

# The Way Forward

European Development Cooperation and Humanitarian Aid  
Engagements in Afghanistan

Trends, Challenges and Opportunities



A report prepared by Scensei for  
The European Network of NGOs in Afghanistan

The Way Forward. European Development Cooperation and Humanitarian Aid Engagements in Afghanistan. Trends, Challenges and Opportunities. A report prepared by Scensei for The European Network of NGOs in Afghanistan.

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## Abbreviations

AA	Auswärtiges Amt
AFD	Agence Française de Développement
AEITI	Afghanistan Extractive Industries Transparency Initiative
AIHRC	Afghan Independent Human Rights Commission
AMP	Aid Management Policy
ANA	Afghan National Army
ANDS	Afghan National Development Strategy
ANP	Afghan National Police
ANSF	Afghan National Security Forces
AREDP	Afghanistan Rural Enterprise Development Program
ARTF	Afghanistan Reconstruction Trust Fund
CHF	Swiss Francs
DAD	Development Assistance Database
DCI	Development Cooperation Instrument
DCR	Development Cooperation Report
DEVCO	EU Development and Cooperation
DFA	Development Framework Agreement
DFID	Department for International Development
DKK	Danish Krone
EC	European Commission
ECHO	European Community Humanitarian Office
EU	European Union
EUR	Euro
EUPOL	European Union Police Mission
EVAW	Elimination of Violence against Women
GBP	British pound sterling
GDP	Gross Domestic Product
GIROA	Government of the Islamic Republic of Afghanistan
IATI	International Aid Transparency Initiative
IGO	International Governmental Organization
ICRC	International Committee of the Red Cross
IMF	International Monetary Fund
ISAF	International Security Assistance Force
JCMB	Joint Coordination and Monitoring Board
LOTFA	Law and Order Trust Fund Afghanistan
MAEE	Ministère des Affaires étrangères
MAIL	Ministry of Agriculture, Irrigation and Livestock
MASP	Multi-annual Strategic Plan
MIP	Multiannual Indicative Programmes
MOD	Ministry of Defence
MOE	Ministry of Education
MOEC	Ministry of Economy
MOF	Ministry of Finance
MOI	Ministry of the Interior
MOPAN	Multilateral Organisation Performance Assessment Network
MOWA	Ministry of Women's Affairs

MRRD	Ministry of Rural Rehabilitation and Development
MTBF	Medium-term Budget Framework
MTFF	Medium-term Fiscal Framework
NABDP	National Area-Based Development Programme
NATO	North Atlantic Treaty Organisation
NGO	Non-Governmental Organisation
NOK	Norwegian Krone
NPP	National Priority Program
NSP	National Solidarity Programme
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
OCHA FTS	Office for the Coordination of Humanitarian Affairs Financial Tracking Service
PLN	Polish Złoty
PRT	Provincial Reconstruction Team
SEK	Swedish Krona
SIGAR	Special Inspector General for Afghanistan Reconstruction
SO	Special Operations
SOM	Senior Officials Meeting
TMAF	Tokyo Mutual Accountability Framework
TST	Transition Support Team
UK	United Kingdom
UN	United Nations
UNAMA	United Nations Assistance Mission to Afghanistan
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNHCR	United Nations High Commission for Refugees
UNICEF	United Nations Children's Fund
UNODC	United Nations Office on Drugs and Crime
U.S.	United States
USAID	United States Agency for International Development
USD	United States Dollars
WB	World Bank
WBDBR	World Bank Doing Business Ranking
WFP	World Food Programme
WHO	World Health Organization

# 1 Introduction

A decade of turmoil and the imminent *transition* by the International Security Assistance Force (ISAF) have left Afghanistan with ambiguity on funding pledges and spending on development cooperation and humanitarian aid that not only affects every aspect of life in Afghanistan; from daily functioning of the government to programming by implementers of development cooperation and humanitarian aid to economic coping strategies of ordinary citizens, but may also push the Afghan economy into further contraction<sup>1</sup> and aggravate ethnic and social tensions in an already fragmented society.<sup>2</sup>

Donor predictability smoothens public sector revenues; facilitates household spending and business budgeting, and alleviates uncertainty with respect to designing and implementing development cooperation programs.<sup>3</sup> However, the initial step toward donor predictability as a precursor to effective humanitarian aid and development cooperation is to acquire, organize and analyse data on donors to Afghanistan and examine historical patterns of the levels, sectors and locations of pledged, committed and spent funds along with current pledges for future development cooperation in the country.

We report our findings on *prospective* development cooperation and humanitarian aid engagements by the European Union (EU), its members and other European countries.<sup>4</sup> Taken together, these entities contributed roughly 25% of all development funds disbursed to Afghanistan since 2001. We complemented quantitative data from official sources with institutional narratives of European development cooperation policy making and other information from experts with intimate knowledge of Afghanistan development funding issues. We will discuss aggregate trends in the data in this report and house the dataset on a web portal <http://www.afghanistanfunding.eu>. Our work should be understood as a data reference and a guidance tool: The idea is to enable access to information that indicates for example future development spending in Afghanistan by European countries based on their current policy, and to provide an understanding of where funding risks lie.

We present an overview of the current situation in Section 2, and the context of humanitarian aid and development cooperation in Section 3. Section 4 gives an overview of the spending data of European donors. Outlining the European donor profiles, including plausible future engagements, in Section 5, we discuss the findings in Section 6 and conclude in Section 7. The web portal contains profiles of European donors and data on past and present humanitarian aid and development cooperation activities in Afghanistan, a timely and effective way for sharing voluminous multidimensional, evolving information.<sup>5</sup>

## 2 Current situation in Afghanistan

The current state of development in Afghanistan is characterized by dependence on foreign funding, looming instability, weak governance and Afghans' fear of being abandoned after the ISAF *transition*.<sup>6</sup> We will first touch upon macro political and economic trends, then outline the state of specific indicators of development.

The *political system* in Afghanistan is in a fragile state.<sup>7</sup> Most donors have already established free and fair presidential elections in 2014 as a precondition for funding future de-

velopment cooperation initiatives.<sup>8</sup> With slowly developing political parties<sup>9</sup> and a National Assembly that disputes with the government regularly<sup>10</sup>, the legislature faces challenges too. Most importantly, ordinary Afghans perceive the public sector unfavourably, especially when it comes to corruption.<sup>11</sup>

To complicate the funding landscape, the *security situation* has worsened in the last few years. It is now widely accepted that the conflict in Afghanistan cannot be resolved by military means alone.<sup>12</sup> While a political solution is essential for achieving stability, the peace process with the Taliban has stalled and other insurgent groups are reluctant to join it. Historic power-brokers are gaining power prior to the next presidential elections.<sup>13</sup> Withdrawal scenarios of foreign troops also fuel uncertainty on development programming.

Despite recent growth, the Afghan *economy* faces a dire outlook, with the World Bank (WB) scenarios projecting a 2% contraction from 2014 onward.<sup>14</sup> Afghanistan is currently ranked 168<sup>th</sup> out of 185 economies on the World Bank Doing Business Ranking, and continues to be the lowest in South Asia.<sup>15</sup> In 2012, the Afghan government revenue decreased to \$1.7 billion from \$2 billion in 2011.<sup>16</sup> The budget for fiscal year 2013 totals \$6.8 billion, with domestic revenues of \$2.5 billion and donor grants of \$4.1 billion.<sup>17</sup> While in 2012 donors committed over \$16 billion through 2015 to support a roadmap designed to help Afghanistan achieve economic self-reliance by 2024, the WB projects that bridging the financing gap in 2014–15 requires aid at 40% of GDP, gradually decreasing to 25% in 2021–22.<sup>18</sup> The withdrawal of ISAF, especially that of former Provincial Reconstruction Teams (PRTs) now called Transition Support Teams (TSTs) will influence the level and intensity of economic activity in multiple ways. Under these conditions, extraction of Afghanistan's mineral wealth, assessed at over \$1 trillion<sup>19</sup>, is unlikely to enhance Afghan living standards in the short run.<sup>20</sup> Instead it is more likely to lead to adverse social, economic and environmental effects of non-renewable resource extraction, if standards like those set by the Afghanistan Extractive Industries Transparency Initiative (AEITI) are not enforced.<sup>21</sup>

As for macro trends of development in Afghanistan, the UK Department for International Development (DFID) forecasts and the Netherlands Embassy in Kabul concurs<sup>22</sup> that Afghanistan cannot reach any of the Millennium Development Goals before 2020 and that conflict and natural disasters pose constant risks.<sup>23</sup> While Afghan development needs will not decrease any time soon, the long-run implications of the link between development and humanitarian aid, and security are extremely difficult to anticipate.<sup>24</sup> Sectoral indicators of development are unsatisfactory: *Corruption* needs to be urgently addressed. The Transparency International Corruption Perceptions Index of 2012 places Afghanistan in the top three most corrupt countries in the world.<sup>25</sup> The country remains the world's prime producer of *opiates*.<sup>26</sup> Its *human rights* record remains poor, despite improvements since 2001.<sup>27</sup> Half of the population are estimated to be living below the *poverty* line.<sup>28</sup> Herculean challenges in *public health, education, governance* and *infrastructure* persist, leading to a rank of 172<sup>nd</sup> out of 187 countries in the 2011 United Nations Human Development Index.

Yet the National Risk and Vulnerability Assessment for Afghanistan notes several areas of *progress*. The average annual per capita income in Afghanistan increased from around \$175 to roughly \$530 from 2002 to 2011. Under 5 child mortality has decreased from more than 250 per 1,000 children in 2001 to 161 in 2008. The number of female child marriages (under 15) has

fallen from 11% to 3% and the maternal mortality ratio (maternal deaths per 100,000 live births) has decreased from 1,000 in 2000 to 460 in 2010.<sup>29</sup> The International Development Committee of the UK Parliament has documented improvement in the situation of Afghan women after the fall of the Taleban.<sup>30</sup> Student enrolment too has increased since 2001, although the actual enrolment figure for students enrolled in the primary education system may be lower than the Afghan Ministry of Education figure of 10.5 million.<sup>31</sup>

Our conversations with donor representatives also revealed specific successes in education, health and infrastructure, such as the French Medical Institute for Children in Kabul, EU water projects, Danish and Dutch human rights efforts and Norwegian progress in modernizing the health sector in Faryab province, to name a few. See country profiles below for further donor-specific information.

### 3 Humanitarian aid and development cooperation situation

During 2001–13 approximately \$54.8 billion was disbursed to development cooperation and humanitarian aid activities related to Afghanistan. This number excludes funds spent on pay-rolls and equipment acquisition for the Afghan military, security agencies and law enforcement. European donors contributed an estimated \$12.5 billion. The Joint Coordination and Monitoring Board (JCMB) acts as the main coordination body for aid to Afghanistan. Donors prefer Afghanistan Reconstruction Trust Fund (ARTF) and Law and Order Trust Fund for Afghanistan (LOTFA) as major disbursement channels, using other channels like direct disbursement less frequently.

