



United Nations Development Programme

Afghanistan

ANDS/JCMB Project

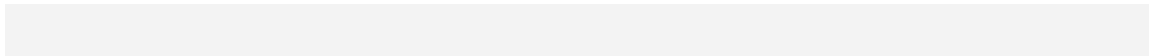
01-04-2007 – 01-04-2009

Quarterly Project Report, Second Quarter 2008

<p>Project ID: 00051821 Duration: 2 years Component (MYFF): Goal 1: Achieving the MDGs and reducing human poverty Total Budget: 11,738,893 Unfunded: 1,784,893 Implementing Partners/Responsible parties: Government</p>
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Table of Contents

I. Implementation progress	3
II. Project implementation challenges.....	4
Updated project risks and actions.....	4
Updated project issues and actions.....	4
III. Financial status and utilization	5
Financial status.....	5
Financial utilization.....	5
Annexes	7



I. Implementation progress

For a detailed account of project execution by activity, see Annex 1.

Output 1: ANDS/PRSP Development team established and maintained (2008: Finalization of ANDS)

In the second quarter of 2008, the ANDS was finalized and submitted to the World Bank/ IMF executive board. The JSAN concluded that the ANDS provided a "reasonable basis for moving forward" with planning in Afghanistan.

Output 2: Achievement of a participatory policy making/development planning approach in relation to the ANDS

No activities have been carried out under this output in 2008, as most activities related to the preparatory phase.

Consultative meetings will be held in conjunction with the launch of the ANDS, as well as for the updating of the ANDS.

Output 3: National and sub-national consultations conducted and broad ownership of the ANDS across government (2008: Linking Programs and Projects to Sector Strategy Priorities)

The second round of consultations with line ministries has been completed in the first quarter of 2008. Activities related to the alignment of sector strategies with the ANDS, as well as the preparation of Public Investment Programmes have not yet commenced.

Output 4: Costed and prioritized ANDS/PRSP finalized and disseminated (2008: Dissemination, Communication, Strategic Communication around the ANDS)

Routine communication activities through the local media have been ongoing. Strategic Communication activities related to the launch of ANDS have not yet commenced. A post-Paris communication plan has been elaborated and implementation will commence in July 2008.

A series of conferences were organized in June to launch the ANDS and support the fund raising effort. A major donor conference in Paris on June 12th was preceded by a Senior Civil Servants meeting on June 4th and a Civil Society meeting on May 24th. At the Paris conference, donors pledged contributions in excess of USD20 billion over the next few years to finance the implementation of the ANDS.

Output 5: JCMB Secretariat established to effectively monitor and coordinate progress on the implementation of the Afghanistan Compact

JCMB secretariat has been established and is running. The Mid-term review of the JCMB and Afghan Compact has been completed and presented at the Paris Conference. However, instead of a full-fledged mid-term review, it was decided to carry out a succinct strategic review, which would support the integration of the ANDS with the Afghanistan Compact objectives.

Output 6: Effective Consultative Groups and Working Groups and Support to Strategic Policy Analysis and Assessment

The analysis of NRVA 2007 is ongoing and further trainings will be held in September.

Management: Strategic Policy Assessment

The Project Coordinator has been recruited and recruitment of additional support staff is underway, pending approval of project board. Efforts to establish quarterly procurement systems for recurring expenditures, such as stationeries and refreshments, have not yet been successful, resulting in continued over-expenditure on certain items. The procurement of an armored car for travel to provinces has been initiated but is on hold, pending approval of the project board.

I. Project implementation challenges

See Risk Log in Annex 2 for a detailed description of project risks.

Updated project risks and actions

The risk picture remained stable in the second quarter of 2008:

The approval of the ANDS by the World Bank executive board, as well as the success of the Paris Conference, have significantly reduced the programmatic risks associated with the completion of the ANDS.

