contributed directly to increasing capacity. In a discussion with one PRRD Director, he was quite explicit of the requirements and indicated that there was big gap in the skills identified by ID team and the provincial team and this was generated due to lack of coordination and reporting arrangements between NABDP and PRRD.
42. In an era where interdisciplinary approaches are seen as beneficial, the narrow technical base of initiative to promote ID/CD demonstrates failure to draw on valuable knowledge associated with wider disciplines such as adult education, psychology, information systems.

¹⁵ Staff within ID unit indicated that they have no funds for designing and implementing Module 2 onwards.

There has been a tendency towards simplification during implementation stages failing to take into account complexity, non-linearity, the need for reflexivity and the uncertainty of change in human systems. Different actors engaged have not been able to articulate their theoretical understanding, and when not expressed it increases risk of conflict and tension between what is said and what is done. Attention needs to be paid to value, emotions and principles of ID/CD.

43. Institutional development and Capacity development is a highly contentious issues that provokes intense debate about both meanings and practice. Despite the mechanistic and technical rational approaches are being pursued within NABDP Phase II, some success is being achieved.
44. **Findings – Gender Issues**¹⁶ Although the NABDP programme document promotes gender inclusive practices, the programme does not set a good precedent for fair-balanced staffing or gender mainstreaming generally. Women constitute only approximately 10% of the programme’s Kabul office staff, and the percentage is lower in the regional offices. The concept of “gender parity” is not well understood in the programme, and “gender programming” is often synonymous in NABDP with “women’s programmes”¹⁷.

III.D IMPLEMENTATION SUPPORT by Dr. Eng. Mozzam Ahmed

1. **Relevance of Implementation Support.** In view of present situation in Afghanistan with many challenges NABDP approach for infrastructure development with participating of community in programme activities identification, selection, implementation and maintenance is considered **relevant** for development programme
2. **Present NABDP Infrastructure Implementation structure and process**¹⁸. The present NABDP Infrastructure Implementation **process** is shown in Figure 4 and Figure 5. In present structure the survey is done by the NABDP engineers in Regional office. In project selection some areas DDA’s/CDC’s/Beneficiaries take part. The project design is done by Rural Infrastructure Technical Support Unit (RITS), Kabul. The procurement is done by MRRD Procurement Department in Kabul. The construction supervision is done by RRD engineers in regional or provincial RRD offices. The construction progress monitoring for clearance of contractors payments are done by Monitoring & Evaluation department in Kabul.
3. The NABDP Programme has Implementation Support Units with different advisers. The Monitoring & Result Reporting Unit (reclassified) and Quality Control Unit are newly established. There are also Community Empowerment Unit, Economic Regeneration Unit, Institutional Development Unit, Admin., Finance, and Human Resources Units.
4. The projects are identified (not always) in the community level by DDA’s/CDC’s and applied to Provincial RRD or other government authorities in local or Kabul level which selects the projects. Later the projects sites are surveyed by the engineers of NABDP provincial or regional office. The engineers take the technical (area, topographical etc)

¹⁶ Detailed findings and recommendations on gender related issues in the NABDP are presented in Annex 6, “Gender Assessment of NABDP II”, by Rangina Hamidi, below.

¹⁷ As an example, the first gender and development specialist hired by UNDP/NABDP for this 2008 midterm review was an expatriate male, with the rationalization that as the team leader was a woman, she would handle the gender component of the report, if he could not.

¹⁸ Kandahar projects analyzed separately

and the data are sent to Rural Infrastructure Technical Support (RITS)/MRRD for designing. After completing the design the projects are sent to MRRD/Procurement section which makes the tender documents followed that the contractors are selected. Due to that the RITS does design and Procurement does the procurement of all projects including NRAP/MRRD. RuWatsan/MRRD and NABDP, the offices are under tremendous pressure. The RITS clears about 200 nos. of projects every month in very small and large projects therefore it takes 30 days to 120 days to get cleared a project from RITS and Procurement. The offices are seriously understaffed and in shortage of required office spaces, and this effects programme **efficiency and effectiveness**.

