

# Operational Plan 2011-2015

## DFID Afghanistan

April 2011

*This plan will be refreshed annually*

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# 1) Introduction

The UK Government is determined to help reduce the inequalities of opportunity we see around the world today. We believe that promoting global prosperity is both a moral duty and in the UK's national interest. Aid is only ever a means to an end, never an end in itself. It is wealth creation and sustainable growth that will help people to lift themselves out of poverty.

In May 2010, the International Development Secretary, Andrew Mitchell, commissioned the Bilateral Aid Review to take a comprehensive and ambitious look at the countries in which DFID works through our direct country and regional programmes. The review focussed on the best ways for the UK to tackle extreme poverty, ensuring that we make the greatest impact with every pound we spend. In parallel, through the Multilateral Aid Review, DFID assessed how effective the international organisations we fund are at tackling poverty.

On the 1st March 2011, the key outcomes of the reviews were announced, including the results that UK aid will deliver for the world's poorest people over the next four years. The Bilateral Aid Review has refocused the aid programme in fewer countries so that we can target our support where it will make the biggest difference and where the need is greatest. The Multilateral Aid Review findings enable us to put more money behind effective international organisations which are critical to delivering the UK's development priorities. In addition the independent Humanitarian Emergency Response Review looked at how the UK can build on its strengths in responding impartially to humanitarian needs and help ensure future disaster responses can be better prepared and coordinated.

DFID is committed to being a global leader on transparency. In the current financial climate, we have a particular duty to show that we are achieving value for every pound of UK taxpayers' money that we spend on development. Results, transparency and accountability are our watchwords and guide everything we do. DFID regards transparency as fundamental to improving its accountability to UK citizens and to improving accountability to citizens in the countries in which it works. Transparency will also help us achieve more value for money in the programmes we deliver and will improve the effectiveness of aid in reducing poverty.

The UK Aid Transparency Guarantee commits DFID to making our aid fully transparent to citizens in both the UK and developing countries. As part of this commitment we are publishing Operational Plans for country programmes. The Operational Plans set out the vision, priorities and results that will be delivered in each of our country programmes.

We will concentrate our efforts on supporting achievement of the Millennium Development Goals, creating wealth in poor countries, strengthening their governance and security and tackling climate change. The prize, in doing so, is huge: a better life for millions of people, and a safer, more prosperous world.

## 2) Context

- ❖ **Thirty years of conflict has left Afghanistan one of the poorest countries in the world.** A third of Afghans live below the poverty line; one in six children die before their sixth birthday; and average life expectancy is just 44. Only one in four Afghans are able to read and write. Afghanistan remains off-track on all the Millennium Development Goals and has agreed a five year extension until 2020. Corruption is a problem felt personally by many Afghans, fuelled by patronage politics and a war economy. Women and girls still face enormous challenges and huge disadvantages in the area of political participation and decision-making.
- ❖ **From this low base, progress has been made over the last ten years.** 5.3 million children now attend school, over a third of whom are girls, up from virtually none under the Taliban. 85% of Afghans now have a health facility in their local area, compared to 9% in 2002. The economy has grown by an average of 9% per annum since 2002, and tax revenue has risen from \$200m in 2004 to almost \$1.3bn in 2009/10; progress is being made on strengthening public financial management, with local government improving in some areas. The Government of Afghanistan approved a National Action Plan for Women in 2008. However, considerable challenges still lie ahead.
- ❖ **A weak and politically unstable state** fosters insecurity and holds back social and economic development. Afghanistan's diverse cultural and ethnic mix, and resistance to change from external influences, are contributing factors. Poor governance and corruption undermine people's trust in the government, while weak public sector capacity hinders service delivery. The International Security Assistance Force (ISAF) continues to conduct security and stability operations with the Afghan National Security Forces (ANSF) to tackle the insurgency. It will be another decade before the Afghan Government is able to pay for its own security costs without external support.
- ❖ **The Afghan government is increasingly taking the lead**, in working for better security, governance, social and economic opportunities for Afghan people. The successful Peace Jirga in June 2010 and the Kabul Conference in July 2010, were examples of this. Progress with the government's roadmap for public financial management reform will increase donor confidence and encourage them to achieve the 50% target on channeling funds through government systems by mid 2012. The NATO Lisbon Summit in November 2010 saw agreement to transfer responsibility for security to Afghan authorities by the end of 2014.
- ❖ **Long term stability in Afghanistan will also be dependent on increased regional cooperation and integration**, particularly on issues such as security, trade and economic infrastructure.
- ❖ **Afghanistan is one of the UK's top foreign policy priorities.** DFID plays a key role in delivering the UK's strategy in Afghanistan by addressing governance and economic development issues. This reflects the UK's commitment to tackle poverty globally, and also has important benefits for the UK and regional security by helping Afghanistan resist violent extremism.
- ❖ **UK Overseas Development Assistance (ODA) will help** tackle the root causes of instability and effects of insecurity and rebuild the legitimacy of the state in Afghanistan. As part of the UK government's effort, DFID will help Afghanistan build a more capable and accountable government at all levels, able to function more effectively and meet local people's expectations. In June 2010 the UK government announced a 40% increase in DFID's budget to accelerate progress, with a sizeable tri-departmental Conflict Pool (£68.5m, 2011/12) managed jointly by DFID, the Foreign and Commonwealth Office and Ministry of Defence. In 2009, the UK was the fourth largest bilateral donor in Afghanistan, after the United States, Japan and the United Arab Emirates.

