

Strengthening EU Action in Afghanistan: Third Implementation Report April 2011

Introduction

Since April 2010, Head of the EU Delegation/EU Special Representative Vygaudas Ušackas has significantly strengthened the visibility of the EU and its engagement in Afghanistan. Through a more coordinated political messaging and working in close cooperation with UNAMA and other international partners, the EU has raised a number of issues of concern with the Government of the Islamic Republic of Afghanistan. This coordinated EU approach has made for a more productive dialogue with the Afghan Government on a range of issues.

This Third Implementation Reports seeks to provide an overview of the past six months, assesses both progress made and challenges encountered and provides the HoD/EUSR and HoMs' recommendations for a common way forward.

Main political and security developments of the past six months

With the official announcement by President Karzai on 22 March, the International Community and Government of Afghanistan (GoA) are now entering into a **Transition Process**, in which the EU and EU Member States are supporting the GoA to take the lead in ensuring the overall stability and development of Afghanistan. As agreed in the Kabul Communiqué, Transition will entail the handover of responsibility for internal security in the coming few years, and place the GoA in the lead for development and governance. To this end, the follow-up of the London and Kabul Conference commitments, referred to as the **Kabul Process**, in the field of security, but especially in the areas of governance and socio-economic development, will be instrumental in the coming years, also beyond 2014. Thereto, the EU continues to stress that leadership and ownership also imply responsibility on the side of the GoA, and above all accountability; to the population of Afghanistan, as well as international partners and commitments.

The Afghan state remains fragile, torn in different directions by various internal and external forces. Over the past six months, the International Community (IC) has been on a political rollercoaster as the GoA increasingly tried to strengthen its sovereignty and independence within the context of the Kabul Process. The second **Parliamentary elections**, which overshadowed other events over the past months, resulted in a highly controversial outcome, and to date, the activities of a **Special Court**, established by the GoA to "address" claims and counter claims of fraud, continue to fuel instability in the newly elected Parliament. The balance of power has been upset by an increasingly strong Presidential Palace, leading to an increasingly disillusioned public, whose trust in the institutions is gradually dwindling.

Progress on the Kabul Process has been limited and the recent Kabul Bank Crisis and the related lapse of the IMF programme for Afghanistan, have basically stalled the process, placing a possible Kabul II Conference, originally envisaged for summer 2011, in jeopardy.

The **security** situation in Afghanistan remains of concern. Efforts in 2010 to disrupt insurgent networks were initially successful, leading to several arrests and the prevention of a number of planned attacks. There however has been an increasing trend over the past months to target foreign civilian operators (instead of, or in addition to, government and military installations)

in the country. The latest incident against UNAMA's office in Mazar-e-Sharif on 1 April 2011 illustrated some of the challenges the Afghan National Security Forces face in taking over the lead for security (Mazar-e-Sharif being part of the cities, districts and provinces identified for the first tranche of Transition).

Any potential solution to Afghanistan can only be political in nature. To this end, a **Reconciliation and Reintegration** process is underway under the lead of the GoA, through the High Peace Council (HPC). Engagements with individuals and groups have commenced and ISAF regularly reports on new cases of reintegration of former combatants. The delivery of the Afghan Peace and Reconstruction Trust Fund (APRP), though, has been off to a slow start.

Several **human rights** cases, including a number of religious conversion cases, have presented themselves over the past months. These, in combination with proposed legislation on Women Shelters and marriage ceremonies, have led the IC to increasingly push for the GoA to adhere to its obligations under international conventions.

Despite a lack of progress in fostering **Regional Cooperation** due to conflicting political agendas, efforts have continued with a number of ministerial meetings and conferences during the last six months, including the fourth Regional Economic Cooperation Conference on Afghanistan (RECCA).

The **Transition Process** is supposed to be completed by 2014, but it will be important to show the GoA and the population that the International Community, including the EU, will remain committed to Afghanistan's development well beyond that date. The EU and EU Member States' joint activities will support and complement the Transition and the 'Civilian Transformation Process' to the extent possible and will lay the ground for a sustainable commitment for the long-term. There is common agreement amongst the EU, EU Member States and the broader International Community, that the Afghan National Development Strategy (ANDS), the Kabul Process and the Transition & Transformation Process should determine the cause of action for the coming three years and beyond. As a first priority however, these processes will have to be reconciled and inter-linked in order to avoid parallel structures. Discussions have started on the EU's and the International Community's engagement post-2014. In this context the International Contact Group (ICG) plays a key role.