Yet, more than a decade of concerted funding of humanitarian aid and development cooperation programs has led to donor fatigue, prompting the Dutch to pen a demure assessment of most donors' development cooperation agendas as

... driven by domestic politics and hence the need to show quick and tangible results. This contrasts starkly with Afghanistan's absorption capacity, which has proven to be very low. Effective and efficient use of funds is further hampered by inadequate donor coordination, the militarisation of aid, the misappropriation of donor funds through multi-layer contracting, and the fact that approximately 80% of aid is provided off-budget.<sup>32</sup>

A representative of a Nordic donor expressed a similar view in conversation with us.

Realizing the need to revamp funding mechanisms for development cooperation and humanitarian aid to Afghanistan, donors convened the 2012 Tokyo conference to open a new chapter in the relationship between donors and the Afghan government for the *transformation* decade to come; tying further resource transfers to *mutual cooperation* and *accountability* enshrined in the Tokyo Mutual Accountability Framework (TMAF).<sup>33</sup> TMAF builds upon predecessor conferences, in particular the 2010 Kabul and 2011 Bonn conferences. While the Kabul conference initiated the *Kabul Process* of transition to full Afghan leadership, the Bonn conference stressed Afghan *self-reliance*. The 2011 Istanbul conference (*Heart of Asia*) focused on economic development and security processes that are embedded within the region. The 2012 Chicago conference re-affirmed NATO's commitment to the transformation of Afghan self-defence capabilities. \$16 billion were pledged at Tokyo in civilian aid over 4 years.

TMAF aims to enable sustainable democracy, good governance and economic growth. It divides the commitments of the Afghan government into themes of representational democracy and equitable elections; governance, rule of law and human rights; integrity of public finance and commercial banking; government revenues, budget execution and sub-national governance; and inclusive and sustained growth and development. The commitments of the international community focus on the effectiveness of aid.

Publicly available information and our conversations with donor representatives reveal that mutual accountability embodies palpable scepticism on both sides. Donors' concerns with the Afghan government can be divided into lack of capability and political will. As for capability, both central and provincial governments lack the technical, financial, and project management skills required, often resulting in funds coming through line ministries and being directed to ill-informed priorities or given to corrupt individuals and institutions.<sup>34</sup> As for political will, donors expect to see a push to restore trust in the government as a condition for future development cooperation funding. Donor representatives have also repeatedly shared with us deep concerns with corrupt practices of some high-level government officials, echoing a consensus point in their policy agendas well beyond mere bureaucratic criticisms of inefficiency. For example, in a meeting with President Karzai the Prime Minister of Norway, Jens Stoltenberg, stressed that Oslo has "zero tolerance against corruption".<sup>35</sup> Questionable appointments to the Afghanistan Independent Human Rights Commission (AIHRC) and opposition in the parliament to the draft of a bill on Elimination of Violence against Women (EVAW), signed into law only by presidential decree, have also raised donor and civil society concerns.

At a Senior Officials' Meeting (SOM) held in July 2013 in Kabul donors gave the Afghan government a poor assessment and pressed it to live up to its commitments with regard to fighting administrative *corruption* and *narcotics* trafficking; ensuring *good governance*; safeguarding *human rights*, especially, the rights of *women*; holding transparent and fair *elections*, and ensuring the *rule of law*.<sup>36</sup> They also promised around \$8 billion a year in combined military and development spending (about \$4 billion for each) after foreign troops leave in 2014.<sup>37</sup> While donors have not yet formulated a clear and binding Aid Management Policy (AMP) with solid sanctioning mechanisms for non-compliance, they have recently resorted to "incentivized transfers" and the threat of withholding money. For example, in November 2012 the EU held back \$20 million earmarked for a justice program. Norway, in the aftermath of the SOM meeting, even threatened to cut funding.<sup>38</sup>

On the other hand, the Afghan government points out that lack of timely information on donor commitments and actual disbursement undermines its planning process.<sup>39</sup> For example, the Afghan Ministry of Finance (MOF) has complained that the anticipated \$4.5 billion provided by donors for development in 2013 is lower than the amount provided in 2011 and lower compared to what was pledged at the Tokyo conference.<sup>40</sup> The Afghan MOF expects a further decrease of these amounts.<sup>41</sup>

Indeed, some of the critique voiced by Waldman in his important report "Falling Short: Aid effectiveness in Afghanistan"<sup>42</sup> still remain valid:

- Donors continue to have difficulties to coordinate among themselves, between development cooperation and humanitarian aid domains, and with the Afghan government,



in particular with regard to alignment with the Afghan National Development Strategy (ANDS).<sup>43</sup>

- Oversight is limited with regard to how money is actually spent.<sup>44</sup>
- Donor transparency remains limited; few mechanisms for effective donor scrutiny, accountability, monitoring and evaluation exist.<sup>45</sup>
- Donors have fallen short on pledges made and a large percentage of aid to Afghanistan is tied to procurement of services or resources from donor countries.

Donors and the Afghan government acknowledged in the SOM Joint Report that many of these problems persist. For example, while the execution rate of the Afghan budget is improving, it remains vulnerable to delays in budget approval and the issuance of allotments. Some donors frontload allocations for multi-year development projects and continue to earmark funds. Disbursement delays are common and executing agencies plan procurement and manage contracts poorly.

Hopes are high that TMAF is about to bring significant change in this regard. At the Tokyo conference the Afghan government and the international community agreed on long-run indicators to monitor the progress of mutual commitments. In April 2013 they agreed on 17 *hard deliverables* meant to assess progress at the first SOM in July 2013 in Kabul. The meeting underlined the stated intention of donors and the Afghan government to mutually address the key challenges of the last decade by providing a clear and verifiable way forward:

- Donors' ability to keep on funding Afghanistan depends on the Afghan government delivering on its commitments as described in TMAF.
- Donors commit more transparency in funding decisions under the Medium Term Fiscal Framework (MTFF) and Medium Term Budget Framework (MTBF) to channel 50% of development cooperation funds through the Afghan national budget and to align 80% of aid with the Afghan National Priority Programs (NPP) as of June 2013 and annually thereafter.
- Both sides commit to regular joint reviews and assessments, and annual meetings to be held alternately at the level of senior officials or ministers.<sup>46</sup>
- Cooperation arrangements and reporting will be put in place (some of which have already been executed bilaterally or multilaterally) as financing agreements, Development Framework Agreements (DFA), AMP Implementation Plan, NPP alignment plans, NPP funding modalities, and a Development Cooperation Report (DCR).
- Anti-corruption efforts are being made.

Per the SOM Joint Report, limited measurable progress has already been achieved. By June 2013 development partners were to officially confirm their Tokyo commitments or projections from 2012 to the end of 2015. Some have done so. Twelve of 24 donors representing 79% of aid have made complete or satisfactory progress in updating the Donor Assistance Database (DAD). The other twelve donors have not provided data. Of 24 bilateral donors and multilateral agencies reviewed during the development cooperation dialogues, 13 donors have DFAs or an equivalent in place and two donors have DFAs under negotiation.

The SOM Joint Report was made painstakingly rigorous. However, crucial issues are left out, for example, organized crime and the legitimacy of Afghanistan’s leaders. These issues lie at the heart of Afghanistan’s arduous road towards *transformation*. It is doubtful if progress can be achieved without addressing them relentlessly. Furthermore, only concrete actions will demonstrate that the mechanisms and metrics agreed upon in Tokyo and thereafter work. So far, achievements have been fledgling. Time will tell if donor bureaucracies are willing and able to adapt and the culture of personal enrichment and resource delivery to patronage networks among some members of the Afghan government can be transformed into a culture of governance. The Joint Report leaves some room for optimism.

## 4 Overview of the spending data of European donors

Table 2 shows the number of development projects for which European countries and the EU institutions have allocated or disbursed funds to or plan to do so since 2001 as of *15 August 2013*. Project values are in constant 2013 U.S. dollars. The rank of a donor refers to the total value of projects it has committed to. The ratio of disbursed to past budgets shows budget alignment. Let us focus on the row corresponding to EU Institutions to give an example for how to read the table. The initial dataset contains 1,492 entries listing donors such as the European Commission (EC), European Commission’s Humanitarian Aid and Civil Protection department (ECHO), Development and Cooperation (DEVCO) or European Development Fund. The project data for EU Institutions comes from four sources. The European Union IATI activity file contains 120 entries for Afghanistan; the National Budget and Aid Management Systems Afghanistan lists 782 entries, the pre–2011 dataset of Ministry of Finance 14 entries, and AidData 576 entries where EU institutions were the dominant donor. Many of these entries refer to the same projects. After merging duplicates and eliminating invalid entries we arrived at 1,042 unique projects in which the EU institutions are listed as the largest donor.

Available data often contains planned budgets and actual disbursements. We used data on project schedules to estimate that while between 1 January 2002 and 15 August 2013 the EU institutions planned to spend \$4.6 billion in 2013 constant value, they only managed to disburse \$2.9 billion. Available project schedules and plans indicate that currently roughly \$370 million has been allocated to ongoing and near-term projects.

For most donors, project expenditures includes spending on multilateral funds such as ARTF. Table 2 does not account for monies given to shared pools of international organizations like the UNICEF.

Rank	Donor	Number of projects in				Unique projects			Values		
		AidData	ISAF	DAD	IATI		Disbursed	Past budgets	Ongoing and planned		
1	<b>EU institutions</b>	576	14	782	120	1042	2,951,608,898	4,646,920,467	370,592,477		
2	<b>Germany</b>	3003	97	258	92	1779	2,440,508,622	3,796,989,357	276,831,809		
3	<b>UK</b>	1146	42	152	310	912	1,768,118,466	3,150,571,539	1,131,658,753		
4	<b>Netherlands</b>		341	221	87	954	1,434,785,175	2,064,369,850	430,307,823		
5	<b>Italy</b>	620	12	226	8	496	980,000,714	1,139,188,372	5,564,140		
6	<b>Denmark</b>	3552	11	48	142	619	704,125,096	1,164,728,599	245,998,488		
7	<b>Norway</b>	472	7	121	24	653	506,669,012	732,923,698	7,856,034		
8	<b>Sweden</b>	522	4	65	344	259	341,783,267	878,303,457	308,138,663		
9	<b>France</b>	497	26	69	3	301	337,634,585	547,438,493	10,277,009		
10	<b>Finland</b>	6	2	53	10	257	249,118,857	325,922,222	8,712,218		
11	<b>Switzerland</b>	962	2	63	5	418	238,112,011	263,558,863	20,771,741		
12	<b>Spain</b>	360	7	12	35	241	154,819,454	195,911,090			
13	<b>Belgium</b>	296		41	2	169	128,486,313	157,186,453			
14	<b>Ireland</b>	394		24	8	200	70,312,134	71,740,205			
15	<b>Portugal</b>	28		1		15	68,296,270	68,296,270			
16	<b>Latvia</b>	136			57	99	32,255,461	43,478,094			
17	<b>Poland</b>		30	130	2	160	15,934,371	32,965,780			
18	<b>Luxembourg</b>				24	24	15,832,123	15,832,123			
	<b>Total</b>	<b>13,591</b>	<b>605</b>	<b>2,388</b>	<b>1,260</b>	<b>8,921</b>	<b>12,462,648,469</b>	<b>19,327,012,015</b>	<b>\$2,817,075,156</b>		

Table 2: The number of development projects for which European countries and the EU institutions have allocated or disbursed funds to or plan to do so since 2001 as of 15 August 2013. Project values are in constant 2013 U.S. dollars. The rank of a donor refers to the total value of projects it has committed to. The ratio of disbursed to past budgets shows budget alignment. Countries with contributions smaller than \$10,000,000 were omitted from the table, but included in totals.