### 3) Vision

❖ **Our vision is a more peaceful, stable and prosperous Afghanistan** which has constructive relationships with neighbours and global partners. This is a long-term agenda that will require DFID's ongoing presence well beyond 2015 when UK combat troops will have withdrawn. Our vision up to 2015 is to see progress towards a viable Afghan state, for example, a more stable and growing economy, a sustainable political settlement leading to greater political stability, and government delivering key basic services (such as education, water and health) at all levels. This will help tackle poverty and will also have important benefits for the UK by helping Afghanistan resist violent extremism and achieve a lasting end to the insurgency.

❖ **Over the next four years** we will focus on three critical areas to help put Afghanistan on a clear and irreversible path towards peace, stability and prosperity:

- ❑ **Peace, security and political stability**: We will support more inclusive politics by helping communities resolve their disputes peacefully, increasing political participation and also people's trust in the state in insecure areas, including in Helmand. We will help the Ministry of Interior manage the police better so they can provide safety and security for the Afghan people. We will strengthen our humanitarian work to help address the direct impacts of conflict, exclusion and natural disasters on the most vulnerable groups.
- ❑ **Economic stability growth and jobs**: Priority areas include large-scale infrastructure, agriculture, business development, community infrastructure and improving the environment for private investment (including in the key minerals sector) and creating jobs. We will continue to help the Afghan government raise and manage its own funds, including tax revenue, to help Afghanistan reduce dependence on aid funds over time. Improved licit income opportunities and a growing economy will help weaken the appeal of the insurgency.
- ❑ **Getting the state to deliver improved services**: We will help the government to deliver key functions better and improve how it responds to the demands of citizens', including reducing corruption and providing basic services and vocational skills (including for women and girls). Afghanistan also needs better public financial management, local government and to rely less on international expertise.

❖ **Our work will help empower Afghan Women.** We will help build a peaceful state and society that will tackle poverty and create wealth for both Afghan men and women. Increased political and economic participation of women will improve their lives and help reduce the risk of Afghanistan remaining in conflict. DFID works closely with the Foreign and Commonwealth Office on this issue.

❖ **Our programme supports Afghanistan's National Development Strategy.** We are committed to channelling at least half our annual budget through Afghan Government systems since this is the most effective way of ensuring the state can deliver services directly to people. But we will only do this when we can be sure that the right mechanisms are in place to safeguard UK taxpayers' money.

❖ **We will strive not to undermine Afghan leadership and civil service capacity, or duplicate the efforts of other donors.** We cannot do everything. Our programme will focus on the above three priorities based on our experience to date and where we can add value. We will not tolerate under-performing programmes.