In preparation of the **International Afghanistan Conference in Bonn**, scheduled for December 2011, the ICG, in cooperation with the GoA, is setting up Working Groups on Reintegration, Civilian Transition, Regional Cooperation and the IC's engagement beyond 2014. The EU (HoD/EUSR Ušackas) will co-chair the Working Group on "the IC's engagement beyond 2014" and has started co-hosting a number of informal groupings on the topic to allow for a comprehensive approach. The participation of EU headquarters and capitals will be crucial in this process.

EU Cooperation and Coordination

Over the past year, significant progress has been made in establishing a coordinated and unified EU approach in Afghanistan. Led by the HoD/EUSR, the GoA and IC now fully recognize the unity of effort of the EU in addressing political, governance and development efforts. Nonetheless, the EU continuously seeks to maximise EU harmonisation to render its assistance as efficient and effective as possible. This is pursued through (a) more effective

joint messaging on key reforms and political issues in the common focal areas; (b) a more coordinated EU approach to development assistance; (c) an enhanced relationship with national institutions, in particular the GoA and Parliament, political groups and civil society representatives; and (d) strengthened dialogue with key international and regional partners (the UN, NATO/ISAF, the US, Japan, India, Pakistan and others). This more joint-up approach has significantly strengthened EU political messaging, in particular on the Parliamentary Elections and subsequent Electoral Reform, the safeguarding of Human Rights, Police Reform and specifically Civilian Policing, as well as the Kabul Process as a whole.

Scope for improvement remains as regards adopting joint sector-wide approaches, instead of stand-alone individual projects. EU Member State bilateral assistance is generally characterised by strict geographical preferences linked to troop presence. Whilst the geographical divisions can be positive in terms of division of labour, more structured discussions among EU donors, particularly at capitals level, with a view to sharing experiences and lessons learned, will be required to acquire a coherent common approach and fully exploit the possibilities for joint programming and co-financing. The EU continues to encourage EU Member States to either directly support the NPPs (through multi-donor trust funds) or to ensure that their bilateral projects are fully synchronised and in line with NPP objectives. The various trust funds, such as ARTF and LOTFA, to which the majority of EU Member States contribute, are good examples of mechanisms that allow for a coherent approach, whilst giving the EU more political clout and a stronger steer on the direction of national programmes and policies.

EU cooperation priorities

Key areas of importance in the EU Programme for 2011 and subsequent years will include: 1) Capacity Building, 2) Sub-national Governance, 3) Police Reform, and 4) Reconciliation and Reintegration. For all of these, there is a strong potential for further strengthening internal EU coordination and action.

Capacity building, a long term undertaking in which the GoA has a keen interest, is the red thread running through the EU's assistance strategy, as all ongoing and future bilateral and multi-donor programmes to which the EU contributes via the General Budget contain a technical cooperation or capacity building component to ensure sustainability and increasing ownership on the part of the Government. Capacity development, in particular institutional capacity development shall be seen in a long-term, strategic way rather than short-term quick fixes of doubtful sustainability.

As stated in the EU Action Plan ('The Plan for Strengthening EU Action in Afghanistan and Pakistan'), building up civil service capacity in Afghanistan should be an EU priority in the future. As cited in the Action Plan this support should include "*training of civil servants in core skills as well as supporting public administration studies at the Civil Service Institute, Afghan universities or other training facilities*".

A new support programme for Public Administration Reform (PAR) is currently being developed, in consultation with the GoA, EU Member States and other stakeholders. A € 60 M contribution to ARTF for high priority Government reform actions in justice and public administration will support the development of capacity in the Afghan public service; this will be taken forward through the National Priority Programme for Efficient and Effective Government. The allocated budget for this Programme should be € 20-30 M.

A second priority is **Sub-National Governance**. A new contribution agreement with UNDP for EUR 12 million (from the EU General Budget) to the second phase of the Afghanistan Sub-National Governance Programme (ASGP II) was signed in December 2010. ASGP II, which a number of EU Member States also contribute to, has been substantially redesigned with a view to support the implementation of the Sub National Governance (SNG) Policy, which was approved by the GoA in early 2010. ASGP II aims to scale up existing activities in policy development and implementation; national capacity building of the Independent Directorate for Local Governance (IDLG); assistance to provincial, district and municipal administrations and respective councils; and support to local coordination mechanisms at the provincial and district levels.