Figure 2 provides a fraction of development spending in Afghanistan attributable to EU donors, excluding spending on Afghan National Army (ANA) and Afghan National Police (ANP) payroll and other explicit security expenditures. The fraction is calculated by dividing development spending attributable to EU member states and EU institutions by the total development spending in Afghanistan in a given year. Total development spending is obtained by adding EU outlays to contributions by state donors such as the U.S., Canada, Japan, Australia, Iran, Turkey and Arab countries working both directly and through multilateral channels; minor state donors working mostly through multilateral channels; international governmental organizations (IGOs) whose contributions could not be immediately attributed to donor states, and private funding and charitable contributions by IGOs and NGOs. We used a similar method to collect data on contributions by other donors as that applied to EU member states and EU institutions.

U.S. development spending underwent a shift in 2011–12. According to our data, only \$592 million out of the planned \$11.6 billion was spent. We are not entirely clear on the reasons for this steep drop in spending (compare Figure 2), but it may be related to the fallout of the Kabul Bank scandal. EU donors also seem to have managed to disburse only about half of their \$1.3 billion budget in 2011. Taken together, both spending dips increased the EU participation rate in funds reaching Afghanistan to over 50%. This rate has since dropped to a historical average of 25%.

In order to gain a more complete picture of the relative standing of the EU development cooperation funding in Afghanistan versus contributions by other sources and the Afghan grey economy, we have produced Figure 3 where we compare development funds disbursed by the EU and non-EU donors with estimates of the export value of Afghan opiates by the United Nations Office of Drugs and Crime (UNODC).<sup>47</sup> Assuming that the fraction of drug trafficking value that leaks from Afghan hands on average equals the fraction of donor funds not spent in Afghanistan, for most years the value of exported drugs exceeds EU contributions, indicating that the withdrawal or cutting of funds by donors may have had only limited compliance effect as it may be not the prime source of income for some members of the Afghan elite.

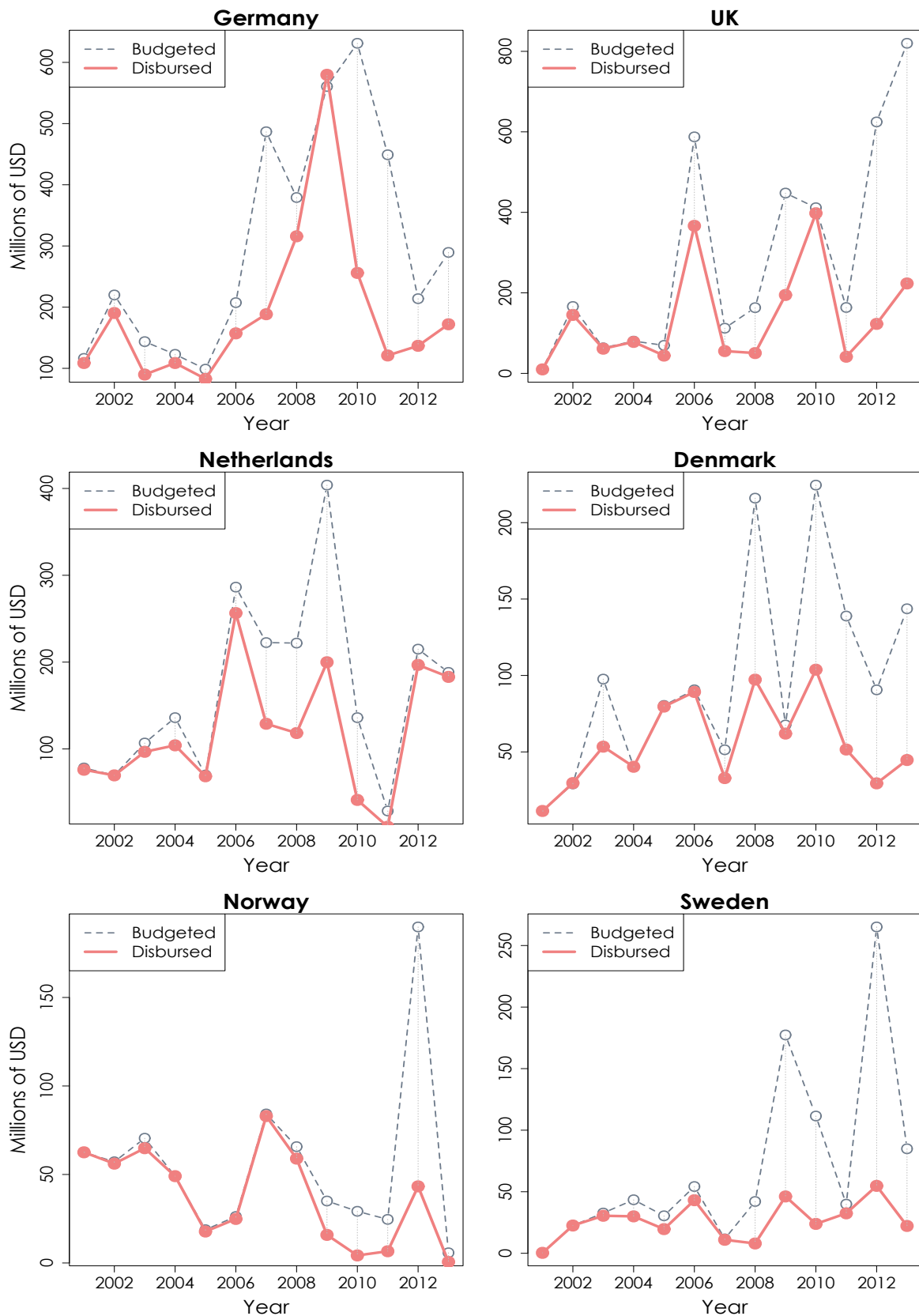


Figure 1: Annual budgets and estimated disbursements of development cooperation and humanitarian aid funds to Afghanistan for selected European donors for 2001–13.

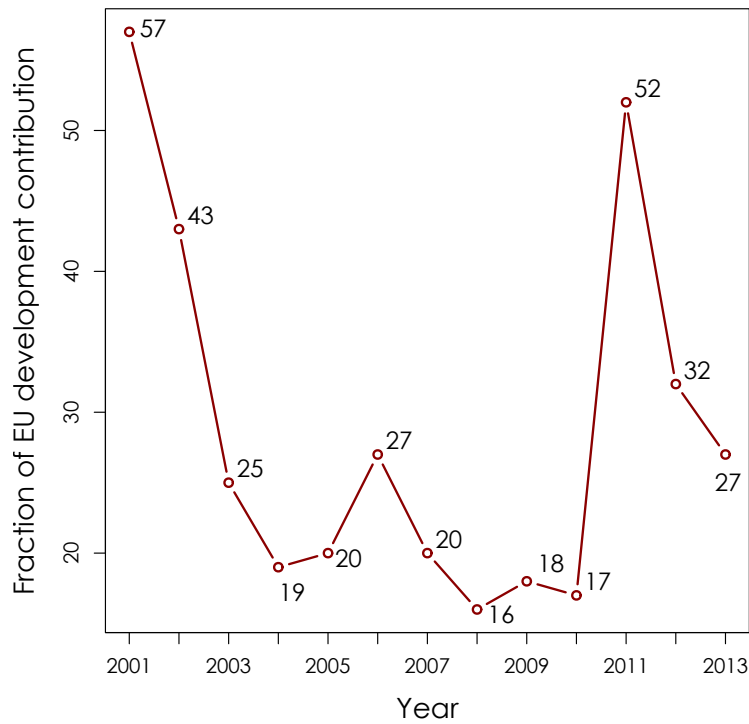


Figure 2: Fraction of development spending in Afghanistan during 2001–13 by the EU, excluding those on ANA, ANP and other security expenditures.

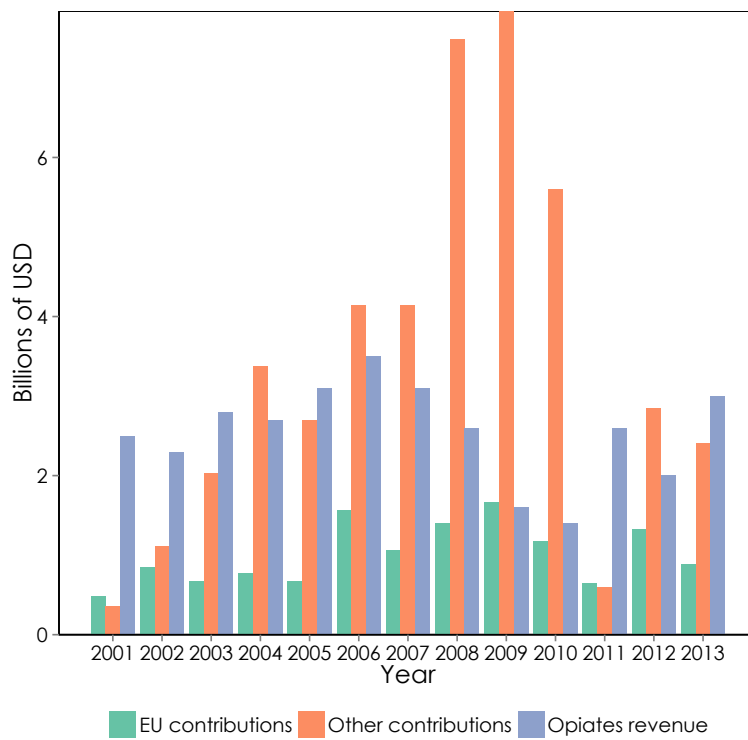


Figure 3: EU development cooperation funding in Afghanistan versus contributions by other sources and revenues from production of opiates.



# European engagement in Afghanistan – Country profile for Germany

## Quick facts

- Donor profile
- Ranks 39<sup>th</sup> and 50<sup>th</sup> among donors for transparency.
- Ranks 2<sup>nd</sup> among European donors with \$2.40b disbursed during 2002–12.