The issue of institutionalisation of the ANDS secretariat within government will require close attention in the implementation phase of the ANDS in order to ensure the sustainability of the capacity building efforts that have been undertaken by the project. According to the original project document, the ANDS secretariat was supposed to be incorporated within government institutions and staff would complete migration by March 2008. However, this has not happened.

Operationally, the lack of systematization of procurement practices and adherence to UNDP best practice, has continued to create delays in payments and procurements. Furthermore, the project does not currently have an approved workplan, and consequently operates without procurement or recruitment plans. Consequently, the overwhelming majority of requests come as *ad hoc* urgent requests, creating backlogs and delays in procurement. Repeated usage of waivers and other exceptional practices to shorten procurement times could also be problematic.

Updated project issues and actions

A detailed list of project issues is provided in the issue log in annex 2.

Delays in payments and operational bottlenecks in UNDP continue to pose a problem for project execution. The following operational bottlenecks have been identified by the project tracking system (see annex 2):

- Recruitments take on average over 190 days and up to 58% of all recruitments have experienced serious delays (more than twice the average time) at some stage of the recruitment process.
- Similarly, procurements take on average over 113 days (up from 110 in the first quarter).
- Payments take on average about 50 days for completion from the invoice date (46 days for USD payment and 52 days for AFN payments), The number of payments experiencing serious delays has, however, been reduced from over 50% to less than 30% in the second quarter for both USD and AFN payments.

In order to reduce these problems, it is required to improve advanced planning within the project and adherence to planning instruments. The project has instituted a tracking system for all processes in order to identify the precise source of delays and it is hoped that this will allow us to improve operational procedures.

III. Financial status and utilization

For a detailed description of projected spending by budget category and output, please see Annex 3.

Financial status

Table 1: Contribution overview [Feb 2007-March 2009]

DONOR NAME	CONTRIBUTIONS				CONTRIBUTION BALANCE
	Committed	Currency	USD Equivalent	Received	
UNDP	364,000	USD	364,000	364,000	-
Italy	200,000	EUR	249,688	249,688	-
Netherlands	200,000	EUR	239,109	239,109	-
Norway	1,700,000	NOK	269,841	139,417	130,424
CIDA	4,000,000	CND	3,862,069	2,931,684	930,385
DFID	2,500,000	GBP	5,057,148	3,292,875	1,764,273
TOTAL			10,041,855	7,216,773	2,825,082

Financial utilization

Table 2: Quarterly expenditure by activity [1 apr 2008 – 30 jun 2008]

Activity	Original Budget 2008	Proposed Budget 2008 ¹	Spend [1 st quarter 2008]	Spent [2 nd quarter 2008]	Committed ²	DELIVERY (%)
Output 1 [ANDS/PRSP Development team established and maintained (2008 Finalization of ANDS)]	1,075,336 ^[3]	831,974	386,751	184,981	0	53%
Output 2 [Achievement of a participatory policy making/development planning approach in relation to the ANDS]	144,404 ^[4]	248,061	0	0	0	0%
Output 3 [National and sub-national consultations conducted and broad ownership of the ANDS across government (2008: Linking Programs and Projects to Sector Strategy Priorities)]	523,206 ^[5]	802,957	137,839	38,367	3,697	34%
Output 4 [Costed and prioritized ANDS/PRSP finalized and disseminated (2008: Dissemination, Communication, Strategic Communication around the ANDS)]	631,465 ^[6]	1,255,382	29,415	115,463	1,200	23%
Output 5 [JCMB Secretariat established to effectively monitor and coordinate progress on the implementation of the Afghanistan Compact]	302,111 ^[7]	907,303	33,568	79,164	0	37%

¹ See Annual Workplan for breakdown by activity.

² Negative commitments reflect commitments from last year that was either settled (in which case it directly goes into UNACT) or cancelled (which increases the budget balance with a positive figure).

³ 191,124 for PRSP advisor, 191,124 for Senior Strategic Advisor, 971,200/3 for national staff, 242,779 for short term consultants, 100,000/4 for travel and transport, 101,476 for ISS and GMS.