# 4) Results

Pillar/ Strategic Priority	Indicator	Baseline (including year)	Expected Results (including year)
<b>Governance and Security</b>  <i>Peace, Security and Political Stability</i>	Percentage of people who perceive their Provincial Government positively.	78% of people surveyed said their Provincial Government was doing a good or very good job (2010). <sup>1</sup>	DFID Afghanistan will contribute to an increase in the number of people who say their Provincial Government was doing a good or very good job.
	Number of men and women who vote in elections supported by DFID.	4.3 million voters in 2010 Parliamentary elections (including 1.7m women); 6.8m in 2005 and 8.5m in 2004.	To help halt a declining trend in voter participation: at least 4.3m voters (including 1.7m women) in 2013 Provincial and 2014 Presidential elections. <sup>2</sup>
<b>Governance and Security</b>  <i>Getting the State to Deliver</i>	In the ten Afghan Government ministries with the biggest budgets in the Afghan financial year 1389 (2010/11) we will measure: <ul style="list-style-type: none"> <li>• Proportion (percentage) of projected budget actually spent<sup>3</sup></li> <li>• Proportion (percentage) of funds made available to the ministries which are actually spent</li> <li>• Absolute spend.</li> </ul>	In most recent Afghan financial year, 1388 (2009/10): <ul style="list-style-type: none"> <li>• 37% of projected budget actually spent</li> <li>• 78% of funds made available actually spent</li> <li>• 37 billion Afghani total spend in the ten ministries with the biggest budgets (£506 million GBP).</li> </ul>	DFID Afghanistan will <u>contribute</u> to: <ul style="list-style-type: none"> <li>• 4 percentage point annual increase in the projected budget actually spent up to 2015</li> <li>• 1 percentage point annual increase in the funds made available actually spent up to 2015</li> <li>• 10% annual increase in actual spend to 2015.</li> </ul>
	Percentage of people who perceive Government performance to be sufficient in addressing corruption. <sup>4</sup>	23% of people surveyed in 2010 said that the Government had done enough to address corruption.	DFID Afghanistan will <u>contribute</u> to an increase in the number of people who say that the Government has done enough to address corruption to 27% by 2014. <sup>5</sup>

**Notes:**

The targets above are the headline results we aim to achieve under this four year plan and represent a broad overview of our portfolio. We will deliver many more results than those listed above but it has not been possible to list all of them here. A couple of our headline indicators refer to the perceptions of the Afghan people. Perceptions are important in a country recovering from decades of conflict because confidence in the Government can be a sign of peace, stability and improved delivery of services. Furthermore, some results will be delivered indirectly through our expected contribution to the World Bank managed Afghanistan Reconstruction Trust Fund (e.g. education) which will allocate resources according to an annual assessment of the needs of the Afghan Government across a range of sectors and therefore may be subject to change. Our expected results are 100% attributable to DFID support unless otherwise indicated as a contribution, in which case our financial contribution will be reported annually by sector in DFID's Statistics for International Development and in most cases by project on the DFID projects database – [www.dfid.gov.uk](http://www.dfid.gov.uk)

## 4) Results (continued)

Pillar/ Strategic Priority	Indicator	Baseline (including year)	Expected Results (including year)
<b>Education</b> <i>Getting the State to Deliver</i>	Number of children supported by DFID in primary school.	99,236 children enrolled in primary school (of whom 38,702 are girls) in 2009.	DFID Afghanistan's support will help get 211,900 more children enrolled in primary school (of whom 95,355 are girls) by 2015. <sup>6</sup>
<b>Wealth Creation</b> <i>Economic Stability, Growth &amp; Jobs</i>	Number of jobs created for Afghan men and women (Full-Time Equivalent jobs).	Zero jobs created for Afghan men and women at March 2011.	DFID Afghanistan's support will create 200,000 jobs for Afghan men and women by 2015.
	Level of food grain production sufficient to meet Afghanistan's annual needs.	4.915 million metric tonnes of food grain production, equal to 76% self-sufficiency, in 2010.	DFID Afghanistan will <u>contribute</u> to 6.116 million metric tonnes of food grain production, equal to 80% self-sufficiency, by 2015 (300,000 metric tonnes per annum increase).
<b>Humanitarian</b> <i>Reduced impact of conflict and natural disasters on people's lives, well-being and dignity</i>	Number of people assisted by humanitarian agencies (for example through the provision of health services, food and water).	According to assessed need – variable by year.	Target to be determined annually.