## Donor

- Federal Foreign Office (AA) and Federal Ministry for Economic Cooperation and Development (BMZ) formulate development policy; GIZ and KfW implement it.
- Long-term German-Afghan relations since the beginning of the 20<sup>th</sup> century
- Permanent member of the 5+3 Group

## Self assessment

- Tangible successes:
  - Refugee return
  - School enrolment
  - Access to primary healthcare
  - Economic development
  - Public revenue increase

## Current policies and programs

- Security and economic development top priorities
- Traditional sectors: Energy, water and education
- Open support to Afghanistan's modernization
- No military solution, but only a political solution
- Theory of change: Stability and security through good governance, crackdown on corruption and improving standards of living
- Integrated approach of civilian and military aid
- Non-negotiable
  - Breach with international terrorism
  - Renouncement of violence
  - Honouring the constitution, in particular human rights
- Dedicated to the Bonn, TMAF and Istanbul and Kabul processes
- Priority areas
  - Good governance
  - Rule of law: Justice system, German Police Project Team and EUPOL Afghanistan, corruption
  - Human rights, in particular girls and women rights

- Peace building
- Energy
- Drinking water
- Sustainable economic development
- Basic education and vocational training
- Priority regions: Northern provinces and Kabul
- Contribution to multi-donor instruments ARTF and LOTFA

## Current developments

- First Afghan-German Mineral Resource Dialogue
- Increasing civilian character of Germany's engagement
- Country strategy for 2014-17 in the making

## Plausible future engagement

- Improvement of political, social, economic and general living conditions with up to €430m per year until 2016
- Continued presence of about 600–800 soldiers for 2015 and 2016 in advisory, training and support mission
- Geographic focus on the North of Afghanistan, including the Samangan province
- Focus on the national level

## Indicators of continuity

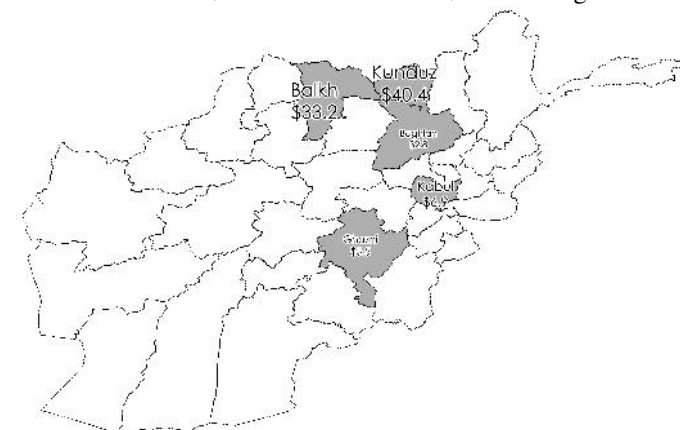
- Prefer continuity to change
- Support for civilian reconstruction and development needed for a long time
- Assistance to Afghanistan beyond 2014 under Bilateral Cooperation Agreement
- €430m up to 2013: €250m from BMZ; €180m from AA
- Support police capacity building after 2014 through Bilateral Cooperation Agreement
- Policy decision for long-term commitment. Development experts agree that this means staying engaged up to 2024.
- Likely sticking to current financial levels up to 2016

## Sources of uncertainty and conditionality

- Security situation
- Reform incentives: BMZ split annual commitment in 2011 into two tranches; the second tranche of €110m was only confirmed once the Afghan government had implemented agreed upon reforms, especially in combating corruption.
- AA sees 2013 as a year of fundamental changes.
- Economic development of Afghanistan
- Human rights, including women rights
- Verifiable progress
- 2014 elections
- Corruption (TMAF)
- €60m out of the current year's budget is not yet committed, pending the results of the 3 July 2013 SOM.
- Due to parliament's restrictions, budgetary commitment only possible up to 2016

## Planned allocations and pledges

We recorded ongoing and near-term projects valued at about \$277m of which \$88m is geolocated:





# European engagement in Afghanistan – Country profile for United Kingdom

## Quick facts

- Donor profile
- Ranks 1<sup>st</sup> among donors for transparency.
- Ranks 3<sup>rd</sup> among European donors with \$1.77b disbursed during 2002–12.
- DFID development tracker

## Donor

- Department for International Development (DFID) leads development assistance.
- Key governance structure: Integrated Country Business Plan (CBP) with Afghan Delivery Group (ADG)
- Close collaboration with the U.S., UN, the WB, EU and the ADB
- Permanent member of the 5+3 Group

## Self assessment

- ICAI review and DFID response

## Current policies and programs

- Afghanistan: A top international priority for the UK
- Vision: Peaceful, stable, viable and prosperous Afghanistan
- Enduring Strategic Partnership with Afghanistan
- Dedicated to TMAF (see also here) and Istanbul and Kabul processes.
- Focus areas
  - Supporting peace
  - Security and political stability with DFID playing a key part in the UK National Security Council’s Strategy for Afghanistan
  - Promoting economic stability, growth and jobs
  - Helping GIROA to deliver improved services
  - Revenue collection and economic growth
- 50% on budget and support of ANDS
- No undermining of Afghan leadership
- Empowerment of Afghan women
- Transparency

## Current developments

- Withdrawing PRT and redeployment of UK military forces
- Decreasing spending in Helmand
- Strengthening the mining sector (£10m DFID program to support the Afghan Ministry of Mines)
- £12m humanitarian program from current funding

## Plausible future engagement

- DFID Afghanistan program budget
  - £178m per year for 2013–14 and 2014–15
  - Nominal budget constant until 2017
- £47m for education funding during 2013–16
- Tri-departmental Conflict Pool, most of which qualifies as ODA (£45m for 2013–14).
- FCO Strategic Programme Fund (£8m for 2013–14)

## Indicators of continuity

- Objectives over the next 3 years
  - Supporting peace, security and political stability
  - Promoting economic stability, growth and jobs
  - Helping the GIROA to deliver improved services
  - Education
  - Gender
  - Humanitarian aid
- Explicit communication of expected results until 2015
- Annual review and strategic review of Enduring Strategic Partnership in 2022

## Sources of uncertainty and conditionality

- Security and stability
- Economic climate in the UK
- Human rights assessment
- Transfer of “aid money” from DFID to Ministry of Defence (MOD)
- Results, transparency and accountability
- Inclusive and transparent elections
- Pursue the Kabul Bank scandal perpetrators
- Law on Elimination of Violence Against Women (EVAW)

## Planned allocations and pledges

We recorded ongoing and near-term projects valued at about \$1.11b of which \$9m is geolocated:



# European engagement in Afghanistan – Country profile for Netherlands

## Quick facts

- Donor profile
- Ranks 3<sup>rd</sup> among donors for transparency.
- Ranks 4<sup>th</sup> among European donors with \$1.43b disbursed during 2002–12.

## Donor

- Administration of development cooperation is integrated into the Ministry of Foreign Affairs.
- Leading unit in development cooperation is the Directorate General for International Cooperation.
- Development cooperation policy
- Development budget channelled through
  - International organizations
  - Civil society organizations, including NGOs (large share)
  - Private sector

## Self assessment

- Significant portion of the Netherlands' contributions to development and security are on-budget.
- Ability to link local and national realities in policy discussions
- Perceived neutrality
- Reputation in the field of human rights
- Multilateral Organisations Performance Assessment Network (MOPAN)

## Current policies and programs

- Afghanistan one of 15 partner countries that has a bilateral development relationship with the Netherlands.
- Afghanistan is a profile II country: Fragile states that require a regional approach to tackling transnational problems relating to peace, security and stability
- Integrated 3D approach: Diplomacy, Defense and Development
- Committed to Bonn, TMAF and Kabul processes
- Promote and safeguard Afghan ownership of the activities; 40% of Dutch funding goes to Afghan government reconstruction funds (ARTF and LOTFA).
- Support through bilateral and multilateral channels to several ministries, UN agencies, international and national NGOs and the private sector

- Alignment with NPP
- General policies and interests in Afghanistan:
  - Prevent Afghanistan from becoming a safe haven for terrorists.
  - Remain a valuable partner for NATO and EU.
  - Alleviation of poverty
  - Human and women rights
  - Strengthening rule of law
  - Possible future economic opportunities for Dutch private sector, for example in natural resource extraction
- Priority areas (see also MASP)
  - Agriculture especially food security
  - Rule of law
  - Governance
  - Human rights
  - Democratization
  - Gender
  - Civil society
- Integrated police training mission to Afghanistan (2011–13)
- Agreement on cultural cooperation
- 3 main partners: Germany, Nordic countries, EU

## Current developments

- Uruzgan development program completed at the end of 2013
- New strategic development plan currently being developed for 2015–17 (to be delivered in October 2013 and published in 2014)
- No decisions made yet on post-2014 defence and diplomacy.

## Plausible future engagement

- Agriculture
- Rule of law in the Kunduz province, and at the national level
- Governance
- Contribution to overall police development, quality improvement and the reform process of the Ministry of Interior (MOI)
- Two-tiered approach
  - Government (top-down)
  - Civil society (bottom-up)

- 2012–15 will be about 80% aligned with NPP; the rest will remain non-aligned and off-budget support to civil society organizations.
- Likely focus on where Germany will be active too (Balkh)

## Indicators of continuity

- Promotes enhanced coordination and collaboration with other major donors.
- Periodic, macro-level policy dialogue with government

## Sources of uncertainty and conditionality

- MASP sets clear priorities while retaining flexibility to adapt to future developments.
- Governance: “Corruption”, “ability to deliver”, “nepotism”, “patronage”, “lacking capacity”, “legitimacy”, “trust”, “Karzai’s leadership style”.
- Judicial reforms in Afghanistan are impeded by a “sluggish, corrupt and over-centralized legal system”, “under-budgeting” and a “lack of trained staff”.
- Likely no more focus on Kunduz province

## Planned allocations and pledges

Sector	2012	2013	2014	2015
Agriculture in Uruzgan	18.2	19.65	19.83	20
Other activities in Uruzgan	1.1	0.35	0.17	0
Rule of law	6	8	8	8
Governance	9.25	9	9	9
<b>Total</b>	<b>34.55</b>	<b>37</b>	<b>37</b>	<b>37</b>

Source: *Afghanistan. MASP 2011–2015*, p. 14. Figures are in million €.

# European engagement in Afghanistan – Country profile for Italy

## Quick facts

- Donor profile
- Ranks 53<sup>rd</sup> among donors for transparency.
- Ranks 5<sup>th</sup> among European donors with \$980m disbursed during 2002–12.