A third priority is **Police Reform**, in particular the development of civilian policing. Over the past six months EUPOL has established itself as the leader in the area of Civilian Policing vis-à-vis actors, such as NTM-A. Whereas significant challenges remain, the necessity of having a well-trained civilian policing capability with a general focus on law enforcement instead of counter-insurgency, has gained ground. EUPOL has been significantly involved in the development of a National Police Plan (NPP) that is likely to be adopted in spring 2011. EUPOL's focus on civilian policing will also be of great importance in view of the Transition Process. Through the Instrument for Stability, the EU, together with EUPOL, has under the Instrument for Stability prepared a "Civilian Police Capacity Building in Afghanistan" Project (EUR 15 million) for the establishment of a Police Staff College in Kabul (leadership training) and a Training Centre in Bamian province (including female police training).

The EU (General Budget) continues to be one of the largest contributors to LOTFA, with EUR 225 million to date. For the period 2011-2013, the EU plans to make a new contribution of EUR 140 million to the sixth phase of the Trust Fund (LOTFA VI). These funds are intended for the three priority areas of LOTFA: e.g. remuneration of police salary payments, capacity building in civilian policing, as well as community policing.

As regards **Reintegration & Reconciliation**, the Peace Support Group met with key actors such as the UN, the EU, Japan, the OIC, Turkey, and others, at the invitation of the High Peace Council, in March and in April. Steps have been taken with regard to UN SC Resolution 1267. The HoD/EUSR has taken an active role, in coordination with the IC in Kabul and in consultation with the GoA, in establishing regular engagements with the High Peace Council, as well as a wide range of individual actors within Afghan society who could play a significant role in the Reconciliation Process. Progress in the implementation of concrete projects under the Afghanistan Peace and Reconciliation Programme (APRP), has however suffered from limited management capacities and the slow build-up of implementation structures at provincial level. So far, several EU Member States have supported the programme through contributions to its trust fund. The EU has not yet contributed to the APRP due to the programme's relatively low budget execution rate and also because it awaits further details concerning the final management set-up and roll-out of the programme. The High Representative has however made a public pledge of support for the APRP which could be followed through on once key questions concerning the working of the programme and the disbursement of funds are addressed.

Other EU action points for priority implementation to which EU Member States agreed at the beginning of 2010 listed in the 'Implementation Scheme', include Election Review and Reform, and Economic Development through Agriculture and Rural Development. In addition to these priorities, Justice, Human Rights and Civil Society and Regional

Cooperation remain issues of importance which the EU and Member States continue to address.

On **Elections and Election Review and Reform**, the EU and Member States have supported the relevant institutions, in particular the Independent Election Commission (IEC), throughout the elections and we are now engaging in support of long-term electoral reform, including a National Lessons Learned process. The HoD/EUSR presented the report of the EU Electoral Assessment Team to the IEC, President Karzai, Speaker of the Parliament Ibrahimi, Minister of Foreign Affairs Rassoul, and a number of other Afghan stakeholders.

In the area of **Agriculture and Rural Development**, the EU, despite security constraints, has continued to make significant achievements in agricultural development in terms of water management (construction and rehabilitation of irrigation schemes and integrated river basin management), improved animal health service delivery, horticultural value-chains and seeds industry development. With the approval of the new Multi-annual Indicative Programme for 2011-13, the coming months will enable the EU to prepare its continued work in the sector for the years to come, in line with emerging NPPs. In this context, the EU, together with Member States, is assessing opportunities to continue supporting the capacity development of MoAIL's and MRRD's management and to bring its funding "on budget".

To further **Economic Development**, the EU Delegation has assisted in the preparations of the European Union Chamber of Commerce in Afghanistan (EUCCA) which will be officially established later this year. The EUCCA will be an important organisation representing the voice of the EU business community, which will aim to pave the way for contacts between the business sectors of the EU Member States and Afghanistan, to develop trade, commercial and industrial relations between both sides. The initiative will also help Afghanistan generate revenue and attract much-needed long-term investment. It shall also undertake advocacy in favour of necessary economic reforms that shall improve business climate in Afghanistan.