**Notes on indicators:**

1. This indicator can be found in the Asia Foundation's Survey of the Afghan People 2010, an opinion poll carried out across Afghanistan. It provides an indication of the impact of GoA and donor efforts on Afghan people by asking for their opinion on the performance of the government. Support for the Provincial Government relates to security and political stability. The current baseline (78%) provides an overly positive picture, real support is likely to be less than this as the interviewers were unable to go to some insecure areas and studies have shown that people refrain from criticising government and authority when questioned for opinion polls in Afghanistan. Despite this the survey is a useful indicator of the trend of progress.
2. The number of voters in Afghanistan has declined from 8.5m in 2004 to 6.8m in 2005 and 4.3m in 2010. DFID aims to help reverse this trend by providing support to maintain current levels.
3. The rate at which projected and actual budgets are spent is a good measure of public financial management in a country where government capacity is low. The proportion of projected budget actually spent is technically referred to as the "budget execution rate" and the proportion of funds made available actually spent is referred to as the "allotment execution rate".
4. As noted in point one, opinion polls provide a good indication of progress according to ordinary Afghans as well as overall trends. This indicator can be found in Integrity Watch Afghanistan's National Survey of Afghan's Perceptions and Experiences of Corruption 2010. The same caveats on use of opinion polls mentioned in footnote one, apply to this survey.
5. Our target on corruption is modest because Afghanistan is starting from a very low baseline: Afghanistan is perceived as the second most corrupt nation in the world, jointly with Burma, according to Transparency International's Corruption Perceptions Index 2010. We aim to help reverse this by working with the Government and civil society to address corruption and improve how the state responds to the demands of citizens.
6. We have estimated our education results by dividing the number of children the Government of Afghanistan aims to enrol in school by DFIDA's contribution as a proportion of total ARTF funds allocated to education and other non-ARTF funding to the sector.

## 4) Results: Strength of Evidence Base and Value for Money Rationale

	Governance and Security	Wealth Creation	Education	Humanitarian
Evidence	Medium	Medium/High	High	Medium
VFM	Moderate	Good	Good	Moderate

Reliable data and evidence in Afghanistan is scarce due to decades of conflict and continuing lack of access to certain areas due to insecurity. For example, population estimates are based on a partial census conducted in 1979. However, data and evidence are improving, in part due to DFIDA's support for improving national statistics (see part 7). The strength of the evidence base for our headline results is rated as High, Medium or Low. Value for Money (VFM) is ranked as Good, Moderate or Low.

❖ **Governance:** This sector lacks quantifiable data. However, we have drawn on evidence from South Asia and other fragile states where Afghan-specific evidence is lacking. National perceptions surveys, such as the The Asia Foundation's (TAF) Survey of the Afghan People are a useful source to determine the feelings of ordinary Afghans about the direction of the country. However, the quality of such surveys can be hampered by social desirability bias (the tendency for people to refrain from criticising government and authority when questioned for opinion polls) and lack of access to insecure areas. Governance results are notoriously difficult to quantify in VFM terms, especially in fragile contexts. However, VFM in some programmes is very high (e.g. public financial management) and there is some evidence that reducing corruption and public administration reform can lead to increased investment in development.

❖ **Wealth creation:** Quality evidence and data is provided annually by the International Monetary Fund and the World Bank in country. The number, quality and independence of reports on growth, trade, agriculture and private sector issues is reasonable and gives us confidence that our objectives are the right ones. However, the evidence is weakened by lack of access to some insecure areas which hampers data gathering. On VFM, our performance has been generally sound, with good rates of return shown on our high performing tax and budget programmes. Up to 2009/10, our support to the World Bank managed Afghan Reconstruction Trust Fund helped ensure that the Government remained solvent and able to pay civil servant salaries, including teachers. Evidence for the return on investment in post-conflict environments is available (e.g. work by Paul Collier).