⁴ 50,000 for National Consultations, 34,400 for sub-national consultations, 50,000 for technical support, 14,004 for ISS and GMS.

⁵ 971,500/3 for sector coordinators (national staff), 150,000 for costing and prioritisation, 49,373 for ISS and GMS.

⁶ 100,000/4 for travel, 125,000 for publication and printing costs, 100,000 for translation costs, 27,876 for communications officer, 144,000 for strategic communications, 130,000 for awareness campaigns and 20,000 for media training, 59,589 for ISS and GMS.

⁷ 125,000 for JCMB report writing, 148,602 for Monitoring platform.

Output 6 [Effective Consultative Groups and Working Groups and Support to Strategic Policy Analysis and Assessment]	287,092 ^[8]	388,914	5,980	0	0	2%
Management	1,175,779 ^[9]	1,118,602	300,533	286,681	7,309	50%
Total (including 5% security)	4,139,393	5,830,878	894,061	704,656	12,207	39%

Table 3: Actual expenditures, by budget category and output [1 apr 2008 – 30 jun 2008]

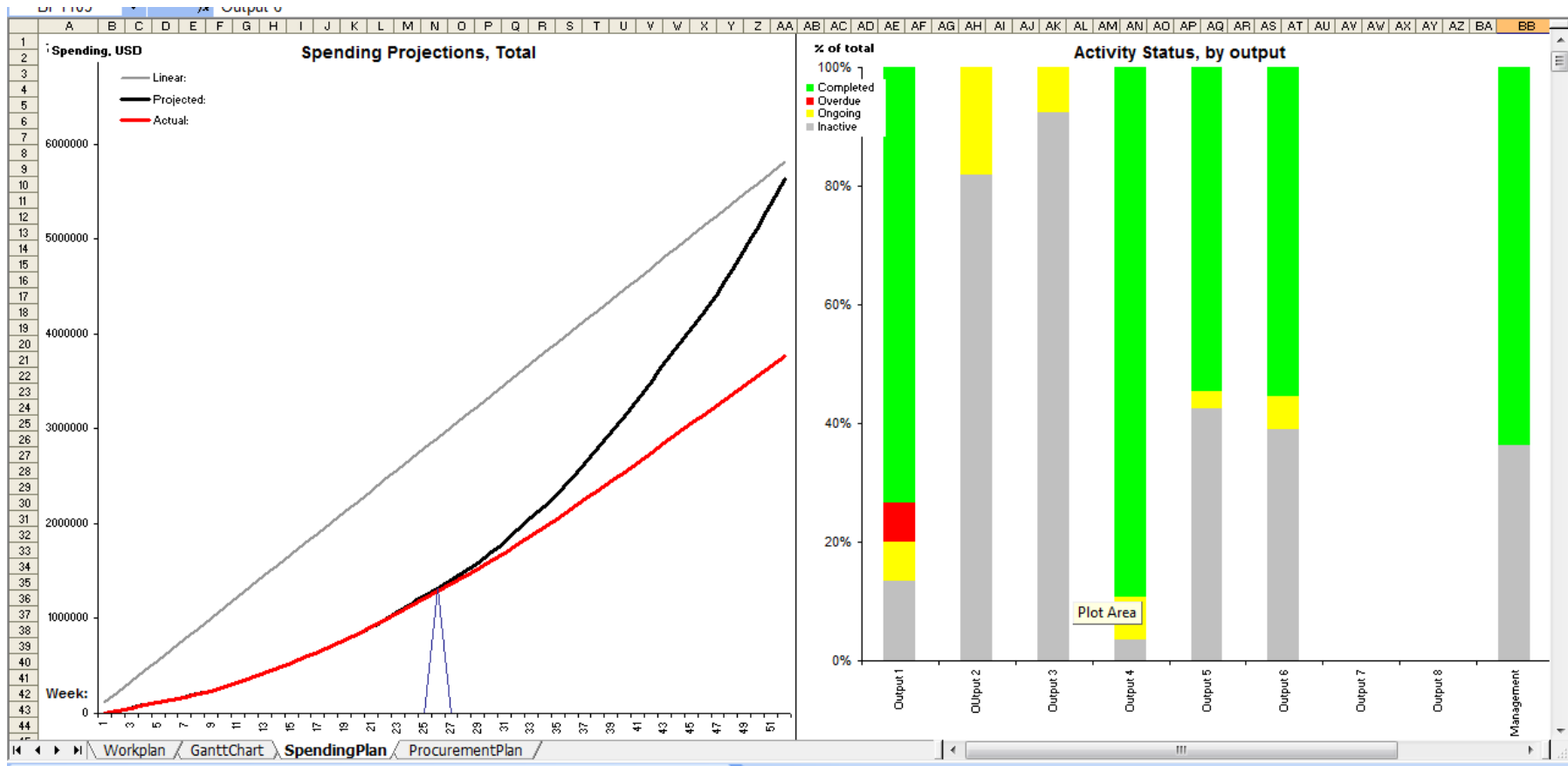
Activity	Output 1	Output 2	Output 3	Output 4	Output 5	Output 6	Managmt	TOTAL
ALD Employees	2,394						3,712	6,106
Contractual Services Companies	54,550		1,500	29,957			3,385	89,392
International Consultants	102,435		465		64,897			167,797
Travel	1,200			43,349	1,400		1,150	47,099
Supplies				1,200				1,200
Professional services								0
Miscellaneous Expenses			3,233	1,568			22,738	27,539
Contractual Services Individuals	5,389		16,490	6,400	5400		126,202	159,881
Local Consultants			13,060	3,700				16,760
UN Volunteers								0
Equipment and Furniture							23,168	23,168
Materials and Goods								0
Communication & Audio Visual equip.				18,396			7,671	26,067
Grants								0
Hospitality								0
IT Equipment	1,563						2,090	3,653
Rental & Maintenance – Premises								0
Facilities & Administration	17,450	0	3,619	10,892	7,467	0	96,566	135,994
Total (including security)	184,981	0	38,367	115,463	79,164	0	286,681	704,656



