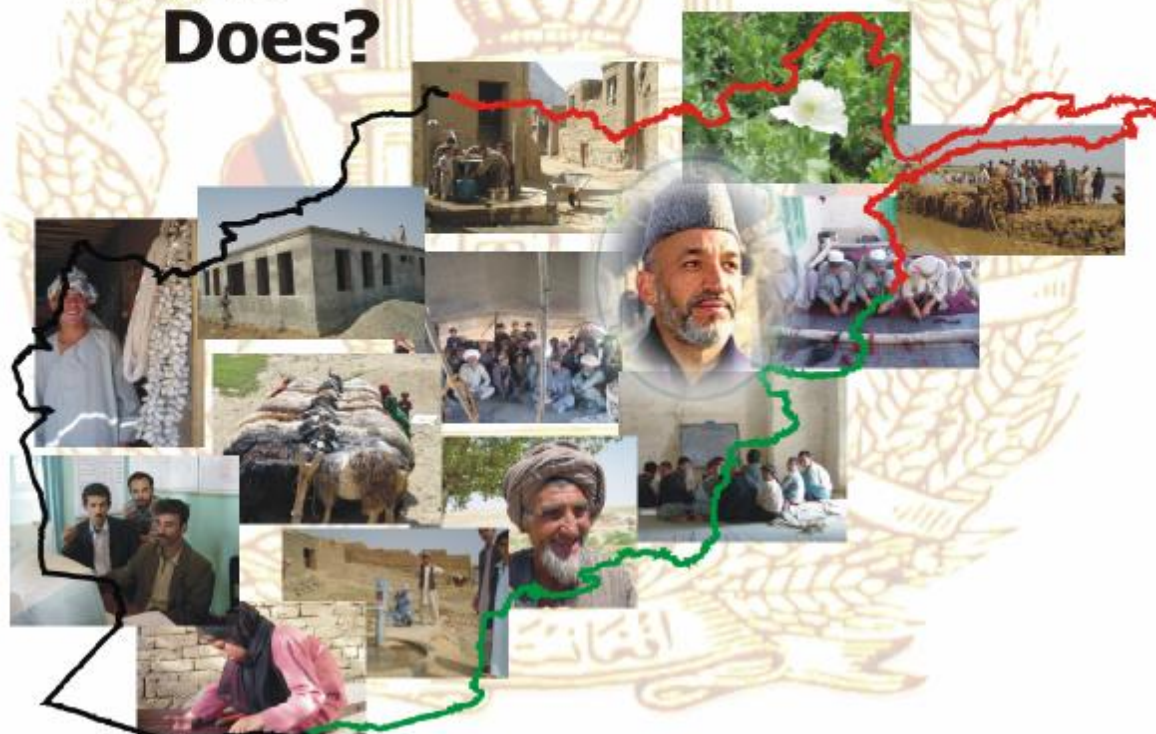




(Minister of MRRD)

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National Solidarity Programme (NSP)

Rationale

The chronic poverty in Afghanistan, exacerbated by years of neglect, accumulated effects of conflict and political instability and drought, has produced unacceptable levels of human suffering and deprivation. Over 50% of Afghanistan rural population live below the poverty line. While poverty reduction lies at the heart of the government's social policy, the objective can only be achieved by empowering poor communities to strengthen their social capital and bonds, make decisions that affect their lives and use public and their own resources in the best interest of their communities. Pursuing this objective, the NSP is mobilising community and public institutions, private sector, NGOs and UN agencies to support the Afghan poor communities in their struggle to make their way out of poverty.



Objectives

The objectives of the programme are:

- To lay the foundations of community-level good governance.
- To support community-managed sub-projects for reconstruction and development to improve the access of rural communities to social and productive infrastructure and services.

Strategy and implementation plan

NSP strongly promotes a unique development paradigm whereby communities can make important decision and control resources at all stages of their development. Through NSP, communities elect their legitimate leaders and representatives to form Community Development Councils (CDC). These CDCs formulate Village Development Plans through extensive consultation and participatory methods. To implement priority projects of the plans, CDCs mobilise community resources and receive block grants (average around USD 20,000) from the government. 21 NGOs and UN-Habitat as Facilitating Partners (FPs) have been contracted to provide technical assistance to communities in electing their leaders, establishing CDCs, formulating village development plans, design and implement development projects. The GTZ/DAI has been contracted as oversight consultant (OC) to supervise the entire process on behalf of the government, providing training and making sure that communities receive their block grants for eligible projects in a transparent manner. The MRRD is responsible for overall management and execution of the programme. A joint committee of government, donors, UN and the Afghan Human Rights Commission provides policy advice and strategic oversight. The villages are selected on the basis of three criteria, i.e. food & livelihood insecurity, return of refugees and IDPs and social targeting balance.

Summary of achievements up-to-date

Today, NSP is the Afghan government's flagship programme for community development. This government's largest development program is gaining strong momentum with the following major achievements:

- NPS has covered 96 districts (3 in each of the 32 provinces). To date, over 5 million rural women and men have participated in electing 4,000 CDCs in 4,000 villages. 15% of these CDCs are special women councils and the rest are mixed.
- As of 31 March 2004, total amount of \$4,694,629 of the block grants was disbursed (over USD 11 million obligated) for construction of roads and culverts (129 projects), water supply systems (89 projects), Gabion and irrigation canal (50 projects), for electricity (e.g., diesel generator and micro hydro-power, 50 projects), 27 public bathes, 20 schools, and 20 facilities for weaving and tailoring, 7 bridges, as well as other community facilities.
- NSP is now launching an intensive training program for more than 3,600 participants from MRRD, NSP, FPs as well as the elected representatives from communities across the country.
- 24 out of the planned 32 regional NSP offices are opened, equipped, staffed, and fully operational.