## Donor

- Ministry of Foreign Affairs (MFA) responsible for development cooperation with contributions from the Ministry of Economy and Finance
- Development Cooperation Office in Kabul; part of the Directorate General for Development Cooperation of the MFA

## Self assessment

- Success stories
  - Health
  - Infrastructure
  - Education
  - Juvenile prison, Kabul
  - Rehabilitation of the Education Radio Television (ERTV)

## Current policies and programs

- Afghanistan has absolute priority.
- Strategy
  - Strengthen local capabilities to improve Afghan management and enhance national empowerment for development processes (Afghan ownership).
  - Quickly respond to emergencies.
  - Support local population, especially the most vulnerable.
  - Stabilization
  - Achieve sustainability.
- Committed to the Istanbul process and participant in Tokyo (TMAF)
- Approximately €50m per year during 2011–13
- Focal point: Justice and rule of law as part of ANDS mainly through multilateral grants to the UN and other international agencies
- Other programs (list):
  - Rehabilitation and construction of provincial facilities and prisons

- Supporting ARTF, LOTFA and ANDS
- Counternarcotics
- Supporting training activities in justice reform and creating the National Legal Training Center
  - Women rights
- Contribution to UNDP-ELECT
- Disbandment of Illegal Armed Groups (DIAG)
- Emergency and humanitarian aid (ANDS)
  - Refugees and returnees support through UNHCR
  - Food and emergency distribution through WFP
  - Rehabilitation and construction of rural wells
- Promoting and re-enforcing cultural relations
- Main areas: Herat, Farah, Badghis, Bamyán, Maidan Wardak, Baghlan and Kabul provinces

## Current developments

- Regional stabilization and security context (Pakistan border)
- Trend toward geographic concentration, particularly in Herat

## Plausible future engagement

- Three activities:
  - Counternarcotics
  - Infrastructure
  - Education

## Indicators of continuity

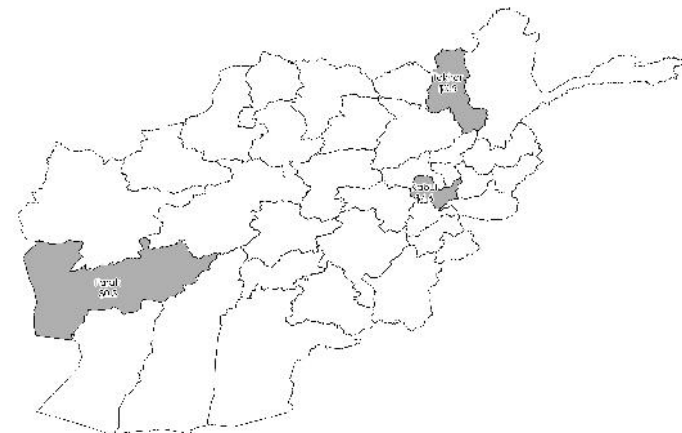
- Committed to long-term cooperation with Afghanistan and playing an active role in confidence-building as part of the Istanbul process
- Support for Afghan authorities during the transition
- Continued military presence until 2017, possibly until 2020

## Sources of uncertainty and conditionality

- Limited information regarding future plans
- Euro crisis
- Mutual responsibilities (TMAF): Provision of aid decided based on parameters and indicators
- Human rights, especially women rights
- Transparency and credibility of the 2014 elections

## Planned allocations and pledges

We recorded ongoing and near-term projects valued at about \$6m of which \$5.5m is geolocated:



# European engagement in Afghanistan – Country profile for Denmark

## Quick facts

- Donor profile
- Ranks 6<sup>th</sup> among donors for transparency.
- Ranks 6<sup>th</sup> among European donors with \$704m disbursed during 2002–12.

## Donor

- Development cooperation and assistance managed by the Danish Ministry of Foreign Affairs
- International Development Cooperation act
- Minister for Development Cooperation
- The government presents development aid plans and priorities for the coming 5 years to the parliament every year.
- Afghanistan receives the largest amount of Danish aid worldwide.

## Self assessment

- Small actor, but can make a difference by concentrating on a few implementation areas.
- Key player in human rights
- Education is a model program.
- Evaluation of Danish development aid to Afghanistan

## Current policies and programs

- Strategic Partnership Agreement
- Overall objective for 2013–14: Transfer responsibility to GIROA
- Engagement principles
- Annual development budget for Afghanistan about \$100m
- Integrated political, civilian and military engagement
- Priority areas, also understood as political dialogue:
  - Security
  - Good governance (about DKK 130m annually)
    - Support for public sector management via ARTF
    - Democratization, especially elections
    - Human rights (AIHRC), focused on women, civil society and access to justice
    - Police: Reinforced commitment to LOTFA and continued support to EUPOL
    - Reintegration and reconciliation: Supporting APRP, HPC and DDP
  - Education

- Living conditions and economic growth
  - Rural development: NSP, NABDP and AREDP
  - Economic facilities development (MISFA)
  - Infrastructure development
  - Refugees: Region of Origin Initiative
- Humanitarian assistance

## Current developments

- Source document
- Shift focus to more traditional and long-term development cooperation
- Concentration on fewer and larger efforts
- New education support program for 2013–14 is being developed.
- There will be a 2-year plan, as opposed to the normal 5-year plan, due to the *transition*.
- Current discussion on more efficient presence by, for example, delegating to other donors and having leaner staffing in Kabul.

## Plausible future engagement

- Afghanistan Plan 2013–14
- Policies and programs for 2013–14
  - Consolidation
  - Afghan ownership
  - Normalization
  - Capacity building of Afghan security forces
- Will continue to contribute to maintaining and enhancing security, economic, political and social development in Afghanistan
  - Economic growth and job creation focused on agriculture
  - Education
  - Good governance
  - Peace and reconciliation process and regional confidence building cooperation (Istanbul Process)
  - Reintegration of returned refugees and IDPs
- Contribution to further development of ANP

## Indicators of continuity

- Parliamentary decision to increase Danish development support for 2013–17 to an average DKK 530m per year
- Specified benchmarks for 2013 and 2014
- Long-term commitment (10–20 years)

## Sources of uncertainty and conditionality

- Holding Afghans accountable to their obligations to deliver tangible progress in
  - Human rights
  - Elections
  - Fighting corruption
- Rejecting corruption or fraud involving Danish development assistance
- Modalities of development cooperation if no agreement with the Afghan government can be reached after the 2014 elections
- Possible reduction of Embassy personnel
- Support of the Danish public

## Planned allocations and pledges

Effort	2013	2014	2015	2016	2017
ANSF Financing	35	50	100	100	100
Regional confidence building	<24		N/A	N/A	N/A
Good governance	126	118	108	108	200
Economic growth	78	80	90	90	110
Education	115	115	100	100	100
Returned refugees	75	75	75	75	75
Humanitarian support	66	53	53	53	53
Other	5	5	5	5	5
<b>Total</b>	<b>500</b>	<b>496</b>	<b>531</b>	<b>531</b>	<b>643</b>

Expected disbursements in million DKK for the period of 2013–17. Source: *The Afghanistan Plan 2013–14. Towards Full Afghan Responsibility*. Ministry of Foreign Affairs Denmark and Danish Ministry of Defense.

# European engagement in Afghanistan – Country profile for Norway

## Quick facts

- Donor profile
- Ranks 35<sup>th</sup> among donors for transparency.
- Ranks 7<sup>th</sup> among European donors with \$507m disbursed during 2002–12. Portfolio of ongoing projects is worth \$7.85m.

## Donor

- Majority of development aid administered by the Ministry of Foreign Affairs (MFA)
- Norad is a directorate under the MFA Norwegian foreign missions tasked with quality assurance.
- Norad's strategy toward 2015
  - Empower recipient countries
  - Concentrate resources on following up on priority areas
  - Improve development assistance
  - Be an instigator of public debate
  - Solve complex tasks effectively
- Link between development aid, humanitarian aid and military operations

## Self assessment

- Helping to create a better future in Afghanistan
- Evidence of long-term and positive impact
- Evidence of “significant progress” in Faryab in education, health and infrastructure
- Not shying away from joint responsibility for peace and security
- 50% on budget as per TMAF
- Evaluation of Norad with Afghanistan 2001–11

## Current policies and programs

- Strategic partnership agreement remains in effect until December 2013.
- Dedicated to the Bonn, TMAF, Istanbul and Kabul processes
- Active follow up on UN SRC 1325 on women, peace and security in Afghanistan
- Priority areas
  - Good governance
  - Education
  - Rural development

- Human rights
- Strengthening of women's position
- Combating corruption
- Humanitarian aid

- Norad aid is channelled through the UN, WB and Norwegian and international voluntary organizations.
- 50% on budget; 80% alignment
- Channel a large proportion of aid through well-established aid channels and multidonor trusts instead of quick-fix projects.
- Continued build-up of police force
- Improving conditions of private sector investment and economic growth, including sustainable development, and development of natural resources and education

## Current developments

- Continued support for Faryab province for a while to come
- General trend is to reduce earmarking of aid to specific provinces. However, how to reach 80% alignment is a point of discussion.
- Changes to aid efforts by improving follow-up procedures
- Close cooperation with other donors to develop a better follow-up and control system
- Adapt policy to the Istanbul process.
- New 3-year agreements with NGOs and WB regarding ARTF being negotiated

## Plausible future engagement

- 3 strategic objectives
  - Strengthen Afghan institutions
  - Reach a political solution and strengthen regional cooperation
  - Promote
    - Sustainable and equitable development
    - Humanitarian relief
    - Good governance
    - Human rights and gender equality
- Continued focus on
  - Education
  - Rural development
  - Women
- Continue constructive development cooperation with

competent local partners

- Provide support for election implementation
- No intention to shift geographic focus

## Indicators of continuity

- Continue to support UNAMA
- Commitment to long-term partnership and strengthening social and economic development that are essential for stability
- Subject to Storting's consent, Norway will continue to provide an annual allocation of NOK 750m to Afghanistan until 2017.
- Subject to Storting's consent NOK 60m per year for organizing and co-financing ANSF in the period 2015–17
- Continued humanitarian assistance alongside long-term aid funding of about NOK 130m per year
- The future budget will likely not differ substantially in its structure from the current budget.

## Sources of uncertainty and conditionality

- Strategic partnership agreement conditional on progress in the implementation of the Afghan government undertakings at the Kabul, Bonn and Tokyo conferences
- SOM Joint Report *hard deliverables*
- Regular reviews of bilateral development assistance
- Security situation
- Goodwill on Afghan side
  - Combat corruption: Zero tolerance
  - Strengthen the judicial system
  - Promote respect for human rights, especially the rights of women
  - 2014 presidential elections
- Reconciliation process, including with the Taliban
- National Norwegian budget due in October 2013 with implications also for development cooperation

# European engagement in Afghanistan – Country profile for Sweden

## Quick facts

- Donor profile
- Ranks 7<sup>th</sup> among donors for transparency.
- Ranks 8<sup>th</sup> among European donors with \$342m disbursed during 2002–12. Portfolio of ongoing and planned projects is worth \$308m.