Engagement in **Justice Sector** reform remains challenging, with slow progress on the Kabul Conference Commitments and continued resistance from the institutions concerned to outside support. The EU is designing a support package to Public Administration Reform (EUR 30 million) and Justice Sector Reform (EUR 20 million) through the ARTF, to match the objectives and priorities set out in the NPP, which individual Member States will also support. A € 60 M contribution to ARTF from the General Budget is planned for 2011 and it will support high priority Government reform actions in justice and public administration.

As concerns **Human Rights** the EU and IC are pushing the GoA to adhere to its obligations under international conventions. A Human Rights Country Strategy is currently being developed, with a proposed course of action to take in response to the human rights situation in Afghanistan, as suggested by COHOM in December 2010.

Initiatives, especially in the economic sector, to foster **Regional Cooperation**, have continued with a significant number of ministerial meetings and conferences during the last six months including the fourth Regional Economic Cooperation Conference on Afghanistan (RECCA), which the EU and six Member States attended. At the end of last year, the Minister of Finance countersigned a EUR 22 million agreement for an EU support programme to Regional Cooperation in Afghanistan. This is designed to enhance the capacity to benefit from increased cooperation with neighbouring countries, supporting in particular: cross border cooperation, inter-ministerial coordination on regional issues, and management and regulatory

capacity in the railway sector. The progress in implementation depends on the Afghan government's lead in establishing the regional railway secretariat.

Following the EU's decision in November 2010 to ban all Afghan airlines due to safety concerns, the issue of **Civil Aviation** was actively followed up by the EU, with technical support from individual Member States. Afghanistan can also benefit from the regional Civil Aviation support project for South Asian countries, financed from EU budget which starts in 2011

Conclusions and recommendations for the way forward

The EU is strengthening coordination and cooperation between Member States, further aligning its development assistance with the NPPs, and increasingly speaking with 'one voice'. Through collective political messaging, the EU will continue to raise issues of concern and push for reforms. In order to deliver effective results however, the political and development dimensions of EU action (both through the EU General Budget and the EU Member States) should remain synchronised through strong links and relations between Brussels, EU capitals and the EU missions in Kabul.

In this third Implementation Report, the HoD/EUSR and HoMs take stock of the progress made on the implementation of the EU Action Plan, identify the scope for improvement in terms of coordination and cooperation, and present recommendations for the way forward. The following recommendations deserve particular attention:

- In order to better define its long-term engagement with Afghanistan, it is recommended that preparations should be made to obtain a mandate to start negotiations on a **Cooperation Agreement on Partnership and Development** with Afghanistan. Discussions with Member States should start in the run-up to the International Afghanistan Conference in Bonn, which could offer scope for further negotiations. An agreement would demonstrate the EU's long-term commitment and reinforce the multi-faceted relations between the EU and Afghanistan.
- With the GoA taking the lead and looking beyond 2014, it is important to ensure that the Government itself can generate sufficient revenues to achieve financial autonomy and become a **self-reliant market economy**. It is recommended that EU Member States explore options in this field, in particular in the area of **natural resource extraction and processing** (revenue from exports of processed goods will by far exceed the revenue from exports of raw materials) as well as advocate for establishing transparent licensing system that will benefit the Afghan budget. A conference on Afghanistan's investment potential in this sector could be considered within the coming year. The EU Delegation will also continue to facilitate the private sector-driven establishment of the **European Union Chamber of Commerce in Afghanistan** (EUCCA).
- **Public Administration Reform (PAR)** will remain a priority. Without PAR there is little perspective of establishing a professional and efficient civil service, nor for retaining in the public service the staff trained with assistance of donors. To strengthen the Civilian Transformation Process, the EU will contribute with € 60 M via ARTF to high priority Government reform actions in justice and public administration, of which around EUR 20-30 million are foreseen to support the National Priority Programme for Efficient and Effective Government.. The EU will maintain the major **capacity building** focus of its

ongoing programmes across a range of sectors, including agriculture and rural development, public health, social protection, regional cooperation and justice reform etc; (this support will be done in line with the EU Backbone Strategy on Technical Cooperation, and the commitments made at the Kabul Conference).

- To strengthen the **Police Reform** process, the EU, through EUPOL, will establish a National Police Staff College in Kabul and a Regional Police Training Centre in Bamian province. This will allow EUPOL to better carry out its mission on mentoring and training the Afghan National Police (ANP) on civilian policing skills.
- As regards the political process, and the crucial role **Reconciliation and Reintegration** play in this regard, the EU will continue to encourage the GoA to roll out the necessary structures at provincial level throughout 2011. The EU will provide political support to the High Peace Council (HPC) and will work closely with the Executive Body and the six sub-committees of the HPC. Further, the EU and EU Member States will continue to work with all parties to ensure that human rights, including women's rights are fully respected in any political reconciliation process.