❖ **Education:** Evidence from the National Risk and Vulnerability Assessment (a nation-wide household survey) shows that there has been a significant positive impact on the literacy of children and young people from the significant investment in education since 2001. The Afghan Government's National Education Strategy Plan II is based on evidence from the Afghan Ministry of Education's Management Information System (EMIS) which is one of the most comprehensive and credible data sets available in the country. There is a positive relation between education level and annual income in Afghanistan. Wage and salary workers earn between 24% and 174% times more at each level of schooling as those categorised as self-employed, according to the World Bank.

❖ **Humanitarian:** The UN's Common Humanitarian Action Plan for Afghanistan provides a credible analysis of humanitarian needs, which we triangulate with other sources, including appeal documents from the International Committee of the Red Cross (ICRC) and the World Food Programme (WFP). Previous phases of DFID support to WFP and ICRC have proven effective. However, the security situation can shrink humanitarian space which makes it difficult to gather quantitative evidence on impact and value for money. ICRC data is sensitive and cannot always be shared with donors. On VFM, quantitative evidence is lacking but qualitative evidence shows that humanitarian assistance can prevent millions falling into a cycle of impoverishment due to illness, loss of productivity and income.

## 5) Delivery and Resources

### Overview of the unit's structure, design and means to deliver its programme

DFID Afghanistan is located in the British Embassy in Kabul and works closely with the Foreign and Commonwealth Office (FCO) and the Ministry of Defence (MOD) to achieve UK objectives in Afghanistan. DFID leads on economic development, and co-leads on governance and rule of law with the FCO. The FCO leads on reconciliation and reintegration, regional and international work while the MOD leads on security. UK objectives in Helmand are led by a cross-Governmental Provincial Reconstruction Team (PRT) based in Lashkar Gah, where DFID leads on social and economic development policy and programmes.

DFID Afghanistan is structured around five thematic teams: Resources, Results, Governance Reform, Growth and Livelihoods, and Helmand. Through these teams we will manage a programme allocation of £178m per year, which includes the 40% uplift announced by the Prime Minister in June 2010. Around 20% of our programme resources will be spent directly in Helmand province through key infrastructure, economic growth and business development projects. DFID's programme complements the Conflict Pool (£68.5m for 11/12) and FCO Strategic Programme Fund (£16m) portfolio.

We are committed to channelling at least half our annual budget through Afghan Government systems since this is the most effective way of ensuring the state can deliver services directly to the people. A key mechanism for us to do so is the World Bank-managed Afghanistan Reconstruction Trust Fund which helps ensure that the Afghan Government remains solvent and able to pay civil servant salaries, including teachers. But we will only do this when we can guarantee the right mechanisms are in place to safeguard UK taxpayers' money. We have a robust system of checks and balances in place to ensure UK aid money helps only those it is intended to.

The UK has a 10 year Development Partnership Arrangement with the Government of Afghanistan (signed in 2005) which sets out our shared commitments on poverty reduction and aid effectiveness. The majority of our programmes are co-funded with other donors to leverage maximum support as well as to harmonise and align efforts. The main multilateral agencies we work with are the United Nations, the European Union, the World Bank, and the Asian Development Bank. We also work with a variety of international and national civil society organisations as well as the private sector. Decisions on our funding partners, and the interventions we use to deliver programmes, are strategically based on burden-sharing, value for money and ability to deliver. We work particularly closely with the US on governance projects and joint policy work on transition, as well as with the International Security Assistance Force (ISAF) headquarters.

## 5) Delivery and Resources (continued)

### Programme Spend

Pillar/Strategic priority	2010/11†		2011/12		2012/13		2013/14		2014/15	
	Resource £'000	Capital £'000								
Wealth Creation	29,747	21,140	65,165		68,070		74,522		80,000	
Climate Change										
Governance and Security	34,168		75,835		66,770		59,278		59,500	
Education*	140		27,000		33,160		34,200		28,500	
Reproductive, Maternal and Newborn Health										
Malaria										
HIV/Aids										
Other Health										
Water and Sanitation										
Poverty, Hunger and Vulnerability										
Humanitarian	17,000		10,000		10,000		10,000		10,000	
Other MDG's										
Global Partnerships										
<b>TOTAL</b>	<b>81,055</b>	<b>21,140</b>	<b>178,000</b>	<b>0</b>	<b>178,000</b>	<b>0</b>	<b>178,000</b>	<b>0</b>	<b>178,000</b>	<b>0</b>

\*DFIDA support to the education sector is made indirectly through our annual contribution to the World Bank managed Afghanistan Reconstruction Trust Fund (ARTF) and therefore the allocation above is an estimate based on the amount allocated by the ARTF for education (based on the needs of the Government of Afghanistan). The allocation may therefore be subject to change.