Plan for 1383

By the end of 1383, NSP will cover the planned 6,000 villages and start the initial phase of the programme in 6,000 new villages of the country. The objective is to reach all villages of the country (approx. 20,000) in 3 to 4 years.

From now on, it is projected that every month between 4 to 5 hundred villages will be receiving their block grants (estimated US\$ 10 million in total).



Key bottlenecks

- Inaccessibility to some of rural areas due to security situations.
- Weak capacity of MRRD engineering and management of FPs & OC.
- Insufficient communication and information infrastructure.

Information on funding

Total contract value of the program is US\$42,252,342 (with \$20,319,700 disbursed as of 31st March 2004). The program has received contributions by IDA Grant-NSP component (SDR 18,650,000, approx. US\$29,525,331), Denmark (\$4,989,475), DFID (\$5,723,000), and Canada (\$10,985,000). The other funding that is committed but yet to be made available includes IDA NSP II Grant (\$97,771,154), EC (\$19,095,000) and USAID (\$10,000,000) and Japan (\$10 million).

National Emergency Employment Programme (NEEP)

Rationale

The livelihood-insecure people including the returnees need productive work opportunities. Unemployment and under employment is widespread. The poppy growers and ex-combatants will have to be assisted with alternative livelihood opportunities. While economic growth is essential for a politically stable and prosperous Afghanistan, it is imperative to ensure that the vulnerable people benefit from such growth through special social safety nets.

On the other hand, physical inaccessibility exacerbates the poverty of our people, affecting their access to markets, health and education, and hinders their participation in the political processes of the country. NEEP is designed to address these challenges.

Objectives

The objectives of NEEP include:

- To provide a safety net for the most vulnerable people by creating productive employment opportunities.
- To establish effective mechanisms for developing public and productive infrastructure assets, through labour-based methods and a private sector-led approach.
- To develop public sector capacity and systems for delivering various community services.



Strategy and implementation plan

NEEP covers all 32 provinces of the country. Works are sub-contracted to private contractors through a bidding system. NEEP also provides training for the small local contractors to make sure that the construction works are of good quality. Labour-intensive methods are used in the construction to ensure that a maximum number of poor people can benefit from the NEEP projects. People with disability, destitute women, the elderly, refugees, and demobilized soldiers are also recruited by NEEP for the construction activities.

The NEEP National Inter-ministerial Board, composed of MRRD, MPW, MMD, Women's Affairs, Labour and Social Affairs, Returnees and Repatriation, Public Health, Education, Frontiers and Tribal Affairs, Reconstruction, and Finance, is responsible for steering the programme and managing resource allocation. The Joint Program Management Unit (JPMU) under the leadership of MRRD is responsible for the strategic management of the programme including the development of policies such as targeting and standards, etc. The Unit reports to the Inter-ministerial Board. Together with other ministries, MRRD coordinates all projects under NEEP.

Summary of achievements up-to-date

NEEP completed its first phase in 2003 with great success, creating 5 million labour-days and reconstructing 1,050 km of roads. NEEP has also completed construction of 1,500 bridges and culverts, 3,000 shelter, 100 school, 15 clinics, 100 projects for irrigation, and 250 projects for water supply. Credit for the success of these projects goes to the Ministries of Public Works, Water Resource, Irrigation and Environment, Rural rehabilitation and Development and our partners such as UNOPS, ILO and CARE.

Furthermore, draft guidelines and procedures for resource allocation/programming, planning, contracting, social targeting, monitoring & evaluation, and reporting, were developed for the NEEP staff to ensure smooth operation of the programme. A pilot Management Information System (MIS) has been established and operationalized to track physical and financial progress of the projects.



Plan for 1383

The target for NEEP in 1383 is to generate 13 million labour days through construction of work of 2,500 km of rural roads, 2,500 bridges, 50 irrigation projects, 150 water supply projects across the country. Plans are being reviewed to further scale up the NEEP delivery. The capacity of NEEP to implement and monitor the projects will be enhanced by fully implementing the MIS and recruiting more NEEP staff in the communities.

Key bottlenecks

The implementation mechanisms for NEEP need to be strengthened further including the functioning of the Inter-ministerial Board. The engineering capacity of the organisations involved needs to be strengthened. Strengthening the capacity of the contractors for managing contracts is a key priority. Another priority is the development of national policies and technical standards and capacity for monitoring compliance.

Information on funding

Total budget of the programme is US\$126,738,670. NEEP has received contributions from World Bank, EC, USAID, UNHCR, and Japan. The budget requirement for continuation of the programme activities in 1383 is US\$65,752,000, which is covered by World Bank, EC, USAID, UNHCR, and Japan. Yet, the programme requires an additional US\$150million for expansion of the activities.

Rural Water Supply, Sanitation, and Hygiene Promotion

Rationale

In addition to its impact on health, development of domestic water supply and sanitation is considered one of the most important factors for improving rural livelihoods. Safe drinking water is one of the biggest contributing factors to people's health, and reconstruction can only be accelerated through an active and healthy population. Afghanistan has some of the worst mortality figures in the world, for example, over 25% of children dying before the age of 5. Half of the deaths are caused by preventable waterborne diseases. Urgent action is necessary to improve rural livelihood and health in the communities.