5. **Finding:** Presently, the NABDP Programme does not take part directly in implementation: survey, design, procurement and monitoring of the infrastructure projects. Its role is coordinating of the projects with advises, database formulation, donors, UN agencies and Government offices: Ministries and departments in Kabul. There is no proper coordination mechanism between different programme delivery units.
6. **Analysis of NABDP Infrastructure projects:** (Cost analyses of the following projects are presented in **Annex 5, “Technical Annex”**).
7. **Analysis of Kapisa Projects.** Presently the following projects are ongoing or completed under Kapisa NABDP office in Phase- II. (Figure 6.1):
 - a. Irrigation – 1 no.
 - b. Roads and bridges - 1 no.
 - c. Public Building - 1 no.
8. The site of the project under Phase-1 “construction of protection wall and cleaning of irrigation canal’ in Mohammad Rocky was visited. The CDC was implemented the project. Presently, every year the beneficiaries clean the canal themselves. It is a small low cost project which has created large economic benefit by irrigating crops of many acres of lands. The director of RRD informed that there are many projects like this project which require funding. The DDA’s have requested funding many other irrigation projects.
9. The project site ‘Veterinary clinic in Kohistan 2’ was visited. The building is under construction
10. **Analysis of Nangarhar Projects.** Presently the following projects are ongoing or completed under NABDP Nangarhar office in Phase- II (Figure 6.2):

a. Perfume production – 1 no.	0.34% of total cost
b. Irrigation (gabion) – 27 nos.	55.45% of total cost
c. Schools – 1 no.,	5.29% of total cost
d. Clinics – 2 nos.	11.09 % of total cost
e. Roads and Bridges – 1 no.,	16.35 % of total cost
Water Resources - 16 nos.	1148% of total cost
11. The analysis shows that 15.78% of total fund is to be spent for the projects costing less than \$ 20000 and 67.87% of total fund is to be spent for project costing \$20001-\$100000.
12. The project health clinic in the location Najmul Zahad in Jalalabad was visited. The construction work just completed. The workmanship is well.
13. The project site ‘Construction of reservoir and water supply pipeline scheme’ in location Najmul Zahad, Jalalabad was visited. The reservoir for the scheme was funded and

constructed under NABDP Phase 1. The pipeline had to be constructed by another partner and Local water supply department had to manage the scheme but for long time the scheme was abandoned because, the other partners of the scheme could not complete their task. Later under UnHabitat, the water distribution pipeline was constructed. Presently the local authority has requested NABDP to fund for the generator and pump for the scheme and an engineer is assessing the requirement to run the scheme. The inside waterproof coating has not been done by the previous contractor there water filters through the reservoir walls. The local water supply department agreed that they will run the scheme once NABDP complete the construction work and handover to them. No documents were found about the history or agreements with the implementing partners.

14. **Analysis of Balkh projects** Presently the following projects are ongoing or completed under NABDP Balkh office in Phase- II (Figure. 6.3):

a. Power –	1 no.	1.77% of total cost
b. Irrigation (gabion) –	2 no.	1.28% of total cost
c. Schools –	11 nos.-	45.81% of total cost
d. Roads and Bridges –	5 nos.	47.54% of total cost
e. Water resources –	2 nos.	3.60% of total cost

15. **Balkh – Finding- Project Identification.** In project identification the CDCs/DDA’s were not involved therefore the low-cost irrigation, agriculture or water resources are few that are taken in the programme. The projects have been selected mostly by higher level Govt. administrators.

16. **Balkh – Finding – Coordination.** The regional NABDP office or PRRD are not coordinated about the project identification or selection. The office has serious shortage of required spaces. The project sizes following the costing are given below:

a. \$5000-\$20000 –	3 nos.	1.19% of total cost
b. \$20001-\$100000 –	5 nos.	7.93% of total cost
c. \$100001-\$650912-	13 nos.	90.89% of total cost

17. **Balkh – Finding – Process and Payment Timing.** The contractors informed that the payment of their bills is for 2 months to get clearance from different offices (Procurement, M&E) in Kabul. They also informed in calculating the execution period it should be considered that many construction materials (cement, steel bar) and technologies are transported from Kabul or abroad therefore takes extra time. The time requirement for designing of a project in RITS Kabul to invitation for bid is usually 3-4 months which delays for them to take more projects for implementation.