† In 2010/11 DFIDA delayed a payment of £85m to the ARTF as the IMF programme lapsed in the country. This resulted in an end-year spend of £102m rather than £176m expected in 2010/11. We fully expect to continue routine payments to the ARTF when a new IMF programme is agreed. However, we cannot confirm the likely timing of this agreement and therefore the allocations above do not include the delayed payment.

Furthermore, the programme capital budget for DFIDA has not yet been agreed and cannot be included. The allocations above will therefore be subject to change.

## 5) Delivery and Resources (continued)

### Efficiency savings

Category	Details	Residual cost in the SR period £'000
Strategic reprioritisation	We will be rationalising our use of directly managed technical assistance (total value of £104m) to achieve efficiency savings. Over the longer term we will look at expanding our support to a new Afghan-led mechanism, the Civilian Technical Assistance Programme, as a means of providing more sustainable and better value TA.	104,000
Further examples of programme efficiency	Support to the Microfinance Investment Facility after 2010/11 will finish it has now become self sustaining.	700
		.

#### **Administrative cost savings**

DFID Afghanistan has carried out a range of cost saving initiatives over the years including a reduction in home civil servant staff allowances. However, DFIDA is unable to demonstrate real cash savings in the short term due to: increasing staff numbers to help deliver the 40% programme uplift and subsequent increases in the cost of security; and a rising wage bill for national staff due to the competitive local salary market. We are currently exploring with the FCO the scope for efficiency savings through more shared services. We will continue to explore savings in other areas but expect these to be modest.

## 6) Delivering Value for Money

### Key challenges

Achieving value for money is challenging in the Afghanistan context due to: high security premiums, lower skill and expertise base available, a limited pool of contractors and project implementers which limits competition, the limited scope of DFID staff and auditors to travel to parts of the country due to insecurity, and the scarcity of data and evidence to assess value for money (VFM).

### Action points to strengthen VFM and economic appraisal in the DFIDA programme now

1. We will devise a VFM strategy to strengthen VFM and economic appraisals throughout our portfolio, following an initial study on the issue in March 2011.
2. We will boost our economics capability through the recruitment of an additional Economist in the Results Team (recruitment complete) to take forward the VFM strategy for DFIDA, and carry out economic appraisals across the office; and an additional full-time Assistant Economist to support the existing Economist in the Growth and Livelihoods Team in 2011.
3. We will ensure that all our significant investments have a robust economic appraisal of their options, with costs, benefits and discount rates calibrated as accurately as possible for all new business cases from 1 January 2011.
4. We will continue to support the Afghanistan Central Statistics Organisation and other Government data-producers and external analysts to produce an increasing amount and quality of data in Afghanistan to inform our investments and policy influencing work.
5. Working with DFID's Research and Evidence Department, Policy Division and other donors, by end 2011 we will appraise the VFM of different aid modalities in delivering results that meet Afghanistan's needs.
6. We will help ensure all UK overseas development assistance projects are designed and managed effectively and add value to DFID's larger and longer-term investments by creating a joint DFID/ FCO Programme and Results Team from April 2011, based in DFIDA, to improve the overall effectiveness of UK aid including Conflict Pool and FCO funded work
7. We will work with the Afghan Government to improve its public financial management and to realise credible cost-efficiencies and achievable benefits across its broader investments, starting with the top ten spending line ministries throughout 2011.
8. We will up-skill all staff on DFID's new business case template for programmes from 1 January 2011, and ensure all programme managers complete formal training in the new approach by end April 2011 (and repeat as new staff join).