Objectives

The objectives of the programme are:

- To improve health and halve the child mortality and morbidity in the country within the next 5 years.
- To educate people on how to prevent waterborne diseases and stay on healthy.
- To reach all people with safe and sustainable drinking water.
- To improve public hygiene and environmental sanitation in the community.
- To equip all communities with a community environmental and sanitation plan to protect their health and local environment.

Strategy and implementation plan

To reach all people with sustainable basic services for rural water supply and sanitation facilities, sustainability is developed with community ownership, based on the user demands as well as the willingness and ability to contribute and pay. The programme uses local technology and methods to provide safe water. The Government takes a regulatory and facilitating role while the private sector implements government-executed programmes, supervised and monitored by MRRD. A key strategy will be to collect information on the status of existing services nationwide to identify the community needs and implement activities accordingly.

To reach 15 million people over the next 5 years with enhanced capacity for basic services, the programme will develop 100,000 new water points providing 25 litres of safe water per day per person. In order to make people aware of the importance of safe drinking water and links to waterborne diseases, 2.5 million households will be educated on water, sanitation, and hygiene issues through a variety of approaches suitable for rural Afghanistan.

Summary of achievements up-to-date

In 2003, National Policy Framework has been developed and approved. Also, the National 5-year targets and Millennium Goals in Afghanistan have been defined and the 5-year development plan was prepared. In order to achieve these

targets, the programme has successfully implemented various activities in all 32 provinces. For example, approximately 1.5 million people have benefited from 204 projects with US\$11 million in 2003 alone. Through those projects, 3,387 wells, 1,712 water tanks in schools, 1,042 sets of latrines as well as 600 family latrines, and 26 water supply networks were constructed. Furthermore, 7 hygiene education projects were implemented, 9 ozone solar systems were installed, and 704 hand pumps were repaired. A water pond was rehabilitated, and a chlorination project was also completed.

The project proposals have been prepared for sector investment, amounted to over \$200 million for the next 5 years. Also, the project proposals, valued over \$25 million, were drafted for the year of 2004. An agreement on implementation of these projects has already been signed between MRRD, UNICEF and UNHCR. A project proposal for \$5 million supported by USAID is close to be finalized, and the \$20 million-value proposal is already being appraised by Afghanistan Reconstruction Trust Fund.

Plan for 1383

Under the programme, the following activities are planned for 1383:

- Construction of 13,000 new water points.
- Construction of 40,000 household latrines.
- Hygiene education to 800,000 households.
- Establishment of a national training centre, later to be developed into a rural training academy.
- Provision of water supply and sanitation for more than 1,000 schools.
- Starting development of small scale private sector firms.

Key bottlenecks

- Inaccessibility in rural areas.
- Lack of local engineers and staff to provide necessary technical services and supervision for the projects.
- Weak implementation mechanisms to ensure strengthening of community-based projects.
- The need to strengthen provincial government capacities.

Information on funding

The total rural water supply and sanitation programme is budgeted around \$205 million over the next 5 years. This does not include a special program for rural towns and peri-urban areas.

For 1383, the funds are now pledged by UNHCR (\$2.3 million for support to MRRD), USAID (\$5 million for support to 13 provinces), UNICEF (\$5 million for total programme), Japan (\$ 1 million) and Afghanistan Trust Fund (\$17 million). Support from the government of Turkey (\$ 2 million) is under discussion.



National Area Based Development Programme (NABDP)

Rationale

After the induction of the Afghanistan Interim Administration in December 2001, the Government identified ten priority geographical areas in the light of their severe war damages, large numbers of returning refugees and IDPs and earthquake damage. The NABDP was designed to support rebuilding essential functions of the state and civil society institutions, rehabilitating basic rural infrastructure, stimulating economic and income generating activities, and improving access to social services under the National Development Framework.

Objectives

The objective of NABDP is to develop the capacity of the government at national and local levels to formulate and manage recovery and development strategies and programmes through a participatory process to address key social and economic challenges in the country.

Strategy and implementation plan

NABDP has been implemented under the two different modalities executed by MRRD and UNDP in collaboration with UNOPS, FAO, and UN Habitat. NABDP is unique within the MRRD's program portfolio in that resources can be programmed flexibly in response to locally defined needs and availability of other program resources. The focus of the NABDP interventions is to support programme achieving results, ensure capacity development, and strengthen the MRRD and RRD provincial offices through skill enhancement of the staff, financial and material capacity, and system development.



Summary of achievements up-to-date

- The programme enabled government officials, the Emergency Loya Jirga delegates, and local leaders to conduct a provincial planning process in all provinces of the country and identify over 1,500 key priority projects in all districts of the country. Of these, 317 sub-projects valued at over US\$17.9 million have been implemented across 32 provinces, contracted through UN agencies, such as FAO, UN Habitat, UNOPS, NGOs, and private sector businesses, for immediate recovery in the areas of agriculture, building construction, education, health, income-generation, irrigation, livelihood, rural development, shelter, transport, water supply, and public administration.
- NABDP has played the most important role in the institutional reform and strengthening of MRRD. Through provision of human and financial capitals, the programme has enabled the ministry to reform its mandate, policies and structures at both national and provincial levels, and develop new programmes that are relevant to the national

priorities. Also, the programme has extended such a support to other ministries both at national and provincial levels.