## Donor

- Policy foundation: Policy for Global Development
- Determined to dedicate 1% of its gross national income to overseas development assistance (ODA)
- Ministry of Foreign Affairs (MFA) manages most contributions to multilateral organizations.
- Sida, an independent agency under MFA, manages 80% of bilateral aid.
- Development funds are not channelled via the military.

## Self assessment

- Evaluation of Sida's Humanitarian Assistance to Afghanistan
- Sweden made a long long-term commitment to Afghanistan.

## Current policies and programs

- Development Cooperation Strategy for Afghanistan (2012–14) includes SEK 600m for 2013.
- The objective of all interventions is to enable the poor, particularly women, girls and young people to enjoy better living conditions in a peaceful, democratic and legally secure society.
- Earmarking of Swedish support channelled through multilateral organizations should be avoided.
- Efforts aimed at developing a well-integrated, concentrated portfolio, with a limited number of major initiatives that can then be supplemented by smaller, innovative, strategic initiatives.
- Assistance should be extended to those geographic areas where conditions for achieving long-term results are most propitious.
- Although close collaboration is essential, where necessary avoid confusion between civilians and military.
- Ability to act flexibly and rapidly when necessary

- Aid effectiveness is improved through
  - Program-based approach
  - Donor coordination
  - Coordination structures in Northern Afghanistan based on inclusive local ownership
- Joint Declaration
- Committed to Kabul process: 50% on budget; 80% alignment, cooperation to be based on ANDS, NPP and development plans for provinces and districts
- Committed to TMAF: Support based on mutual responsibility
- One third of efforts carried out in the North
- Two main sectors of special relevance
  - Democracy, human rights and gender equality
  - Education
- Other efforts include
  - Private sector development
  - Rule of law and civil society capacity
  - Fighting corruption
- Conflict sensitivity and contribution to conflict prevention
- Humanitarian assistance (close and effective collaboration with long-term development cooperation)
- Strengthen UNAMA's role
- Support EUPOL
- ARTF and other multi-donor funds should continue to serve as important channels.
- Human rights and gender dialogue (UN SCR 1325, 1612, 1820)
- Need for additional contributions:
  - Civilian crisis and conflict management
  - Security sector reform
  - Disaster risk reduction
  - Capacity-building for disaster management
  - Contingency planning at local level
- Close coordination with Nordic donors and the EU, and with largest donors in the North (U.S., Germany and Turkey)

## Current developments

- Increase in aid SEK 4–4.25b for 2015–19
- Develop a new strategy for development assistance to Afghanistan for the next 10 years.

## Plausible future engagement

- Official plan commits SEK 620m in 2014.
- Sweden will stick to its priorities. Continued from 2012–14 for 2015–19
  - Education
  - Democracy and human rights
  - Gender equality
- New priorities
  - Increase employment and economic integration
  - Development of the private sector in the North
  - Rural areas
- Support for 2015–24 is planned to continue, with an indicative volume totalling SEK 8–8.5b.
- Future of Sweden's involvement
  - Political dialogue and security operations
  - Development and civilian programs and projects
- Focus on the North

## Indicators of continuity

- It is important that Sweden continues to contribute to strengthening central systems and capacity building measures, promoting greater transparency and helping combat corruption in government administration at central and regional levels.
- Sweden does not backtrack on pledges made.

## Sources of uncertainty and conditionality

- Little progress made in terms of the capacity of Afghan authorities to handle increased resource flows.
- Political will and ability to deal effectively with corruption and lack of respect for human rights
- Security (scenario approach)
  - Less favourable: Reduction of development cooperation
  - Worst case: Replacement of development cooperation with humanitarian assistance
- Women rights
- Elections

# European engagement in Afghanistan – Country profile for France

## Quick facts

- Donor profile
- Ranks 44<sup>th</sup> and 62<sup>nd</sup> among donors for transparency.
- Ranks 9<sup>th</sup> among European donors with \$338m disbursed during 2002–12.
- Project tracker

## Donor

- Four actors involved in development cooperation
  - Ministry of Foreign and European Affairs (MAEE)
  - Treasury and Economic Policy General Directorate at the Ministry of the Economy, Finance and Employment
  - French Development Agency (AFD)
  - Directorate-General for Globalization Development and Partnerships.
- Inter-Ministerial Committee for International Cooperation and Development (CICID) coordinates among these actors.
- AFD Group: A public industrial and commercial entity and specialized financial institution (PROPARCO)
- The French Embassy in Kabul is responsible for governance and human rights; AFD for social and economic development.
- Development and cooperation policy guides AFD actions.

## Self assessment

- Flagship projects are the French Medical Institute for Children and value chain cooperation support in agriculture.
- Evaluation of French development cooperation

## Current policies and programs

- Particular attention given to fragile and crisis countries, including Afghanistan
- Friendship and cooperation treaty, underlining priorities: Education, health, agriculture, governance and security
- “Voluntary Afghanization” approach and Afghan ownership
- Close cooperation with Afghan institutions directly implementing projects and benefiting from capacity building actions

- Program focus on
  - Agriculture
  - Health
  - Water in urban areas
- Geographic focus on Kabul, Shomali, Kunduz, Badakhshan and Balkh
- Current projects (tracker)
  - Agriculture and rural development
  - Health
  - Microfinance
  - MAEE financed projects
  - Archaeology
  - Cultural exchange

## Current developments

- Modalities of French engagement
  - Initially bilateral; then
  - Multilateral for prosperity and security in collaboration with the UN, NATO and the EU
- €300,000 governance partnership with UNDP for Kapisa province and Sarobi in the Kabul province
- A new country strategy for 2014–16 will focus on the *transformation*.

## Plausible future engagement

- Official plan
- Although withdrawing forces, France intends to continue helping Afghanistan within the boundaries of the Friendship and cooperation treaty
- Program focus likely remains on
  - Agriculture
  - Health
  - Water in urban areas
- Areas for future cooperation
  - Develop horticultural cooperatives around Kabul
  - Support French Medical Institute for Children in Kabul
  - Strengthen paramedical human resources
  - Support WHO programs together with other donors
  - Support initiatives by NGOs and local authorities
- Kapisa and Sarobi development projects in
  - Energy

- Agriculture
- Health
- Justice

- Perhaps geographic extension into Bamyan and Maidan Wardak
- Agriculture development in the North and Northeast (€5.2m)
- Technical assistance for Ministry of Agriculture, Irrigation and Livestock (MAIL) (€1.3m)
- Mining
- Special focus on women rights

## Indicators of continuity

- Friendship and cooperation treaty
- Mid-term review in 2015
- Long-term vision (25 years) with more or less constant level of funding

## Sources of uncertainty and conditionality

- Accountability
- 5-year program cycle (2012–16)
- Engagement only where monitoring is possible

## Planned allocations and pledges

Ongoing and near-term projects are valued at about \$10m.

# European engagement in Afghanistan – Country profile for Switzerland

## Quick facts

- Donor profile
- Ranks 55<sup>th</sup> among donors for transparency.
- Ranks 11<sup>th</sup> among European donors with \$238m disbursed during 2002–12.

## Donor

- The Swiss Agency for Development and Cooperation (SDC), a directorate of the Federal Ministry of Foreign Affairs runs development programs and humanitarian aid.
- No embassy in Kabul
- Cooperation Office with an annual turnover of about CHF 21m

## Self assessment

- Leading role in
  - Promoting human rights
  - Strengthening civil society through gender balanced development
  - Fostering informal and formal local governance
- Evaluation of the performance of SDC instruments in fragile and conflict contexts

## Current policies and programs

- Strategy
  - Contribute to the resilience of the Afghan population against internal and external stress through socially inclusive development by supporting rural livelihoods and enhancing local governance and human rights
  - Long-term engagement envisioned
- Subscribed to the principles outlined at the Kabul conference.
- Programs in line with NPP and ANDS
- Swiss Cooperation Strategy Afghanistan 2012–14
  - Intervention domains
    - Livelihood resilience
    - Good governance and human rights
  - Development cooperation priorities are to strengthen
    - Government structures
    - Local organizations
    - Institutional development
  - Ongoing development cooperation programs

- Governance and human rights
- Resilience of rural livelihoods

- Humanitarian aid focuses on multilateral contributions, namely to the ICRC and UNHCR
- Focus on
  - Eastern Afghanistan, including the Pakistan border
  - Bamyán, Samangan and Takhar
- Principles for acting and cross-cutting themes
  - Low profile security
  - Conflict-sensitive program management
  - Gender and promotion of women rights
  - Socially, culturally and politically inclusive approach to implementation

## Current developments

- Official plan
- CHF 23m in 2013
- Increased focus on
  - Resilience of the Afghan population to external stress
  - Conflict-sensitive program management
  - Improvement of the situation of women
  - Human rights support: Thorough understanding of the positive local forces and corresponding networks at the national level
  - Livelihood: Fewer partners, less geographic regions, fewer themes
  - Governance: Strengthening subnational levels of support through earmarked contributions to national programs
  - Northeastern and central Afghanistan, including Bamyán, Samangan and Takhar provinces, and remote, hilly and mountainous areas
- Planning for the *transformation* phase is currently ongoing.

## Plausible future engagement

- Long-term commitment with some projects having a planning horizon of 10 years.
- Geographical focus likely remains with a possible emphasis on sub-national activities.
- Gender focus remains.
- Possible changes (for the second half 2013 and 2014) include:
  - Revise the size and scope of the program
  - Decrease work through central government structures
  - Increase collaboration with civil society in the governance domain
  - Further enhance the support given to the ICRC
  - Focus on humanitarian aid in priority regions of the livelihood domain
  - Revisit the decision to move part of the program to Eastern Afghanistan
  - Increase humanitarian aid if the situation worsens

## Indicators of continuity

- CHF 24m planned for 2014, subject to the availability of funds within the new frame credit
- Strong Swiss economy
- Mid-term strategic review
- Consolidation of budget expected; in an optimistic scenario there may be even a small increase expected.

## Sources of uncertainty and conditionality

- Scenario approach to security, socio-political and economic developments. Plausible scenarios
  - The situation deteriorates
  - Development is still possible
  - The situation improves
- 2014 elections
- Disbursement may be withheld and tied to improved governance

## Planned allocations and pledges

Ongoing and near-term projects are valued at about \$20m.



# European engagement in Afghanistan – Country profile for Poland

## Quick facts

- Donor profile
- Ranks 52<sup>nd</sup> among donors for transparency.
- Ranks 17<sup>th</sup> among European donors with \$16m disbursed during 2002–12.

## Donor

- Coordinating agency is Development Cooperation Department at the Ministry of Foreign Affairs (MFA).