**ANNEX I: Progress on implementation of the EU Action Plan
(October 2010 – April 2011)**

Table of Contents

I.	Introduction	1
1.	Scene setter: the main political and security developments of the past 6 months	2
1.1	Political Developments	2
1.1.1	Elections and Parliament	2
1.1.2	The Kabul Process and unresolved issues	3
1.2	Security Developments	5
1.2.1	The military campaign and transition	6
2.	Improving EU coordination and cooperation	7
2.1	Cooperation with other donors	8
2.1.1	UNAMA	8
2.1.2	International Contact Group	9
3.	EU 2011 Programme priorities	9
3.1	Follow-up on the Kabul process: strengthening Afghan capacity	9
3.2	Police reform	10
3.2.1	EUPOL	11
3.2.1	LOTFA	12
3.3	Reintegration and Reconciliation	12
4.	Other Cooperation priorities	14
4.1	Strengthening sub-national governance	14
4.2	Election reform and building democratic institutions	14
4.3	Economic Development including agriculture and rural development	15
4.4	Justice	16
4.5	Human Rights and Civil Society	17
4.6	Regional Cooperation	18
5.	Humanitarian assistance	19
6.	Conclusions and recommendations for the way forward	20
Annex II:	list of abbreviations	25
Annex III:	EU donor matrix for Afghanistan	26

I. Introduction

Since April 2010, the Head of EU Delegation/EU Special Representative Vygaudas Ušackas represents, coordinates and negotiates on behalf of the European Union. The EU Delegation promotes the EU policy objectives set out in the *Plan for Strengthening EU Action in Afghanistan and Pakistan*¹ agreed by Ministers in October 2009 (the EU Action Plan) in close cooperation with EU Member States' representatives in Afghanistan. The main aim thereby is to create the necessary synergies between the political, security and development dimensions of the EU's and EU Member States' engagement so that support can be provided in an effective, efficient and sustainable manner.

¹ http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/gena/110789.pdf

2011 is the year when the transition process will officially start from mid-July onwards. This process will see the Afghans gradually increase their leadership and ownership, both for security and civilian matters. Major efforts will have to be made to ensure that this transition process will be irreversible, and that the envisaged deadline of 2014 can be attained. The EU and EU Member States joint activities outlined in this report aim to support and complement the civilian transformation process to the extent possible.

In view of a possible high-level follow-up meeting to the July 2010 Kabul Conference² in July 2011, and the International Afghanistan Conference in Bonn in December, preparations in various forums, including the International Contact Group, have started. The engagement of the EU and the rest of the International Community beyond 2014 is a major topic of discussion, the outcomes of which should lay the foundations for the long-term support of the EU and its Member States.

In response to the changing political framework, the EU has agreed to promote three main priorities in its 'EU 2011 Programme', which are complementary to those identified in the Implementation Scheme of December 2009³: i) capacity building, ii) police reform, and iii) reintegration and reconciliation. These three areas are the main focus of this third Implementation Report.

One year after the first Implementation Report, this third report takes stock of progress made with regard to EU cooperation and coordination, and describes how the recommendations highlighted in the second report were followed up during the last six months (October 2010 – April 2011). Furthermore this report will focus on the collective EU achievements obtained, rather than describing the patchwork of individual bilateral EU projects and programmes.

1. Scene setter: the main political and security developments of the past 6 months

1.1 Political Developments

1.1.1 Elections and Parliament

The aftermath of the 18 September parliamentary elections has dominated the political scene over the past 6 months. As soon as the preliminary results were announced on 20 October, the elections became the subject of claims and counter-claims of fraud. The President eventually embraced the cause of some losing candidates and, agreed to an investigation by the Attorney General's Office (AGO). In December, the Independent Electoral Commission (IEC) announced the final results.

² The current line of thinking is to organise a JCMB meeting with high-level attendance from Capitals.