⁸ 100,000 for studies on poverty and economic growth, 160,000 for trainings workshops, conferences and seminars, 27,092 for ISS/GMS.



⁹ 169,992 for project manager, 546,000 for office support cost/administration/logistics, 971,500/3 for staff salaries, 100,000/4 for transport and travel, 110,954 for ISS/GMS.



Annexes

Annex 1: Detailed Status of Output Implementation, by output

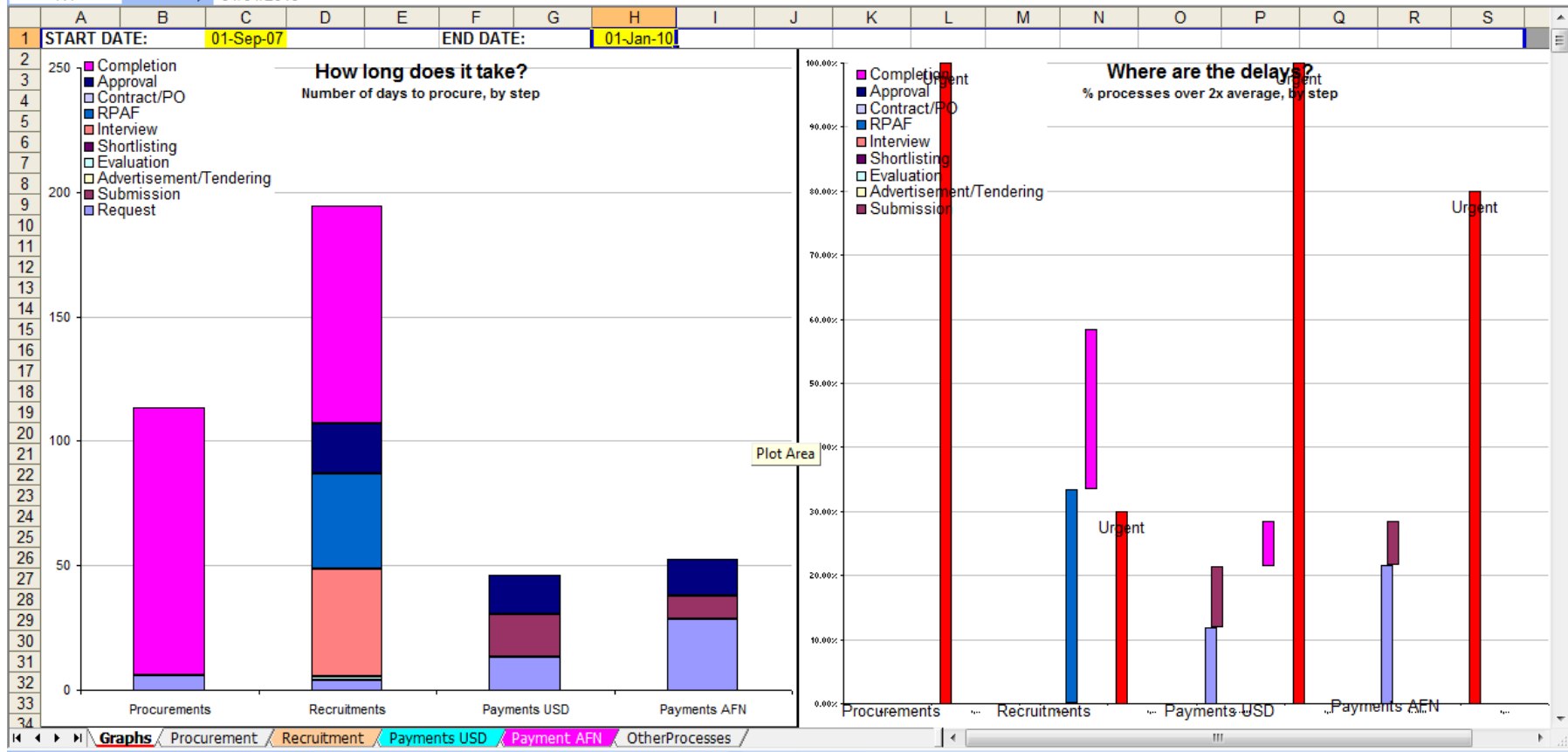


 ANDS/JCMB Project Activity Status 30 March 2008 			
Completed	Ongoing	Upcoming	Cancelled/Delayed
Output 1: ANDS/PRSP Development team established and maintained (2008 Finalization of ANDS) 8 of the processes (procurements, recruitments, etc.) needed to bring about output 1 have been completed, 3 are ongoing, 2 are inactive.			
1.1. Consultation Meeting on finalization of ANDS: Donor Dialogue held on March 10th. <i>Civil Society consultations held on March 20th</i>		1.3. Approval of final draft by oversight committee. (30 may 2008)	
1.2. Prepare Final draft of ANDS: <i>Donors comments were received and integrated into ANDS. Document has been submitted for approval to the World Bank Board.</i>		1.4. Present final draft of ANDS to National Assembly	
		1.5. Follow-up consultations and revisions. (1 june 2008)	
		1.6. Consultations with WB/IMF. (1 sept. 2008)	
		1.7. Sub-national presentation of ANDS. (30 aug 2008)	
Output 2: Achievement of a participatory policy making/development planning approach in relation to the ANDS All 11 processes required to bring about output 2 are currently inactive.			