18. **Analysis of Kandahar projects** Due to security restriction in travelling to the sites where projects are presently or completed, the team could not travel, therefore had concentrated the time on meeting and consultations: DDA’s, donors, and UN agencies, govern departments, contractors and the unit staffs of NABDP regional office.

19. The followings are the findings of the mission in Kandahar which can be considered as the strength of “Kandahar Model’ implementation:

20. **Findings – Decentralization:** The NABDP project management partly decentralized with utilization of technical (engineering), appraisal and procurement capacity in regional office;

21. **Collaboration:** Close collaboration with donors, MRRD offices in region, DDA's in project selection, UN and other development actors in the region;
22. **CDC/DDA participation** in project identification, supervising and monitoring of construction process;
23. CDC/DDA participation reduces security threat;
24. CDC/DDA takes responsibility for project maintenance with no additional costs (small irrigation, water resources and agriculture projects);
25. Enabling "CDC/DDA participation" with training increases local capacity of the end users in villages/ clusters/towns.
26. Maximum number of projects with CDC's/DDA's participation and contribution
27. **Finding - Kandahar and NABDP core objectives:** In the Kandahar approach the reflection of the core objectives of NABDP [ref 1. P. 12] are reflected. In the tables below the information on the projects under Phase II is given:

Table. 7. Kandahar projects

28.

Projects	Nos.	Total Cost.USD	%	Contr. %
Agriculture	20	759268	6.86	
Irrigation	258	3577969	32.31	0-60
Schools	2	436670	3.94	0.00
Clinics	6	237765	2.15	0.00
Roads & bridges	17	3389928	30.61	0.00
Water Resources	70	2232924	20.16	0.00
Public buildings	1	440338	3.98	0.00
	374	11074862		

29. **Finding:** Out of 374 nos projects, 258 nos. are low cost irrigation projects with only 32.31% of the total project cost and these projects are contributed by CDC/s at 0-60% of the cost in different projects. Water resources projects which is a priority in the area consists 20.16% of total expenditure. On the other hand the highest cost of the project in NABDP Phase II is the construction of a bridge with over \$840000.

Table. 8. Cost breakdown, Kandahar Projects

Project size, USD	Nos.	Total Cost. USD	%	Contribute. USD	%	Average cost. USD
400-20000	284	2249059	20.31	537504	23.90	7919
20001-100000	69	3224844	29.12	79145	2.45	46737
>100000	21	5599609	50.57	0		266648
	374	11073512		616649	5.57	

30. The cost breakdown shows that nearly 50% of the total project costs are to be spent in small and medium size project costing less than \$100000 and the CDC's contribution are relatively higher in low cost projects from which they get direct benefit.