³ Action points for priority implementation according to the Implementation Scheme: 1) Civilian capacity building in Afghanistan; 2) Strengthening of sub-national governance; 3) Election review and reform; 4) Mechanisms for support to reintegration of former insurgents; and 5) Economic Development including agriculture and rural development

The creation by presidential decree of a Special Court to look into electoral complaints on 26 December 2010 increased tensions between the judiciary - backed by the palace - and the electoral institutions which in the struggle for impartiality and independence were supported by the international community including the EU. The President decided to postpone the inauguration of the new parliament for a month to give the Special Court time for investigations. However, the newly elected MPs refused to accept this decision. Following lengthy negotiations, during which the HoD/EUSR, acting on behalf of the EU Member States in Kabul, actively supported the UNSRSG De Mistura to facilitate contacts between the newly elected MPs and the palace, the President agreed to inaugurate the Parliament on 26 January. In the mean time, the Special Court initiated recounts of across the country, sealing off 31 out of 34 IEC provincial offices for recounts. At the time of reporting, recounts are ongoing, with some half of them completed. Reports indicate that the recounts do not follow uniform procedures, lacked efficiency and, at times, encountered resistance from local authorities.

In late February after numerous rounds of voting, the Parliament finally elected its Speaker, the previously relatively unknown Kunduz MP Abdul Rauf Ibrahim. His election was swiftly followed by the election of the rest of the administrative board of Parliament. The HoD/EUSR was the first international representative to visit the Speaker Ibrahim to discuss the priorities of the new Parliament, including the topic of electoral reform. Further meetings have been held with newly elected MPs and other members of the administrative board. In April, the administrative board and head of parliamentary committees will host a special meeting with the HoD/EUSR and EU Heads of Mission (HoMs) to continue discussions on the priorities of the Parliament and the opportunities for strengthening their administrative capacity.

The EU Delegation and Member States continuously supported the IEC and Electoral Complaints Commission (ECC) throughout the electoral process and in public statements jointly with UNAMA urged the government to respect the independence of the institutions. With the support of the EU, both IEC and ECC held their respective 'lessons learned' exercises. It is expected that the EU will support and co-fund an Afghan led national 'lessons learned' seminar on electoral reform in the near future. The HoD/EUSR presented the report of the EU Electoral Assessment Team to the IEC, President Karzai, Speaker of the Parliament Ibrahim, Minister of Foreign Affairs Rassoul, and a number of other Afghan stakeholders.

Meeting on a bi-weekly basis, the EU Election Working Group coordinated political messaging and facilitated information sharing across the Member State missions in Kabul. Since January these meetings have continued on a monthly basis, with a focus on post-election developments and electoral reform.

1.1.2 The Kabul Process and unresolved issues

Following the Kabul Conference in July 2010, the Government and the international community embarked on the Kabul Process: a transition to full Afghan leadership and ownership, building on previous international commitments. This process includes three main elements: (1) the gradual transfer of security responsibilities ('transition'), (2) an increasing alignment of donor assistance behind the Government's National Priority Programmes (NPPs), and (3) increasing the proportion of aid that is directly delivered to the Afghan national budget. All these elements are linked to improvements in governance.

The security-related transition has moved forward somewhat, but little or no progress has been made as regards the civilian 'transformation'. This is partly a result of the Government's focus on process, rather than on outcomes. Progress hinges on the Government's development of 22 NPPs. Some Ministries are taking responsibility for several NPPs, although serious questions remain about their capacity to handle even a single one.

The slow progress on the NPP was compounded by other major crises, such as the Kabul Bank, the IMF programme and the status of Private Security Companies. Combined, this has led the international community to question the Government's capacity and reliability in addressing crucial governance issues. It has also raised doubts regarding the functioning of the Joint Coordination & Monitoring Board (JCMB). The HoD/EUSR, speaking on behalf of the EU, repeatedly called to postpone the JCMB unless the IMF programme is restored, PSC issues resolved satisfactory and NPP's presented to the donors community. These issues were also raised during the first EU ever HoM's working lunch with President Karzai on 6 March. The JCMB has subsequently (unofficially) been put on hold until the outstanding issues are resolved.

Following the near-collapse of the **Kabul Bank** in September 2010, the IMF has been exploring options together with the Government on possible solutions. The **IMF Country Programme for Afghanistan** has lapsed and cannot be resumed until the Kabul Bank crisis has been resolved and the other conditions, set by the IMF, are met.