		2.1. Organize the national public event for the stakeholders at the national and the sub-national level to present them the ANDS (including annexes) (30 august 2008)	
		2.2. MDG Monitoring (30 june 2008)	
		2.3. Annual progress report on the MDGs (30 june 2008)	
		2.4. Participatory updating of ANDS and annual progress report (march 2009)	
Output 3: National and sub - national consultations conducted and broad ownership of the ANDS across government (Linking Programs and Projects to Sector Strategy Priorities) 7 of the processes (procurements, recruitments, etc.) needed to bring about output 3 are ongoing, 11 are still inactive.			
3.1. Facilitate meetings of the ANDS working groups, line ministries, Drafting Committee with aim to work on inclusion of the comments from the second round of consultations into the draft ANDS: <i>Done</i>	3.4. Engage the National Assembly and Provincial Councils in a discussion about the ANDS and establish process for them to facilitate ANDS dialogue with their constituents.	3.2. Organise national public event to present ANDS (30 aug 2008)	
		3.3. Support Development of monitoring plans by ministries.	
		3.5. Facilitate and coordinate provincial consultation process (15 may 2008)	
		3.6. Support the development of Implementation mechanisms and integration into PDPs (30 may 2008)	
		3.7. Support to the development of a suitable methodology to conduct MDG-based PRSP costing in collaboration with the World Bank and other donors. (30 may 2008)	
		3.8. Training of line ministries in costing (30 jul 2008)	