- The feasibility study was conducted on macro-economic regeneration projects, particularly on the Spinzar Cotton Gin in Kudzu including scenarios for further operation of the Gin in the context of the government's privatisation law discussed with the Minister of MRRD, Light Industries and the Chairman of the Privatisation Commission.

Plan for 1383

In 1383, NABDP will intensify and expand its activities in the following areas:

- Continuation of the obligated NABDP Sub-projects for rural infrastructure and rehabilitation.
- Implementation of the remaining of the over 1,500 projects identified through provincial planning. Priority will be given to the projects not picked up by other national programmes.
- Continuation of support for further institutional reform and restructuring within MRRD and other LSP ministries.
- Re-organization of NABDP for resource mobilization and strengthening reporting and monitoring system in MRRD and NABDP.
- Provision of support for the Afghanistan's first National Human Development Report.
- Continuation of support for NRVA/NSS.



Key bottlenecks

The progress of activities in the sub-projects is largely subject to severe security concerns. Social, political, cultural and economic implications needed to be carefully observed and measured before undertaking any intervention.

Information on funding

Total budget of the programme amounts US\$157 million. In 2003, NABDP received US\$29.5 million from Italy (\$10,983,367), Malaysia (\$500,000), Canada (\$5,150,727), Japan (\$1,854,000), UK (\$1,562,500), USAID (\$5,000,000), Sweden (\$2,910,361), EC (\$339,875), UNHCR (\$161,410), and UNDP (\$1,100,000).

Budget requirements for 1383 are estimated to be US\$ 45 million and some donors have expressed their interest in contributing to NABDP in 1383, such as Italy (\$7.2 million), Canada (\$7.18million), Sweden (\$2million), UNHCR (\$0.5 million), UNDP (\$0.5million) and EC (\$0.5 million). This leaves US\$27,107 as a shortfall.

Micro Finance Investment and Support Facility in Afghanistan (MISFA)

Rationale

As part of the needs assessment undertaken by the World Bank in early 2001, micro-finance was identified as one of the core needs for securing sustainable development at the micro and macro economic level. This was reaffirmed by the recent review of the needs assessment carried out by the World Bank under the Livelihoods and Social Protection program in December 2003 for and on behalf of the Afghanistan Transitional Government. Economic regeneration is an essential element in the reconstruction and stabilization of Afghan society. The provision of credit and finance generally is key to the development of the private sector economy.



Objectives

The primary objectives of MISFA are:

- To improve the livelihoods and opportunities of the poor and vulnerable in Afghan society through the provision of credit.
- To develop a sufficient number of NGO micro finance institutions that have adequate capacity and infrastructure to implement sustainable credit programs.
- To develop MISFA as a long term independent wholesale financial intermediary for the micro finance sector (i.e., a bank to micro finance institutions) as well as an advocate for the sector and a vehicle through which the sector can co-ordinate activities and initiatives such as credit bureaus, and commercial law and regulation.

Strategy and implementation plan

MISFA began operating in June 2003, and the programme now has around fifteen professional international and national staff. MISFA has its own premises and systems and operating procedures and is seeking to be formed as an independent entity by summer 2004. Also, the aim is to have MISFA management by national staff during 2005. MISFA has been working closely with NGOs as implementing partners. NGOs are identified through a selection process including a formal application together with a business plan prepared by the NGO. If selected, the NGO is subject to an assessment undertaken by MISFA's technical staff which results in the production of a work plan with deliverables and targets. Funding is disbursed in instalments and is subject to continuing satisfactory performance.

In relation to empowering livelihoods, MISFA focuses on vulnerable groups including women, the disabled, and the working poor, providing the credits ranged \$50-1,000 for the term of 3-12 months.



Summary of achievements up-to-date

Within as short as seven months, MISFA has already succeeded in funding five micro finance institutions (MFIs) or NGOs. Since the first disbursement made in July 2003, almost US\$16 million has been contracted, and over US\$5 million has been disbursed. More than 20,000 clients (mostly women-headed families) have received loans. The performance of the micro-credit loan has been remarkable with the average repayment rates of 98%. The MISFA loans have financed the activities for commercial services (e.g., carpentry, transportation, hairdresser, electrician, and plumber), craft (e.g., embroidery, carpets, and sewing), shops and retail sellers, and manufacturing.

Plan for 1383

MISFA aims to invest in at least twelve national and international institutions during 1383. The target is that at least 75,000 families will be receiving credit from those institutions by the end of 1383 and that another 14 provinces will be covered including Kunduz, Takhar, Laghman, Shibarghan, Samangan, Ghazni, Bamyán, Herat, Badakhshan, Wardak and some as yet unidentified western provinces. If, as hoped, other institutions can be incorporated under the MISFA projects then more provinces will be covered next year.

Key bottlenecks

The limited number of competent micro-finance organisations in the country to implement the programme is a key constraint.

Information on funding

Total budget of the programme is US\$7.5 million for 1382, US\$17.5 million for 1383, US\$60 million for 1384. MISFA has been supported by World Bank (\$5 million), CGAP (\$1 million), CIDA (\$10 million), USAID (\$5 million), DFID (\$ 1.8 million for 1382/83). MISFA requires additional US\$5 million in 1383 to fill the financial gap. Because no commitments have been made for 1384, MISFA is looking for potential funding for the next year.