31. **Finding: Considerably high expenditure** involved in roads, bridge and public building project;
32. **No or weak CDC's/DDA's contribution** in all but irrigation projects;
33. **Finding: Implementation Support and Procurement Unit.** Presently procurement of contractors is done by MRRD procurement in Kabul is responsible for procurement for all the projects: MRRD and NABDP therefore procurement procedure is centralized in Kabul. The office has 4 engineers to check the Bill of Quantity sent by the RITS, Kabul.
34. **Finding: Implementation Support and Community Empowerment Unit (CEU)** All the infrastructure development has the community involvement as direct participation or as beneficiaries. The present CDC/DDA participation concept in project identification and implementation requires constant support with consultation and training where CEU should take the leading role.
35. **Finding: Monitoring of progress** Presently the monitoring of projects is done by M & E / MRRD in Kabul. The office makes a plan of site visiting after receiving the information of the project from MIS/MRRD. The monitoring team then visits the NABDP/PRRD/DRRD office which provides the logistics and technical staffs. The contractors are paid after following the report of monitoring team on progress of a construction made. Due to the shortage of technical staffs in M & E, the monitoring is done 3 times usually during the construction period which is not sufficient. More the absence of required technical staffs in M & E the progress of construction made by the team does not reflect the actual progress which causes the disputes with the contractors. After the site visit by monitoring team (20% is completed report) it takes 2 months to get the payment when project construction period is 3 months for most of the project, and this impacts on **programme efficiency**.
36. **Finding: Implementation Support and Human Resources Unit – Staffing** The NABDP and MRRD programme are understaffed specially the technical staffs (engineers) to cover the project needs. Due to the shortage of engineers, most of the projects are supervised only for 3 times during the project execution (construction phase). The medium and large projects require much more numbers of supervision during the construction phase to have proper quality control.
37. The NABDP/MRRD programme requires serious increase of technical staffs, specially the engineers. The highly qualified and experienced technical staffs and advisers are concentrated in Kabul
38. **Finding: Technical Staff welfare** There is a large difference in salary and benefits between the MRRD permanent and NABDP staffs and advisers therefore many qualified technical staffs from MRRD departments leave the positions to go other project jobs.
39. **Finding: Administration Unit - Office Space for Implementation Support** Lack of required office space is in RITS and PMU Kabul which should bring under immediate consideration. Serious lack of office space is noted in the NABDP premises in Mazar-e-Sharif
40. **Finding: Security** Security is a serious concern and obstacle in the achievement of programme performance, monitoring and supervision of the projects
41. **Finding: Kandahar Model:** In the “Kandahar model” the NABDP key objectives are mostly reflected which, with the ‘lesson learned’ was replicated in “Helmand” has resulted better performance.

42. **Finding: Gender Issues in Implementation Support**¹⁹ Women do not directly benefit from NABDP's engineering projects, like roads and bridges, as in most of Afghanistan, women are often banned from public areas in all arenas of life. Hence they become indirect beneficiaries of the projects planned and executed by the men in their society. In some areas, like Kandahar, there are no women's DDAs or women's advisory committees to DDAs (although NSP has managed to establish female CDCs in this area), so they have no input into the project planning process. There are no funds specifically budgeted for women's projects.
43. **Finding – Implementation Support Unit's Overall Performance:** The overall performance of NABDP Phase II is considered medium (in context of the present security situation).

III SUMMARY ANALYSIS AND LESSONS LEARNED

45. The NABDP is well aligned with national development policies and strategies, as articulated in various GoA documents, such as the ANDS and the Afghanistan Compact. It is also linked to various UN and UNDP frameworks; and its good governance, community development and institutional capacity building objectives remain relevant areas of support for donors towards achieving MDG objectives in Afghanistan.
46. **Relevance of the Area Based Approach.** Although it is now a national programme, NABDP has retained an area-based approach in that it has customized project implementation modalities according to local contexts; and it is a programmatic vehicle of choice for donor support in part due to its successful application of adaptive management. The area-based approach remains relevant for work in insecure locations.
47. **Change in Country Context since 2005 and impact on NABDP.** The country's political and security contexts have changed since NABDP Phase II was designed in late 2005. As well, MRRD's strategies have evolved, and its restructuring of departments and programmes is now being aligned with the ANDS. Under the ANDS/ARD sector strategy, NABDP will be positioned with NSP, under a "Governance" stream. This is anticipated to bring greater synergy to these two programmes, and to reduce duplication of activities. NABDP's recently formed MRRU should be informed by NSP's more developed M&E Unit, and there may be sharing of offices and staff in the field, which will bring greater cost efficiencies to both programmes. It is not yet clear whether this will lead to a convergence of the two programmes when NSP is completed in 2010.
48. **NABDP, IDLG and the positioning of the DDAs.** One of the greatest achievements of NABDP Phase II has been the facilitation of the SNC process, and support to the establishment of DDAs across Afghanistan. The IDLG, a programme which focuses on subnational governance and community development, and which also refers to DDAs in its strategy document, was launched in August 2007. UNDP, as well as some of the other donors to NABDP, have already pledged support to IDLG; and UNDP's ASGP has recently been reorganized to take into account the IDLG initiative. It will be necessary for UNDP/MRRD/NABDP to clarify the positioning and roles of the NABDP DDAs with IDLG. The potential for DDAs to act as hubs for community driven development is great,

¹⁹ Gender findings were prepared by Rangina Hamidi; her detailed findings on gender issues in NABDP II are presented in Annex 6.