## 7) Monitoring and Evaluation

### Monitoring

- ❖ **How:** We will monitor the Operational Plan using an internal detailed Results Framework, which includes baselines and target results at portfolio and programme level. The Results Framework will also be used as an internal planning tool to plan, monitor and assess delivery. Progress will be informed by annual project reviews and project completion reports, as well as more frequent reporting as available. The DFIDA Programme Board will be the primary mechanism through which progress will be monitored. Targets will be assessed as on or off track using a standard red, amber and green rating.
- ❖ **When:** The Programme Board will meet at least quarterly and an annual meeting will be held to update the whole Operational Plan.
- ❖ **Who:** The Programme Board will be chaired by the Head of Office and permanent members will include Team Leaders, programme managers and advisers.
- ❖ **What:** The Programme Board will scrutinise, challenge or endorse the SRO's assessment of progress and outlook. An internal quarterly progress report will be produced, including decisions taken on corrective action for off-track targets.

**Evaluation:** DFID Afghanistan has an internal Evaluation Action Plan to strengthen our approach to monitoring and evaluation (M&E) throughout the portfolio by: (i) improving M&E throughout the project cycle, (ii) up-skilling staff in M&E tools and approaches, (iii) providing more and dedicated programme resources to M&E, including recruiting an Evaluation Adviser to lead on this effort, and (iv) encouraging an impact assessment of the multi-donor funded ARTF. In addition, up to 3% of programme costs (new programmes) will be set aside from the design phase for independent evaluation work when appropriate. Furthermore, the DFID Programme Board and the new DFID/FCO Joint Programme and Results Team (JPRT) will also be mandated to review the effectiveness, value for money and impact of ODA in Afghanistan. In Helmand, DFIDA and the PRT are jointly funding an innovative Monitoring and Evaluation Programme to assess outcomes across the Helmand portfolio.

**Building capacity of partners:** DFIDA will continue to provide technical assistance for the Central Statistics Organisation (CSO) and the wider national statistical system, to enhance the quality and increase the quantity of official statistics in a sustainable manner. Globally, DFID has provided funds for the World Bank's Statistics for Results Facility which will be delivered by the CSO in Afghanistan. We will continue to work closely with line ministries to build their capacity, including the Ministry of Finance who convene an annual Donor Cooperation Dialogue to review the alignment of bilateral aid with government priorities and the national budget to improve aid effectiveness.

## 8) Transparency

### **The UK Aid Transparency Guarantee**

Transparency is one of the top priorities for the UK Government. We will meet our commitments under the UK Aid Transparency Guarantee. We will publish detailed information about DFID projects, including programme documents and all spend above £500. Information will be accessible, comparable, accurate, timely and in a common standard with other donors. We will also provide opportunities for those directly affected by our projects to provide feedback.

### **The UK Aid Transparency Guarantee in Afghanistan**

DFID has committed to publishing all the information that it can on its programme support to Afghanistan. However, for security reasons DFID will make anonymous, on request, the names of our implementing partners, as well as withhold information that would reveal the locations in which they work. Security is a major concern for our implementing partners working in Afghanistan and many manage security by maintaining a low profile. According to data received from the Afghan National Security office (ANSO) there were at least 120 incidents involving NGOs in 2010 by both Armed Opposition Groups (66) and Armed Criminal Groups (54) which demonstrates that there is a clear and active risk.

The DFIDA Programme Board will peer review and scrutinise annual reviews and project completion reports for application of the UK Aid Transparency Guarantee, including use of Plain English.

### **Implementing the International Aid Transparency Initiative (IATI)**

DFIDA will seek to lead by example in order to have credible conversations on transparency with all partners. We will encourage other donors to do more on aid transparency, and support high level messages encouraging them to sign up to, and implement, internationally agreed transparency standards through the IATI. We will also actively participate in the annual Donor Cooperation Dialogue led by the Ministry of Finance and encourage other donors to do the same.

The Ministry of Finance is enhancing its Donor Assistance Database, which is used by their Aid Coordination Unit to track development spend in Afghanistan. Information provided to the database is also publicly accessible via the DAD website: <http://dadafghanistan.gov.af/> DFID will lead by example by ensuring that all UK projects that qualify as ODA are entered onto the database and updated as required.