## Self assessment

- Sees foreign aid to Afghanistan as contributing do the achievement of Millennium Development Goals as the overarching frame of reference for Polish foreign aid efforts.
- It was successful in aligning the project portfolio in Ghazni with their priority to support small and medium enterprises and creating jobs.
- Many trainings in Poland received positive international evaluations and associated publicity.

## Current policies and programs

- Development cooperation in Afghanistan closely tied and seen as subordinate to involvement in ISAF.
- Project implementation takes place mostly through PRT Ghazni and local and Polish NGOs. Given the focus on quality of governance, the Polish administration and schools (KSAP) are directly involved in training, usually conducted in Poland (SENSE).
- U.S. is the partner country engaged in the development of Ghazni.
- Development implementation is performed within Multi-annual Development Cooperation Programme (MDCP).
- Dedicated to TMAF
- Current priority areas
  - Boosting and professionalizing public administration and civil service
  - Developing sustainable infrastructure in Ghazni Province
  - Creation of small and medium enterprises and employment in Ghazni province

## Current developments

- Currently considers extending direct military engagement at significant levels beyond 2014 with high-level recent visits by U.S. officials on this issue.

## Plausible future engagement

- Stay engaged.

## Indicators of continuity

- The current MDCP extends to 2015, but the implementation approach will change in 2014.
- Committed to TMAF and will gradually channel at least 50% of the funds through GIROA budget.

## Sources of uncertainty and conditionality

- Internal to Polish administration (in particular MFA):
  - MDCP 2012–2015 has no financial commitments. As operational documents for MDCP, financial plans need to be voted on annually by the parliament:
    - Polish budget is in PLN, however project costs are covered in \$, € or Afghani. Currency fluctuation require over-budgeting projects.
    - Due to budget regulations, the MFA needs to spend all funds during a given fiscal year. If project implementation is delayed, sometimes projects have to be canceled. Usually there is not enough time to allocate unused funds from canceled projects to new projects.
- External to MFA
  - Polish economic situation
  - Performance of Afghan authorities in achieving TMAF goals
  - Security situation in Afghanistan determines the ability of PRT Ghazni to function. If and when PRT Ghazni stops functioning, MDCP will have no regional preferences for Polish aid anymore. However, MDCP will be reluctant to send implementation partners to unstable areas.

# European engagement in Afghanistan – Country profile for Lithuania

## Quick facts

- Donor profile
- Ranks 48<sup>th</sup> among donors for transparency.
- Ranks 22<sup>th</sup> among European donors with \$2.80m disbursed during 2002–12.

## Donor

- Lithuania contributions to the international efforts in Afghanistan and aims to enhance “international security and strengthen NATO”.
- Lithuania’s engagement until the end of 2013 is coordinated by the Ministry Foreign Affairs (MFA) Multilateral Cooperation Division.
- Lithuanian engagement is run by PRT Ghowr and a small special operations (SO) unit outside Ghowr. PRT Ghowr is not collocated with an ISAF fighting unit; it has a large security component instead.
- Plans to finish heading the Ghowr PRT and withdraw troops from the province by the end of 2013. A SO squadron and the Air Force training group will continue to serve in Afghanistan next year.
- Japan and the U.S partner with Lithuania in the Ghowr engagement. Civilians and military personnel from Croatia, Denmark, Georgia and Ukraine have participated in Ghowr PRT in the past few years.

## Self assessment

- Lithuanians boast of their SO units that have received some publicity from the Western press.
- Development activities by PRT Ghowr were neglected; delays and setbacks were pushed under the rug.
- Logistical challenges in Ghowr were underestimated.
- Lithuanian government civilians were not integrated into PRT efforts.
- The military component of PRT Ghowr failed to cooperate with collocated NGOs such as World Vision and MADERA.

## Current policies and programs

- Current policy is outlined in Lithuanian national “Strategy of the participation of the Republic of Lithuania in the activities of the international community in the Islamic Republic of Afghanistan for the years 2009–2013”.
- Strategic objectives: “Restoration of peace, security, and stability, and facilitation of sustainable development”.

## Current developments

- Baltic Aviation Academy trains Afghan civil aviation pilots during 2012–13.

## Plausible future engagement

- Proposed development cooperation budget for 2013–15 increases development funds from 0.13% of GDP to 0.33% and allocates money to Afghanistan. It is yet to be approved.
- Plans to support local Afghan communities to enhance preparedness for natural disasters. This is a departure from previous efforts, but understandable given recent incidents of hundreds of dead in Ghowr from cold, famine, drought and flood.
- Lithuanian ports serve as a starting point for the Northern supply route. Withdrawal operations will keep Lithuania engaged.

## Indicators of continuity

- As the 2011 chair of OSCE, Lithuania “focused” OSCE on Afghanistan, with one tangible result being a seminar on border security and management. The follow-up event scheduled for March 2013 took place in Vienna.

## Sources of uncertainty and conditionality

- Flare up of tensions between militias in 2014.
- Lithuanian economy and political cycle.

## 6 Findings

This report and the accompanying dashboard use data sources such as donor websites and reports; project disbursements and financial flows; international organizations, for example, the Office for the Coordination of Humanitarian Affairs Financial Tracking Service (OCHA FTS), and personal conversations with donor representatives to shed light on future European humanitarian aid and development cooperation engagements in Afghanistan.

The following questions guided our analysis:

- What information and data is available?
- What is the amount and schedule of allocated funds?
- Where and in which sectors will money be allocated to?
- What conditionality and contingencies are tied to allocated money?
- What future engagements are plausible?

While all European donors considered for this report provide information on the content of future development cooperation and humanitarian aid policies, some donors are more advanced than others in implementing guidelines set forth by Publish What You Fund. For example, one can use the DFID development tracker to find and explore information on international development projects funded by the UK. The Nordic donors enjoy a coherent and lean information policy. The Netherlands and Denmark take it a step further and provide sectoral budget allocations for multiannual plans for Afghanistan well ahead of time.

The country profiles in Section 5 detail the specifics for each donor. In this section we are interested in exploring the broad trends of future engagement of European donors in Afghanistan per the data and information analysed for this report.

We did not find indications that any of the large European donors intends to significantly scale down development cooperation and humanitarian aid efforts in Afghanistan, as indicated in Table 3. Neither do donor *policies* for this year and the years to come indicate a radical shift in development cooperation and humanitarian aid programs. Engagements to enhance the state of governance, human rights, including women rights, health and water in Afghanistan will persist. Humanitarian aid funds will also be regularly slated to address refugee, food security and water, sanitation and hygiene problems. Donors are in Afghanistan for the long run and wish to create stability and security through sustainable development. Cutting of funds, as opposed to withholding them, will therefore likely continue to be rare. There is a trend to concentrate future development cooperation activities in the North and some Central parts of the country, including Kabul city, due to concerns about security and access. It therefore appears reasonable to assume that recent past programs provide insight into future development cooperation and humanitarian aid activities.

Country	Currency	Expected allocations					Planning horizon
		2013	2014	2015	2016	2017	
Denmark	DKK	500	496	531	531	643	2017
France	EUR	*	*	*	*	*	2016
Germany	EUR	430	430	430	430	*	2014
Italy	EUR	50	*	*	*	*	2013
Netherlands	EUR	34	37	37	37	*	2015
Norway	NOK	880	880	880	880	*	2017
Sweden	SEK	620		4000–4250			2014
Switzerland	CHF	23	24	*	*	*	2014
United Kingdom	GBP	278	278	225	47	*	2015

Table 3: Expected annual funding allocations, not necessarily agreed or ratified, and strategic planning horizon for development cooperation and humanitarian aid for Afghanistan for key European donors per country and year. Amounts are in current millions. \* indicates no data available as of August 2013.

We do however expect distinct changes in aid and development cooperation *delivery processes* and *expectations* of performance resulting in more donor emphasis on accountability, transparency and monitoring manifested by conditionalities such as prosecution of the perpetrators of the Kabul Bank scandal, introduction of EWAV and free and fair presidential elections in 2014. Some donors have already shown signs of tightening standards. Norway, for example, threatened to cut, not merely withhold, funding for development cooperation in Afghanistan. The EU, Germany, UK and Netherlands have already withheld funds and may follow suit, if the Afghan government fails to comply with the mutual responsibility standards it has signed off with donors in Tokyo 2012. Or as one interviewee put it, “There will be more funding for less embezzlement.”

Enhanced inter-donor organization is also visible. Donors already organize in groups such as the 5+3 Group (the US, EU, Germany, Japan and the UK; and 3 rotating members of the international community) or The Multilateral Organisation Performance Assessment Network (MOPAN). *Likeminded* donors with similar philosophies of delivering development cooperation and humanitarian aid will further group together. Donor representatives we spoke with repeatedly referred to the “Nordics” plus Germany and the Netherlands as one such group formed because of the need to alleviate inefficiencies in development cooperation delivery, recognizing that delegating specific tasks to specialized donors may improve efficiency, relieve pressure from development workers and curb the need to coordinate with new donors due to changes in regional policies like the *Istanbul process*.

Donor representatives already gave several examples of positive outcomes as a result of improved donor coordination. There appears to be a growing perception that donors are more united than they used to be. However, there are limits to coordination; or as one interviewee observed, “Everyone wants to coordinate, but no one wants to be coordinated.”

Donors are increasingly aware of the challenges that lie ahead, be it coordination, corruption or absorption capacity. At the same time, donors are less willing to bear the blame alone.

For example, when confronted with the recent critique expressed in the report by the Afghan MOF that less money than originally pledged in Tokyo has actually been made available, one representative we talked with responded that neither his nor other governments accept this critique. Donors also invite attention to the fact that while the Afghan government requests 80% alignment of donor funding, it also requests that more money be funnelled through its national budget and multi-donor funds, rendering control over sectoral funding allocation more difficult. Donors point out that the Afghan government wishes to do away with geographic earmarking of funds; however, geographic access is a prime factor for feasible development cooperation and humanitarian aid.

Donors are currently discussing *policy responses* to these challenges. We have been told by one interviewee, for example, that the 80% alignment requirement raises issues with donors' own development cooperation and humanitarian aid priorities and principles. The strategies and multiannual plans many donors currently prepare for the years to come will likely produce answers for these challenges.

Interviews with donor representatives made it clear that there is a good amount of *disenchantment* and *frustration* with the current donor system and the Afghan government. Thijs Berman, a member of the European Parliament and Chair of the Delegation for relations with Afghanistan calls it a “collective self-deceit” and an “illusionary reconstruction”. Others may be less caustic, but agree that overall monitoring of development cooperation and humanitarian aid delivery needs to improve; yet the inner workings of the European development cooperation and humanitarian aid as a conglomerate of donors makes the creation of an oversight mechanism similar to the U.S. Special Inspector General for Afghanistan Reconstruction (SIGAR) a difficult undertaking.