and considerable national and international effort has been expended in the DDA formation process. How the DDAs evolve will also depend upon the timing of constitutionally mandated elections for district councils

49. **NABDP components' cohesion.** With regard to implementation issues, NABDP's four related but different components do not consistently support each other in as cohesive manner as originally intended for achieving the programme's intended output, and these units vary in the degree to which they have satisfactorily produced expected outcomes to date. The programme's physical outputs are primarily infrastructure QIPs which are not well linked to longer term, sustainable community development. Better linkages between ER and IS, for example, for productive infrastructure, would be more strategic.
50. **Earmarking of funds.** Over 90% of NABDP's donor support is earmarked for provinces where their respective governments have a PRT presence. There is not sufficient funding for NABDP to support DDA trainings and to implement priority development projects in "underfunded" regions where the programme has already established DDA. There is an urgent need to manage community expectations if the programme, and MRRD, are not to lose credibility; and local respondents in both Kapisa and Mazar advised the review of their dissatisfaction in not having any of their priority projects under implementation.
51. High percentages of earmarking are contradictory to the Paris Declaration and, as learned from case studies from Africa, e.g. Zambia in the early 1980's, impede aid effectiveness. Alternative channels of funding, beyond UNDP, which do not permit high degrees of earmarking, must be identified, if NABDP is to be able to effectively function as a national programme, and for the programme to become less donor driven and more MRRD led.
52. **International technical assistance.** International advisors and consultants have been a valuable human resource for NABDP/MRRD. However, they have not transferred skills to national experts in as timely fashion as was originally expected.. In any follow on activities, this process would need to be accelerated, not only for greater national ownership, but also for a realistic UNDP exit strategy in the longer term.
53. **Institutional Development and Salary Scale Differentials.** Although it is expected that NABDP will be transferred to MRRD in future, one issue that hinders the retention of national staff who have benefitted from NABDP capacity building is the significant difference in the MRRD and UNDP salary scales. Salary top ups are not sustainable, and other means of guaranteeing NABDP national staff salaries, in order that they continue to work in MRRD, must be found.
54. Some staff turnover is inevitable, and there will continue to be a need for institutional development at MRRD, regardless of where NABDP is positioned.
55. **Crosscutting issues – Gender.** NABDP's performance in this area is disappointing: gender mainstreaming is neither well understood nor well integrated into the programme. Although there was a Gender Advisor at MRRD with input into gender issues at NABDP, this did not ensure mainstreaming was realistically and proactively integrated into the programme.

IV RECOMMENDATIONS

Recommendations for NABDP

56. Recommendations – Economic Regeneration.

- a. It is recommended that ER increase its activity in realizing DDP SME proposals for pilot projects, at the district level. This will also increase ER's linkages with CE and IS, particularly for livelihood enhancing infrastructure projects.
- b. ER should focus on "meso" level activities, and should not become involved in microenterprise; this is best left to village level organizations.
- c. Links with AISA, ACC, and other private sector as well as public private partnerships and CSR potential should be proactively explored.
- d. All business plans include social benefits, particularly to encourage and retain female employees.
- e. Any businesses developed or supported by ER should comply with international labour standards and conventions.
- f. Given the various other rural economic development initiatives at MRRD, as well as other donor funded projects, it is recommended that ER produce a checklist itemizing its value added activities for MRRD, which can be circulated to donors, as a response to queries about duplicate efforts.

57. Recommendations – Institutional Development.

- a. It is recommended that a gender advisor be positioned within NABDP, to guide the mainstreaming process.
- b. It is recommended that ID assist HR in developing equal opportunity and affirmative action approaches, to increase the percentage of female staff in the programme.
- c. It is recommended that ID prepare a timebound strategy for the transfer of skills from international advisors to national experts.
- d. Given the various other capacity building initiatives at MRRD, as well as intra-ministerial projects, it is recommended that ID produce a checklist itemizing its value added activities for MRRD, which can be circulated to donors, as a response to queries about duplicate efforts.