To date, the Kabul Bank issue remains unresolved, although there are some signs of possible progress as an agreement was reached at the end of March to put the Bank in 'receivership'. This process, which still has to be approved by a government committee, would allow for the separation of toxic assets and non-performing loans from 'good' assets which would be taken over by a 'bridge bank' for which new owners would have to be found. Issues of transparency and accountability however continue to increase IMF concerns, as they impact on the continued delay of re-establishing the reliability of Afghanistan's financial system. The IMF remains cautious and has indicated that the Government's failure to take effective action over the past five months has significantly affected its credibility. The IMF will report to its Executive Board ahead of the Spring Board Meeting of the World Bank and IMF in Washington (scheduled for mid-April).

Without an IMF programme, several donors are being affected in their ability to provide assistance, including the EU and Member States. Although EU funds have not been at any manifest direct risk during the crisis there is at present a growing political risk, in that the Afghanistan Reconstruction Trust Fund (ARTF) 'Incentive Programme' (IP), which disburses pre-agreed grants to the Government if certain macro-economic reform benchmarks are met, is conditioned upon an IMF programme being in place. More generally, the political consequences of a failure to reach agreement on an IMF Country Programme, for relationship between the Government and the International Community, should not be underestimated.

Another issue which has complicated matters between the Afghan Government and the International Community is the issue of **Private Security Companies**. In August 2010, President Karzai ordered Private Security Companies to be shut down within four months by Presidential Decree (nr 62). The EU and the rest of the international community were quick to point out that this would negatively affect embassies, as well as major development projects. Negotiations on implementation of the Presidential Decree were initiated and dragged on until mid-March when a proposal for a 12-month 'bridging strategy' was finally approved.

Yet another issue of concern is **civil aviation**, following the EU's decision in November 2010 to ban all Afghan airlines (Safi Airways, Kam Air, Pamir Airways) due to safety concerns. Several stakeholders are involved in the reform of the Ministry of Transport and Civil Aviation (MoTC) to address the issue, and linked to this, the EU would like to see the establishment of a sound Afghan Civil Aviation Authority (CAA). The HoD/EUSR has tried to act as a facilitator in the overall coordination process and create a momentum by organizing a first meeting gathering all the different donors and stakeholders. Different Roadmaps and plans for an "Aviation Governing Body" have been elaborated by different stakeholders (International Civil Aviation Organization (ICAO), the US Federal Aviation Administration (FAA), ISAF, etc.) but none of them have so far been endorsed. DE (which has been involved previously in bilateral aviation cooperation with the Afghans) has engaged in a 6-months crash-programme for getting the Afghan airlines off the blacklist by providing technical expertise.

Even though the situation in many aspects seems blocked because of divergences of view and strategy among the stakeholders, the HoD/EUSR will strongly support cooperation between the stakeholders so that a Roadmap which is endorsed by the whole international community can be agreed as soon as possible. The EU regional Civil Aviation Project (South Asian Association for Regional Cooperation (SAARC) Civil Aviation Project, based in India) could also be drawn on for technical assistance and support⁴.

1.2 Security Developments

In recent months, high-profile complex attacks involving several suicide bombers have been striking targets across the country.⁵ A spate of insurgent attacks in the past months has also shattered the relative calm that the capital had enjoyed since last summer. The latest major attack in the capital came on 28 January 2011 when a suicide bomber targeted a supermarket, popular with foreigners, in a neighbourhood where several embassies and international organizations are located. On 1 April in Mazar-i Sharif, a 2000 men strong demonstration against the burning of the Quran, overran the UN Compound, killing seven international staff (including 4 guards). The ANP present were no match for the mob and were significantly outnumbered and overwhelmed. The attack was immediately strongly condemned by the international community⁶, as well as by President Karzai, who at the same time condemned the burning of the Quran.

⁴ The purpose of this project is to strengthen the institutional capacity of the Civil Aviation regulators in SAARC Countries, and to contribute to setting up a sustainable safe and secure aviation environment through good governance, implementation of international civil aviation standards and, where appropriate, harmonisation with EU standards.

⁵ For example: Jalalabad (13 November 2010: insurgents dressed in Afghan National Army (ANA)-uniforms attacked the airport), Kabul (19 December 2010: insurgents ambushed an Afghan army bus along Jalalabad road involving two suicide bombers who initially engaged Afghan National Security Forces (ANSF) in a fire fight) and Kandahar (12 February 2011: a complex attack involving several suicide bombers targeting the main police headquarters), Kunduz Province (Imam Sahib, 21 February 2011: suicide attacker killed 31 and injured 39 at district council), Kunduz city (10 March 2011, suicide attacker killed ANP chief of Kunduz and 5 bystanders), Kunduz district (14 March 2011: suicide attacker killed 43 and injured 48 at ANA recruiting office).