## 7 Conclusions

The current situation of funding for development cooperation and humanitarian aid in Afghanistan resembles a game in which neither player prefers to yield to the other, but the worst possible outcome occurs when neither player yields. Donors funding development programs can catapult Afghanistan onto a path of economic growth and sustainability only when coupled with good governance and human rights, so they voice concerns about corruption and ineptitude in the Afghan government, tighten performance standards and threaten to withdraw or cut funding altogether. On the other side, the Afghan elite in positions of power have managed to make the immediate and long-run security implications of deserting Afghanistan, from regional instability to threats of terrorism, abundantly clear to donors. Therefore, streams of development funds will ebb and flow depending on which side feels more pressed to concede, but they are unlikely to dry up.

Several *Afghan factors* drive the decision making and development programming of European donors among which security stands uncontested as the most salient. Regardless of how compliant or transparent the Afghan government is or can become, if security conditions worsen, development cooperation and perhaps even humanitarian aid will be curbed or stopped. Some Afghan elites who are experienced in profiting from a rentier economy know how to

manage the situation so that development cooperation is both needed and somewhat feasible, although more dangerous and costly.

Change, however, also requires ability. Within the next few years the absorption capacity of the Afghan government will likely fail to reach a point where it can manage development funds effectively. Then there are regional and global factors that affect the performance of the Afghan government and economy regardless of how committed they are to the idea of good governance. Will importers of Afghan goods continue to do so? How likely are other countries to open their markets to Afghan exports? What fair deals according to international standards like those set by the AEITI are they willing to offer when it comes to natural resource extraction? Finally there is force majeure. Afghanistan is prone to all kinds of natural disasters, from earthquakes, to landslides and droughts. These are uncertainties donors will have to continue to grapple with in the future.

*Donor factors* too influence development cooperation funding for Afghanistan. As in any democracy, policy making and implementation, and associated budgeting involve the interests of stakeholders not only from within the government, but also from the parliament, private sector and civil society. In many European countries there will be elections in the coming years. Furthermore, in some European countries parliaments should ratify development cooperation budgets proposed by governments. Besides the significant impact of elections and parliamentary decisions on development cooperation budgets intended for Afghanistan (Humanitarian aid will likely remain untouched or perhaps even increased), the economic crisis in the euro-zone adds its own dynamics to the politics of development cooperation (less so to humanitarian aid). Finally, development cooperation in the EU is a technical process also powered by bureaucracy. In each European country, several ministries, departments, agencies and directorates are involved in decision making and use various documents, terminologies and plans for what they believe constitutes a coherent approach to development cooperation and humanitarian aid to Afghanistan, making it difficult to predict the content and budgets for European donors commitments.

Most donors seem to stay the course in terms of development cooperation strategies and programs and their humanitarian aid plans. Another reaction to an uncertain future is that Northern and central parts of Afghanistan will receive more development cooperation than the Eastern, Southern and Western parts. This allocation of funds has many reasons, security probably being the most important one, but the ramifications of this decision will likely be felt very soon across the country. Some donors, for example Sweden, the Netherlands and Switzerland, have developed contingency plans to deal with these uncertainties. However, adjusting the benchmarks that measure and monitor the impacts of development cooperation programs, and connecting program impacts to a bigger picture in the volatile environment of Afghanistan mount critical challenges to donors funding plans, as do finding appropriate coordination mechanisms for robust programming.

One should not misinterpret European donor intentions: While development cooperation and humanitarian aid are intended to help Afghanistan reach economic, social and political development, they are also simultaneously used to achieve security and stability. At some level these two sets of goals may diverge and tradeoffs will become necessary. The practical value of TMAF and bilateral agreements between European donors and the Afghan government should

therefore be gauged against not only the current climate of mutual reservations, but also the prospect of accommodating some elements of the insurgency into the government that may improve, at least temporarily, security conditions on the ground.

To summarize, currently donors are committed to Afghanistan. Yet, given the complex challenges that lie ahead donor commitments cannot be taken for granted. Despite the urgent need for more effective management of development cooperation and humanitarian aid and the procedural changes introduced by the TMAF, European donors still lack a common voice. Managing *complexity*<sup>48</sup> and *uncertainty*<sup>49</sup> through improved donor coordination will be key in the decade of *transformation*.

## Notes

- <sup>1</sup>The World Bank, *Afghanistan in Transition: Looking beyond 2014*, 2012.
- <sup>2</sup>Rubin, B. R., *The Fragmentation of Afghanistan: State Formation and Collapse in the International System*, New Haven: CT, Yale University Press, 2002.
- <sup>3</sup>OECD, *Do No Harm: International Support for Statebuilding*, 2010.
- <sup>4</sup>This study includes not only the largest European donors, but also a selection of smaller, but highly visible ones.
- <sup>5</sup>A guide on how to use the dashboard and a note on data are available online.
- <sup>6</sup>Holland, B., L. Taylor and C. Taylor, *Afghanistan: The Timetable for Security Transition*, House of Commons' Library, 2012.
- <sup>7</sup>Barfield, T., *Afghanistan: A Cultural and Political History*. Princeton: NJ, Princeton University Press, 2010.
- <sup>8</sup>*Senior Officials Meeting Joint Report*, Tokyo Mutual Accountability Framework, 3 July 2013.
- <sup>9</sup>International Crisis Group, *Afghanistan's Parties in Transition*, 2013; *Afghanistan: The Long, Hard Road to the 2014 Transition*, 2012.
- <sup>10</sup>Hewad, G., *Summoning the Ministers: Parliament Damages Its Own Image*, Afghan Analyst Network, 2013.
- <sup>11</sup>UNODC, *Corruption in Afghanistan: Recent Patterns and Trends*, 2012.
- <sup>12</sup>The Dutch Government, *Report on Afghanistan*, 2011.
- <sup>13</sup>*Afghanistan's Parties in Transition, op.cit.*, 2013.
- <sup>14</sup>*Afghanistan in Transition: Looking beyond 2014, op.cit.*
- <sup>15</sup>The World Bank, *Doing Business. Economy Profile: Afghanistan*, 2013.
- <sup>16</sup>*Senior Officials Meeting Joint Report. op.cit.*
- <sup>17</sup>The World Bank, *Afghanistan Economic Update, 2013*, p. 16.
- <sup>18</sup>*Afghanistan in Transition: Looking beyond 2014, op.cit.*
- <sup>19</sup>Bhattacharjee Y., *Amid War, Appraising the Mineral Wealth of Afghanistan*, *Science*, 328, p. 1620, 2010.
- <sup>20</sup>Katzman, K., *Afghanistan: Post-Taliban Governance, Security, U.S. Policy*, Congressional Research Service, 2013.
- <sup>21</sup>Global Witness, *Copper Bottomed? Bolstering the Aynak Contract: Afghanistan's First Major Mining Deal*, 2012.
- <sup>22</sup>Netherlands Embassy Kabul, *MASP 2011–2014*, 2011.
- <sup>23</sup>DFID, *Summary of DFID's Work in Afghanistan 2011–2015*, June 2012.
- <sup>24</sup>Jackson, A. and S. Haysom. *The Search for Common Ground: Civil-military Relations in Afghanistan, 2002–13. HPG Working Paper*, 2013.
- <sup>25</sup>Transparency International, *Corruption Perceptions Index*, 2012.
- <sup>26</sup>UNODC, *World Drug Report 2013*, 2013
- <sup>27</sup>Amnesty International, *The State of World's Human Rights*, 2012.
- <sup>28</sup>*Report on Afghanistan, op.cit.*
- <sup>29</sup>WHO, UNICEF, UNFPA and WB estimates, *Trends in Maternal Mortality: 1990 to 2010*, 2012.
- <sup>30</sup>International Development Committee – Sixth Report. *Afghanistan: Development Progress and Prospects after 2014*, 12 September 2012.
- <sup>31</sup>Nordland, R., *Despite Education Advances, a Host of Afghan School Woes*, *The New York Times*, 20 July 2013.
- <sup>32</sup>*MASP 2011–2014, op.cit.*, p. 4.
- <sup>33</sup>The framework can be accessed [here](#).
- <sup>34</sup>Independent Commission for Aid Impact, *The Department for International Development: Programme Controls and Assurance in Afghanistan*, 2012.
- <sup>35</sup>Karzai Signs Strategic Aid Agreement with Norway, *Radio Free Europe, Radio Liberty*, 5 February 2013.
- <sup>36</sup>Graham-Harrison, E., *West Demands More Progress from Afghanistan in Return for Aid*, *The Guardian*, 3 July 2013; *International Officials, Afghan Government Face off over Aid*, *The Wall Street Journal*, 3 July 2013.
- <sup>37</sup>Based on the *Senior Officials Meeting Joint Report, op.cit.*, we suspect that this is not “additional” money, but carryover from existing “pledges”. However, as of August 2013, it was impossible to decide the issue by examining planned project data or the database of pledges and multilateral contributions. SOM statements are too generic to be connected to the data we compiled. The SOM defined two *hard deliverables*: (a) Putting all that outlays in DAD for tracking; (b) providing a Joint Review of planned projects and programs by last June. The Joint Review is not made publicly available so far, and while DAD is updated with past and ongoing projects, it does not contain future projects and programs. For 2014 DAD contains a budgeted \$2.5 billion from various sources, mostly projects that have already started. We could not identify changes in DAD figures due to SOM commitments.



<sup>38</sup>Norway Upset with Afghan Reform Progress, *Devex*, 8 July 2013.

<sup>39</sup>Ministry of Finance, Islamic Republic of Afghanistan, *Development Cooperation Report*, 2012. A representative from a Nordic donor assured us that many donors do not share this opinion.

<sup>40</sup>*Ibid.* According to data provided by donors and held by the Afghan Ministry of Finance the \$16 billion pledged at Tokyo in 2012 for 2012 to 2015 is on track to be met. *Senior Officials Meeting Joint Report, op.cit.*

<sup>41</sup>*Ibid.*

<sup>42</sup>Waldman, M., *Falling Short: Aid effectiveness in Afghanistan*, ACBAR Advocacy Series, 2008.

<sup>43</sup>TMAF sets clear goals in this respect (50% on budget and 80% alignment targets).

<sup>44</sup>For example, audits by the Special Inspector General for Afghanistan Reconstruction (SIGAR) are limited to U.S. activities.

<sup>45</sup>The Global Campaign for Aid Transparency, *Aid Transparency Index 2012*, 2012.

<sup>46</sup>The UK has accepted a request from Afghanistan and Japan to host a ministerial meeting in 2014 to review progress against Afghan and international commitments agreed in Tokyo.

<sup>47</sup>UNODC, *Afghanistan Opium Risk Assessment*, April 2013.

<sup>48</sup>Ramalingam, B. and H. Jones, *Exploring the Science of Complexity: Ideas and Implications for Development and Humanitarian Efforts*, Overseas Development Institute, 2008.

<sup>49</sup>Evans, A., *Is Uncertainty the Only Certainty in 2012?*, Overseas Development Institute, 2012.