58. Recommendations – Implementation Support.

- a. It is strongly recommended that IS better link with ER, CE and other development partners, in designing productive infrastructure projects which are strategically linked to longer term integrated community development.
- b. It is recommended that the procurement process be decentralized.
- c. It is recommended that projects include a specific budget item for women's projects.
- d. It is recommended that ways for women to become direct beneficiaries of projects be creatively considered.

59. Recommendations – Community Empowerment.

- a. It is recommended that a clear, simple TOR for the DDAs be developed from the operational guidelines.

- b. It is recommended that further DDA establishment be undertaken only in areas where funding for follow on training and priority projects has been secured, in order to better manage community expectations.
- c. It is recommended that in the formation of female DDAs, or advisory groups, CE vary its approach according to regional context and cultural constraints.
- d. It is recommended that NABDP be informed by NSP's success in forming female CDCs, in areas where NABDP has to date been unsuccessful in establishing female DDAs, such as Kandahar. The sharing of social mobilizers and trainers between these two programmes is recommended.

60. Recommendations Monitoring and Evaluation.

- a. It is recommended that NABDP's new MRRU liaise closely with NSP's M&E unit; and that it also consider community participatory monitoring, particularly in insecure areas.
- b. Beyond individual project monitoring, it is recommended that NABDP develop a performance accountability framework, for macrolevel programme assessment.

Recommendations – UNDP

Prepare a timebound exit strategy for the handover of NABDP to MRRD, and a schedule for the gradual decrease in the number of international technical advisors.

Recommendations – MRRD/NABDP

61. Recommendations – Earmarking and Funding Arrangements

Identify other channels for funding, beyond UNDP, which limit the percentage of earmarking. It is suggested that donor funding through the ARTF and MoF be investigated. This would not preclude bilateral funding through UNDP, and it would provide greater national ownership for the programme, which is now seen to be more donor- than MRRD-driven

62. Recommendations – Consolidation during remainder of Phase II.

Given its rapid and unforeseen expansion since 2006, it is recommended that the remainder of NABDP Phase II be a period of consolidation of its gains and of strengthening the linkages between its components as well as with other development actors.

63. Recommendations – Greater Synergies with NSP in the restructured MRRD.

- a. As MRRD is now restructuring its departments and programmes to better align with the ANDS-ARD sector strategy, and as NABDP and NSP will both be placed under a "Governance" stream at the Ministry, NABDP must have greater coordination and synergies with NSP, both in Kabul and in the field.

64. Recommendations – Interagency Partnerships.

- a. It is recommended that in the field, and towards greater integration and sustainability of its work, NABDP build partnerships with other agencies which have demonstrated advantage in livelihoods, gender mainstreaming and integrated community development, such as ILO, UNIFEM and UNHABITAT, as well as with NSP. This will be more efficient and cost-effective than creating "mini-NABDPs"; this is also in line with an area-based approach, and with the synergistic and collaborative strategies of ANDS/ARDSS.

Recommendations – UNDP/MRRD/NABDP

65. Recommendations – IDLG.

- a. Clarify the positioning and roles of the NABDP DDAs with IDLG, and in relation to the constitutionally mandated district and village council elections proposed for 2010.

21. Recommendations - Suggested topics for post-review analysis.

- a. The role of Public – Private Partnerships and Corporate Social Responsibility in local economic development - examples from Afghanistan and other fragile states
- b. Best practices in reporting, monitoring and evaluation in conflict-affected areas
- c. Measuring change management and organizational learning – an analysis of the outcomes of UNDP/NABDP technical assistance to MRRD
- d. A roadmap for future NSP/NABDP synergies and convergence under “Governance” at MRRD
- e. An assessment of NABDP stakeholder partnership processes and outcomes
- f. Governance cost/benefit values
- g. Security and development – a comparison of the DIAG and Kandahar approaches
- h. The Kandahar prototype and its modified Helmand replication