Livelihood Based Food Security Surveillance System

Rationale

Most government agencies in Afghanistan have suffered significant decay and destruction of both physical infrastructure and human capital during the last 23 years. There has been little or no meaningful government data collection during this period. For example, the only census ever carried out in Afghanistan took place in 1979, but this was not completed due to security concerns. In order to identify priority development issues and design appropriate livelihood and social protection strategies, relevant informative data have to be collected and analysed regularly. Therefore, it is imperative that government reactivate its capacity to provide its own ministries and the wider development community with credible national statistics on poverty and vulnerability in both rural and urban settings.

Objectives

This project aims to develop the capacity to provide timely relevant information in order to:

- Have a standardised and integrated surveillance system to which all agencies (government and non-government) wishing to develop policies and programmes addressing social protection, poverty and livelihoods can refer to as a primary data source of relevant and up-to-date information on livelihoods, risk and vulnerability.
- Identify early signs of change and deterioration in livelihoods, food security and nutrition in order to assist in the design of effective policymaking and programme responses.
- Collect data on aspects of rural livelihoods that inform targeting and programming for rural livelihoods, social protection and rehabilitation of rural infrastructure.
- Sharpen the capacity of Government to frame policies and make decision based on reliable quantitative information.

Strategy and implementation plan

The project is centred in the Vulnerability Analysis Unit within the MRRD. It is currently going through a process of upgrading the staff of the unit to rise to the challenge of being able to take on analysis of national poverty and vulnerability data.

The roles and responsibilities of data collection and data analysis may separate. It is important that rural and urban analysis is conducted with the same methods, as well as having the data collected by an institution recognised by other government partners as the legitimate agency for this.

Therefore, engagement with the current process of developing a Statistical Master Plan of Afghanistan is on-going (the process whereby roles, responsibilities, and statistical law will be defined, programme of work for reactivation of government statistics sought) may result in support going to CSO for the data collection activities, while continuing to strengthen capacity building within the Vulnerability Analysis Unit within MRRD.

Also, this project must support analytical capacity building in other key ministries such as Agriculture, Health and Urban Development to ensure value of the data is maximised. This project is beginning to produce results that can inform targeting programming and policy. As results emerge, advocacy and capacity building around their use in pro-poor planning processes will be embarked upon. The aim is to provide "pro-poor" policies that address people's needs through an understanding of their livelihoods with more effective targeting of marginalized and poor groups through improved livelihood and social protection programmes and instruments. The project aims to do this both in times of reconstruction and in an emergency, if severe drought returns.

Summary of achievements up-to-date

- Implementation of the first assessment of the rural population of Afghanistan designed to address multi stakeholder and government agency needs (National Risk and Vulnerability Assessment (NRVA) 2003). This found that one in five households are still not meeting its basic food-energy needs despite the assessment taking place

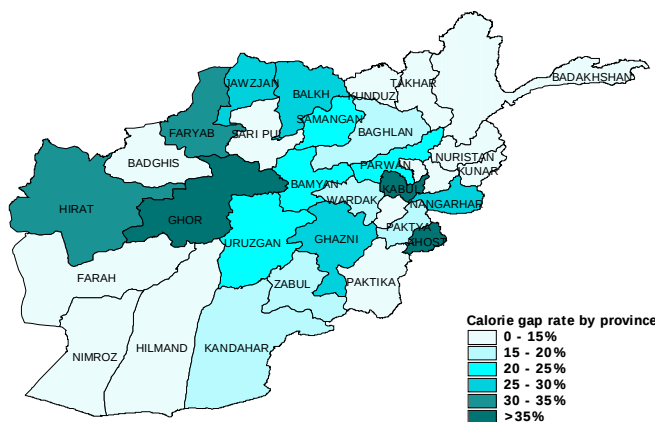
after one of the best harvest in many years in Afghanistan. Drought and water related stresses are still the major shocks that affect the rural population on a wide scale, whereas as household level health and unemployment shocks are the most frequently cited. The only pro-poor targeting that has been carried out through free food relief elements of the WFP program. Cash-for-work and food-for-work programmes have been poor neutral at best and by and large have excluded women. Not surprisingly, poor access to rural services emerges as a major issue, particularly to health facilities.

- Managed data entry and cleaning, and currently in the process of producing an initial results.
- Implementation of the pilot phase of National Surveillance System in collaboration with DFID.

Plan for 1383

The major activities planned for 1383 are:

- Clarify institutional roles and responsibilities of various government agencies in relation to the collection of poverty and vulnerability data.
- Strengthen the capacity of these departments to design, collect and analyse such data via recruitment of staff by embarking on long-term formal and informal training programme covering a range of topics from designing surveys and samples through to writing policy orientated reports.
- Strengthen the ability of analytical units within key ministries to utilise this data to provide evidence based information and recommendations on targeting, programme then kneeling and policy.
- Support the implementation of an open poverty and vulnerability assessment.
- Conduct a workshop to promote the results of the NRVA for targeting, programming and policy among government ministries and other development agencies.



Key bottlenecks

Although remarkable achievements have been made, the following issues need to addressed for further expansion of the programme:

- Clarification on roles and responsibilities of government agencies for the collection of annual risk and vulnerability data and market price information.
- Current lack of capacity within Vulnerability Analysis Unit in MRRD to perform required analysis on national datasets.
- Demand from other government agencies and ministries for the use of policy and vulnerability data emerging from this initiative.