 ANDES/JCMB Project Activity Status 30 June 2008 			
Completed	Ongoing	Upcoming	Cancelled/Delayed
Output 1: ANDES/PRSP Development team established and maintained (2008 Finalization of ANDS) 8 of the processes (procurements, recruitments, etc.) needed to bring about output 1 have been completed, 3 are ongoing, 2 are inactive.			
1.1. Consultation Meeting on finalization of ANDS: Donor Dialogue held on March 10th. <i>Civil Society consultations held on March 20th</i>		1.4. Present final draft of ANDS to National Assembly	
1.2. Prepare Final draft of ANDS: <i>Donors comments were received and integrated into ANDS. Document has been submitted for approval to the World Bank Board.</i>		1.6. Consultations with WB/IMF. (1 sept. 2008)	
1.5. Follow-up consultations and revisions. (1 june 2008)		1.7. Sub-national presentation of ANDS. (30 aug 2008)	
1.3. Approval of final draft by oversight committee. (30 may 2008)			
Output 2: Achievement of a participatory policy making/development planning approach in relation to the ANDS All 11 processes required to bring about output 2 are currently inactive.			
		2.1. Organize the national public event for the stakeholders at the national and the sub-national level to present them the ANDS (including annexes) (30 august 2008)	
		2.2. MDG Monitoring (30 june 2008)	
		2.3. Annual progress report on the MDGs (30 june 2008)	
		2.4. Participatory updating of ANDS and annual progress report (march 2009)	
Output 3: National and sub - national consultations conducted and broad ownership of the ANDS across government (Linking Programs and Projects to Sector Strategy Priorities) 7 of the processes (procurements, recruitments, etc.) needed to bring about output 3 are ongoing, 11 are still inactive.			
3.1. Facilitate meetings of the ANDS working groups, line ministries, Drafting Committee with aim to work on inclusion of the comments from the second round of consultations into the draft ANDS: <i>Done</i>	3.7. Support to the development of a suitable methodology to conduct MDG based PRSP costing in collaboration with the World Bank and other donors. (30 may 2008)	3.2. Organise national public event to present ANDS (30 aug 2008)	
3.4. Engage the National Assembly and Provincial Councils in a discussion about the ANDS and establish process for them to facilitate ANDS dialogue with their constituents.		3.3. Support Development of monitoring plans by ministries.	
3.5. Facilitate and coordinate provincial consultation process (15 may 2008)		3.8. Training of line ministries in costing (30 jul 2008)	
3.6. Support the development of Implementation mechanisms and integration into PDPs (30 may 2008)		3.9. Develop a financing strategy (30 sept 2008)	