V CONCLUSION

66. Good governance and rural development needs in Afghanistan remain great, and the NABDP concept and programme design is closely aligned to GoA priorities and national development strategies in those sectors. Support to interventions such the NABDP therefore remains a relevant and appropriate issue for donors for achieving good governance and community development objectives there.
67. NABDP is now a programme with nationwide coverage, although it has retained its original area-based approach by customizing the implementation of activities according to local context. MRRD/NABDP’s successful use of adaptive management in insecure areas, including community contracting and community security guarantees, are examples of this modified area based approach; and one of the reasons why NABDP has become a programmatic vehicle of choice for donors with particular regional foci.
68. NABDP has expanded much more rapidly than originally envisaged in its 2006 Phase II Programme Document. Moreover, it is ahead of schedule in meeting its some of its quantitative goals, such as the establishment of nearly 300 DDAs. However, due the high degree of donor earmarking, NABDP has not had the flexibility to implement follow up training and priority development programmes in “underfunded” areas; and its activities now appear to be more donor-driven than Ministry-led.
69. It is therefore crucial that the programme address community expectations in “underfunded” areas, if both it, and MRRD, are not to lose credibility. Identification of alternative channels for donor funding, beyond UNDP, and which will limit the percentage of earmarking, will be key in addressing these issues..A time-bound exit strategy from UNDP for its handover of

the programme would be also be progress towards the goal of national ownership, as would increasing the number of qualified national staff in managerial positions at NABDP.

70. It is recommended that the remainder of NABDP Phase II be a period of consolidation of its gains and of strengthening the linkages between its components as well as with other development actors. During the rest of Phase II, and in follow on activities, greater synergy with NSP, under the restructured MRRD “Governance” stream, would be cost-efficient and programme effective for NABDP, reduce duplicate activities, and be in accordance with the ANDS-ARD sector strategy. Some stakeholders have suggested a convergence of NABDP and NSP when the latter is completed in 2010.
71. In the field, for NABDP to build partnerships with other agencies which have demonstrated advantage in livelihoods, gender mainstreaming and integrated community development, such as ILO, UNIFEM and UNHABITAT, will be more efficient and cost-effective than creating “mini-NABDPs”. These types of interagency partnerships are also in line with an area-based approach, and with the synergistic and collaborative strategies of ANDS/ARDSS.
72. Noting the establishment of DDAs throughout Afghanistan is one of the programme’s most significant achievements, it will be necessary for MRRD and NABDP to clarify the positioning and roles of these DDAs with IDLG. The potential for district level hubs for community driven development is great, and considerable national and international effort has been expended in the DDA formation process. How the DDAs evolve will also depend upon political context, including the timing of constitutionally mandated elections for district councils.
73. In summary, the accomplishments of NABDP Phase II are considerable, particularly the in view of the challenges of the Afghanistan context, and of the programme’s unexpected support of the SNC. The realisation of all of the most significant outputs intended for Phase II is in progress, although achievements towards some, such as the implementation of the Kandahar projects, are difficult to measure, due to lack of access. Certainly not all of NABDP’s intended outputs will be completed by the end of 2008. An extension, or follow on, to Phase II is therefore recommended, noting the recommendations made above, including the transfer of the programme to MRRD.

74.

REFERENCES

Unpublished Documents and Reports

Operation Task Force Bayonet (US PRT Jalalabad), *District Development Plan Concept Note*, n.d. (2008?)

Sarwary, Hamed, Monitoring and Evaluation Department, NSP, *Concept Note – Community Participatory Monitoring - Implementing a Pilot System in NSP II (DRAFT)*, March 2008

Winter, Elizabeth, *Findings and Conclusions of the National Area-based Development Programme Mid-term Review report*, October 2004.

United Nations Development Programme

_____, *Strategic Plan 2008-2011*, draft 2
_____, *National Area Based Development Programme Phase II Programme Document*, 2006

Donor agreements/proposals for current funding from Japan, USAID, CIDA, DIFD, Belgium, Norway and the Netherlands

Publications

Government of Afghanistan

National Area Based Development Programme, *Annual Work Plans 2007, 2008*
_____, *Annual Reports – 2004, 2005, 2006, 2007*
_____, *Revised Operational Guidelines* April, 2008
_____, *Quarterly Reports – 2006, 2007*
_____, *Minutes of the NABDP Steering Committee Meetings 2007*

United Nations Development Programme

UNDP Afghanistan, *Country Programme Action Plan*