Information on funding

Phase I of this initiative is funded by the European Commission and with a small component of joint funding from UNDP (September 2003 –November 2004; \$495,600). Phase II (November 2004 –October 2007) committed funds from European Commission €3.5 million.

Counter -Narcotics Alternative Livelihood

Rationale

The cultivation of illicit narcotics crop impedes economic development in Afghanistan and disgraces Afghan prestige in the international community. Narcotics cultivation and illegal trafficking can create a hotbed of crime and insecurity. Sustainable provision of income-generating opportunities is essential to encourage poppy growing farmers to quit poppy cultivation. The government calls for urgent attention to reduce illegal cultivation by providing alternative livelihoods to Afghan farmers.

Objectives

The programme objectives are:

- Reduction of poppy cultivation (70% reduction by 2010).
- Provision of the funds and other necessary resources for sustainable alternative livelihoods to Afghan farmers.
- Promotion of research on alternative crops to replace poppy.

Strategy and implementation plan

The key strategy is to mainstream alternative livelihood objectives in our national programmes. However, special interventions will be needed before the national programmes are able to operate in all targeted areas. The programme conducted a study on agricultural needs and food sufficiency in the communities and identified possible alternative crops for the poppy farmers. Thus, the project provides development funds for poverty reduction activities in poppy growing areas to promote job-creation opportunities for Afghan farmers. The project also supports controlling drug abuse through strengthening legal measures and law enforcing agencies as well as promoting a public anti-drug public campaign. It is very important that the various strategies of the government for law enforcement, demand reduction,

institutional reform and alternative livelihoods are effectively coordinated.

Summary of achievements up-to-date

Up to date, 21 projects in 9 provinces with a total cost of US\$2,078,000, have been implemented in the areas of school construction, clinics, roads, water-supply, and irrigation.

Based on the survey conducted, 22 projects in other 6 provinces with a total cost of \$2,027,079 have been designed, out of which, 20 projects are ready for contracting with IPs. These projects have been prioritised by those communities that eradicated poppy in their areas.

Plan for 1383

In 1383, alternative livelihood projects in more than 20 provinces will be implemented with a total fund of US\$ 6 million.

Key bottlenecks

In order to ensure the effectiveness of the programme, counter narcotics campaigns need coordination of activities with all concerned sectoral ministries such as MRRD, Agriculture, Irrigation, Justice, CND, and the law enforcing agencies. Establishment of legal measurements against narco-crop cultivation as well as implementing a public awareness campaign of the dangers drug abuse need to be undertaken.

Information on funding

Total budget of the programme for 1382 (2003) was US\$ 4,000,000, supported by USAID. Budget requirements for 1383 is estimated US\$ 6,000,000, out of which, US\$2,027,079 is committed by USAID.

Reintegration and IDP National Plan

Rationale

It is estimated that there are close to 190,000 IDPs in Afghanistan, the majority of whom are sheltered in Southern and Western Camps. The Government and its development partners have been supporting them in camps for the past few years. Returns have already taken place, but the key is for these to be sustainable and seen as successful to encourage further movements out of the camps and back to their homes. Through surveys and monitoring it is known that returnees face the same difficulties and issues as their receiving communities. The returnees in each area encounter problems with lack of water supply, employment opportunities and access to social services. MRRD plays a central role in inclusion of returnees through its national programmes, in addition to the activities of its Reintegration Unit, aiming to promote in particular the social and economic reintegration of the refugee and IDP returnees.

Objectives

- To increase the rate of IDP return.
- To sustain IDP reintegration into areas of origin.

Strategy and implementation plan

MRRD has decided not to design projects specifically for returnees but to mainstream their inclusion within the national development programmes. This inclusion in existing development programmes is aimed to facilitate their reintegration back into their villages of origin. It is understood that returnees are not the only prioritised beneficiary group, but the reintegration of over 3 million people (refugees returned) is a long-term objective that will require a sustainable commitment of resources. Within all of MRRD's national development programmes, returnees will be considered as a cross-cutting issue in planning, programming and implementation. The NSP will select its villages according to the criteria including the concentration of refugee and IDP returnees. NEEP will consider the levels of return within its social targeting and the Rural Water Supply programme will identify priority areas of high return where an increased population exacerbates scant resources.

The IDP National Plan is the initiative of the MRRD, Ministry of Refugees & Repatriation and the Ministry of Frontiers and Tribal Affairs, closely supported by UNHCR, UNDP, WFP, and UNAMA. This plan seeks an end to the perpetuation of care and maintenance in the IDP camps and strives toward durable

solutions to facilitate return and a sustained reintegration.

Summary of achievements up-to-date

The activities within the IDP National Plan will start in 2004. At this stage there are a number of ongoing activities including an assessment of the feasibility of return by Kuchis to Registan and the establishment of provincial and central co-ordination mechanisms. The IDPs in the camps in the South are currently being profiled to determine those who wish to return and the obstacles to return and reintegration that must be addressed within the context of the plan. This plan also complements the activities of UNHCR, such as the Go and See Visits for IDP representatives to their areas of origin in the Northern provinces.



Plan for 1383

For all IDPs, their return will only be sustained through area reintegration projects that benefit those who are returning, in addition to the receiving and neighbouring communities. The project activities of the National Plan in 1383 will include:

- Support for the restocking of livestock herds and livestock bank.
- Skills training in agricultural and livestock activities.
- Rehabilitation of water supply systems.
- Rehabilitation of dams, reservoirs and protection walls.