 ANDS/JCMB Project Activity Status 30 June 2008 			
Completed	Ongoing	Upcoming	Cancelled/Delayed
Output 4: Costed and prioritized ANDS/PRSP finalized and disseminated (Dissemination, Communication, Strategic Communication around the ANDS) 11 of the processes (procurements, recruitments, etc.) needed to bring about output 4 have been completed, 6 are ongoing, and 1 is overdue. A further 6 are still inactive.			
4.1. Design a communication plan for wide dissemination of the MDGs, the ANDS and the compact, design awareness-raising campaigns and identify the main implementing partners	4.2. Develop support materials in Dari/Pashto for awareness-raising campaign such as dramas, radio programmes, short movies, media packages, briefing packages for MPs and Civil servants and Afghan Embassies.	4.5. ANDS Launch event (30 aug 2008)	
4.4. Paris Conference Organisation: conference has been held.	4.3. Organize awareness-raising campaigns at national and sub-national levels on the MDGs, I-ANDS process (target ministries, subnational authorities, civil society and general population) at different stages of the process. (15 jul 2008)		
	4.6. Publication: <i>procurement process for publication has been initiated.</i>		
	4.7. Website: <i>ongoing</i>		
Output 5: JCMB Secretariat established to effectively monitor and coordinate progress on the implementation of the Afghanistan Compact 6 processes needed for output 5 have been completed, 3 are ongoing, 2 are overdue, 17 processes are still inactive.			
5.1. Establishment of the JCMB Secretariat: <i>secretariat is running.</i>	5.4. Tasks related to function as the ANDS OC and co-chair of the JCMB (reporting, monitoring, linking Afghan policy, ensuring cross-cutting themes are integrated into the ANDS) (1 oct 2008)	5.7. Prepare Afghanistan Compact monitoring and Implementation annual report 2008 (15 jan 2009)	
5.2. Preparation of periodic progress reports on the implementation of the Compact: done.	5.5. Joint Coordination and Monitoring Board (JCMB) meetings: <i>Tokyo meeting was held in feb, next meeting scheduled for june.</i>		
5.3. AC/JCMB Independent Mid-Term Review and Monitoring: Mid-term review is done.			
5.6. Development and implementation of capacity building programme in the areas of data management, analysis and reporting: STATA 10 training completed.			
Output 6: Effective Consultative Groups and Working Groups and Support to Strategic Policy Analysis and Assessment 8 of the processes needed for output 6 have been completed, 8 are still inactive.			
6.1. Organize CG meeting to discuss the aid effectiveness and external financing needs for implementation of the ANDS: <i>Done</i>	6.6. On-going formulation of economic policy, analysis and management of relationships pertaining to the oversight of the ANDS and the monitoring of the Compact: <i>Povert Analyst recruited.</i>	6.3. Poverty Analysis training (15 sept 2008)	
6.2. Co-ordinate and monitor progress through consolidation and analysis of information and liaison with CGs/WGs, line ministries and donors.		6.4. Macro-Analysis Training (15 sept 2008)	
6.5. Complete poverty diagnostic based on NRVA 2007: Done.		6.7. Strategy development training (15 sept 2008).	
Management 11 of the processes needed for Management have been completed, 4 are ongoing, 4 are overdue and 5 are still inactive.			
M.1. International Staff: <i>Project coordinator recruited.</i>	M.3. Equipments: Procurement of maintenance contract for IT/electronic equipment underway.	M.8. Audit (30 dec 2008)	M.4. Transportation: <i>Purchase of armoured/ regular cars on hold until project board</i>
M.5. Running costs: <i>contracts renewed for phones, electricity, rental, internet, cleaning.</i>		M.9. Evaluation (30 jan 2009)	M.2. National Staff: <i>Recruitment of HR/Finance/Procurement officers, Extra driver on hold until project board.</i>

Annex 2: Issues and Risk Logs, Process statistics



Annex 3: Expenditure Projections, by output and budget category