Information on funding

Total budget of the programme over 3-years is an estimated \$60m. UNHCR, WFP and IOM's programme activities are included within this Plan, but not included in the budget. The outstanding budget for 1383 is an estimated \$19.5m, however, specific budgets will be proposed after technical assessments completed in July.

Humanitarian Emergency Response

Rationale

Afghanistan is a disaster prone country, with more than 70% of the inhabited area falling under medium to high risks caused by half a dozen natural disasters such as earthquakes, floods, landslides, avalanches, droughts and extreme winter conditions. These frequent natural disasters cause abject poverty and livelihoods, diminish income-generating opportunities, and contribute to poor state of infrastructure. Without prompt and appropriate responses, such natural and man-made disasters lead to the extremely vulnerable conditions of Afghan communities.



Objectives

The overall objective of emergency response is to improve the sustainability of rural recovery efforts through reducing vulnerability of the rural population against natural disaster.

Strategy and implementation plan

MRRD has been assigned to play a leading role in organizing and coordinating emergency relief assistances to the disaster-affected populations in the rural areas through Emergency Response Teams on various levels, such as province, district, and village. However,

this role will be reviewed as the Disaster Preparedness Department is further strengthened.

Summary of achievements up-to-date

The achievements in emergency response include:

- The response capacity of Provincial Department of MRRD was established and strengthened.
- 'Action Plan', 'Response Procedure', 'Assessment Guideline' and 'Surveyors Briefing Paper' were produced to facilitate smooth implementation of emergency relief activities.
- Relief assistance to more than 7,000 disaster-affected families was coordinated.
- A study on the rehabilitation of physical infrastructure damaged by disasters was conducted.
- Coordination of winter response with UNAMA was implemented.

Plan for 1383

The following activities are planned for 1383:

- Prepare a contingency response plan for 20,000 families.
- Develop and maintain a database for emergency stocks.
- Form provincial Emergency Response Teams.
- Build and improve capacities in disaster management.

Key bottlenecks

The following constraints need to be addressed for effective responses:

- The need to undertake a serious institutional reform and restructuring to clarify the role of the key state institutions.
- Little coordination amongst relevant departments and agencies.
- Absence of early warning system at a national level.
- Lack of investment in the field of disaster management

Information on funding

US\$1,100,000 is required to support MRRD's planning activities for emergency response. No commitments have yet been made by our development partners.

Food Security-Protracted Relief and Recovery Operation

Rationale

Chronic rural and urban poverty and food insecurity, malnutrition, and slow recovery from the impacts of severe droughts of 1998-2001 have been observed in Afghanistan. Absence of public safety nets (social policy) to protect the poor and the most vulnerable as well as poor socio-economic infrastructure further aggravate the situation. Furthermore, low school enrolment rates among children and teachers limit institutional capacity in Afghanistan.

Objectives

The overall objective of the programme is to contribute to protection and re-establishment of livelihoods and household food security in the context of the National Development Framework.

Strategy and implementation plan

The programme is executed by WFP and MRRD (the government counterpart) to ensure that the programme is coordinated with other government social protection programmes. The programme aims to support 9.2 million beneficiaries under various interventions with 619,000 MT of food through following mechanisms:

- Relief: Food assistance to returning refugees and internally displaced persons (IDPs), vulnerable rural and urban households, emergency assistance to disaster-affected populations, supplementary feeding for malnourished children and women, food assistance to patients in institutions, orphans, TB patients and their families.
- Recovery: Food assistance for school children, with a special focus on girls, teachers' salary supplement and instructors in training institutions, non-formal education and vocational training, food for work (employment based safety-net) and assistance to ex-combatants in the context of the Government's Disarmament, Demobilization and Reintegration (DDR) program.
- Capacity development of counterpart Government institutions, implementing partners and WFP national staff (training, provision of equipment, school construction, baseline surveys,

food fortification, de-worming, etc).

Summary of achievements up-to-date

- 6.9 million beneficiaries under various interventions of relief and recovery were assisted with 177,200 MT of food.
- Many assets were created or rehabilitated, including 4,203 km of roads and construction of 23 schools and 500 returnee houses.
- Capacity development of counterparts.

Plan for 1383

Under the programme, 269,065 MT of food commodities will be distributed to 5 million beneficiaries in closer cooperation with other national programs such as NEEP. Significant investments in capacity development will be provided in 1383.

Key bottlenecks

The following issues need to be tackled for further implementation of the programme:

- Absence of a social safety net especially for the urban poor.
- Absence of a social policy framework to guide the most appropriate use of food and non-food interventions.
- Insufficient coordination between cash for work and food for work interventions between agencies.
- Limited capacity of counterpart government institutions and implementing partners.
- Inadequate baseline information to guide programming decisions.

Information on funding

Total budget of the programme for two years (2004 and 2005) is estimated US\$332.5 million. The programme so far received US\$121.7 million (36.6% of the required fund) from Canada, Denmark, Europe Aid, ICRC, India, Italy, Japan, Luxembourg, Norway, Saudi Arabia, Switzerland, UK, UN, UNA-UK, USA, as well as the private sector. Yet, the programme still requires US\$210.9 million for 2004 and 2005.

National Human Development Report (NHDR) for Afghanistan

Rationale

UNDP prepares Human Development Report every year and ranks the countries according to the value of the Human Development Index. Since 1995, Afghanistan does not have figures in the global HDR because of the lack of the data. Many countries of the world have started preparing NHDRs to study the regional, ethnic and other types of disparities in the country. NHDRs have proved an important tool in many countries for providing country-specific development indicators and promoting policy debate on the multi-dimensional development issues. With similar objectives in mind, it has been decided to prepare the first NHDR in Afghanistan.

Objectives

- To create awareness among the policy makers and the public on human development and pro-poor development.
- To collect aggregated national data as well as disaggregated data according to gender, age, geographical location, ethnic, and other socio-economic groups and provide detailed analyses on the principal causes of poverty and the critical points of intervention.
- To give a thrust for the collection of quality data on various socio-economic variables in the country.

Strategy and implementation plan

Because of the lack of the indigenous capacity for the preparation of the Report, UNDP is providing the necessary financial and

technical inputs. Yet, in order to ensure that national issues are adequately represented in the Report, the Advisory Committee, consisting of the eminent people in their areas of expertise, has been constituted under the Chairmanship of Minister of MRRD. The report is to be written by experts of Afghan origin, while international experts are also providing the guidance. Background and thematic papers on selected topics have been contributed by experts, which provides the basis for the NHDR.

Summary of achievements up-to-date

While preparation for the 1st NHDR is on-going, the following activities have already been completed:

- Background and thematic papers were produced.
- A team of authors has been appointed and operational.
- Three meetings of the Advisory Committee were organized.
- A study on data availability for the NHDR was conducted by an international expert.
- A workshop for the officers of the Central Statistical Office and other concerned Ministries was organized.

Plan for 1383

The report is tentatively scheduled to be released by September, 2004.

Information on funding

The production of the first NHDR is funded through the UNDP Core-fund, amounted to US\$600,000.

MRRD Reform & Institutional Strengthening

Rationale

After the establishment of the Transitional Islamic State of Afghanistan, the MRRD went through extensive review processes with assistance from UNDP, BRAC, EC and other partners. It was established that the old MRRD was not up to the challenge of poverty reduction in Afghanistan. The premise on which the old MRRD was based was outdated, neglecting new realities and best practices. Consistent with the government vision outlined in the National Development Framework, the leadership of the ministry has embarked on a phased institutional reform and restructuring.

Objectives

The overall goal is to make sure that MRRD is not a liability for public budget and funds but an accountable and competent state institution to provide leadership to public, private and non-for-profit sectors as well as civil society organisations for poverty reduction and social protection in rural Afghanistan. The specific objectives therefore focus on MRRD mandate and policy reform, development of national social protection and poverty reduction programmes, structural reform, institutional and organisational development including staff competency development and reform of the institutional relationships.

Strategy and implementation plan

An on-going strategic planning process involving the staff and the key stakeholders of MRRD has been the key approach to the reform process. Outside specialist agencies have been and will be contracted to undertake specific studies for policy, programme and structural review. The PRR (Priority Reform and Restructuring) is the key instrument drawn upon for the institutional reform and restructuring within the 7 central and 32 provincial departments. Donors' support to the process has been ensured through the PRR, NABDP/UNDP, WFP, UNICEF and national programmes such as NSP, NEEP and others. To increase the institutional capacity, the emphasis is on (a) investment in staff capacity development, (b) recruitment and deployment of national and international individual consultants in key areas, and (c) extensive reliance on contractors for programme oversight and implementation.

Summary of achievements up-to-date

- The mandate, key policies and the national and provincial structures of MRRD have all been reformed in the light of the NDF and best practices.
- Development of new policies, e.g. peoples' ownership and empowerment in all programmes, full accountability and transparency, the focus of the MRRD on policy guidance and the establishment of regulatory frameworks, emphasis on private sector, a new partnership and labour division with

NGOs and UN, policies on humanitarian aid and social protection, policy on food aid and cash-for-work, policy on wheat prices.

- Development and launching of six national programmes.
- Administrative procedures have been improved by streamlining the administrative structures and centralizing the procurement and recruitment systems connected with the province offices.
- A capacity development program was developed and various training programmes have been conducted. The majority of our staff members both in Kabul and provinces have gone through various types of training with over 50 trained overseas.
- An additional Deputy Minister position was created in line with new structure of MRRD.
- The Leadership Team, composed of the Minister, 3 Deputy Ministers, Director of Documentation, Legal Advisor, and 3 Senior Advisors, was instituted and is operational.
- Coordination mechanisms both within the Headquarters and with the province offices have been established with Information Coordination Team (ICT), Central Coordination Team (CCT), and Provincial Coordination Team (PCT) in all 32 provinces.
- Over hundred national and international advisors have been recruited for short and mid-term assignments.

Plan for 1383

The key activities planned for 1383 include:

- Complete the reform and restructuring of the PRR departments.
- Submit a new PRR proposal for the remaining departments of MRRD.
- Continue to implement the staff training in and outside the country.
- Submit the new MRRD Muqarara (legislation) for cabinet approval.
- Finalise the restructuring process.
- Recruit specialist staff on government consultancy contract for the functions such as procurement, finance, MIS, monitoring & evaluation and other technical areas.

Information on funding

The MRRD reforms have been implemented with support from World Bank, Germany, Japan, Italy, Asian Development Bank, Finland, Denmark, Canada, Australia, UK, ICRC, OCO, EC, USA, the Netherlands, Norway, and Switzerland. The budget requirement for 1383 is estimated US\$3.40 million, and out of which, US\$1.78 million has already been pledged.