⁶ including a statement by HR/VP Catherine Ashton :

http://consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/121250.pdf

Throughout 2009 and in early 2010, the insurgency conducted complex attacks against well-defended compounds in Kabul, involving teams of suicide bombers supported by gunmen. Efforts in 2010 to disrupt such networks operating inside Kabul were initially successful, leading to several arrests and the prevention of a number of planned attacks. Judging by the latest series of attacks however, it seems that the insurgency has changed its methods and is now using lone suicide-bombers aiming at soft targets popular with the international community. This mode of conduct is likely to continue in the next few months. Across the country the insurgency is stepping up its complex attacks against Government targets, such as the police. Government officials in the south and elsewhere continue to be vigorously targeted, with a string of assassinations over the past months.

1.2.1 The military campaign and transition

In early January 2011, Afghan forces launched an extensive military operation, dubbed Operation *Omid* ('Hope'), alongside international troops in the south and east. This operation is planned to last 18 months and is a civilian-military operation which, besides targeting insurgents and ensuring security, also includes launching development projects to "win the hearts and minds" of people. It is similar to the *Hamkari* ('cooperation') operation that Afghan and NATO/ISAF-led forces carried out in Kandahar province last summer. In parallel, coalition forces together with ANSF have continued to use "night raids" to kill or capture insurgents, targeting Taliban field commanders. Even though the use of these "night raids" has come under increased (public) criticism from President Karzai, ISAF commander General Petraeus has defended them as an effective weapon that inflicts severe damage on the Taliban field leadership, whilst keeping civilian casualties to a minimum. In combination with the highly sensitive issue of inadvertent civilian casualties, the night raids are a main factor in the strained relationship between Afghanistan and NATO/ISAF.

It is too early to draw conclusions on whether the Taliban are losing the battle or whether the intensification of coalition military pressure is paying off. It is clear however, that the Taliban are losing significant numbers, which has created increasing difficulties for them to maintain their safe havens. Overall insurgent activity remains high and so far the military effort has not been able to reduce the insurgents' capacity to conduct attacks.

On the other hand, over the past months, progress has been made with regard to preparations for transition. President Karzai announced the official start of the transition process during his speech on 22 March 2011, naming the first tranche of provinces and districts⁷ which will gradually be transitioned to the ANSF from mid-July onwards.

Despite these advancements Afghanistan is still facing a shortage of security forces to ensure its own security. Additionally, as ISAF gears up to the security handover, there are still concerns that the ANA and Afghan National Police (ANP) are not able to ensure the country's security after the hand-over, due to be completed by 2014. The regular loss of Afghan National Army troops (attrition) is of particular concern. It is clear that the post 2014 period will require a lasting and substantial engagement by the International Community to ensure the functioning of the ANSF.

⁷ Kabul Province, Panjsher Province; Bamyan Province; Herat city Lashkargah city; City of Mazar-e-Sharif; and Mehtarlam city

A conference on “The Road to Successful Transition in Afghanistan, Province by Province” was held in Vilnius (LT) on 12 November 2011. EU Commissioner Piebalgs, HoD/EUSR Ušackas, as well as participants from the Afghan government and more than 40 countries and international organisations were represented to discuss the way forward.

2. Improving EU coordination and cooperation

The first Implementation Report set out concrete recommendations to strengthen EU action in Afghanistan: (1) effective EU joint-messaging on key reforms in the sectors covered by the Action Plan; (2) a more coordinated EU approach to funding key national programmes including through pooled funding, i.e. Multi Donor Trust Funds; and (3) agreement to broaden the approach beyond just individual projects and encompass sector wide programmes and increase the use of national systems for channelling EU assistance.

Today, we can state that, especially with regard to the first recommendation on joint messaging, major improvements have been made, in particular on issues like the Kabul Process, police reform, elections, human rights and on UNAMA. EU Heads of Mission (HoMs) meetings have helped to coordinate EU joint-statements and common positions e.g. in preparation of high level dialogue meetings with the Afghan Government. The HoD/EUSR has developed strong links and relations with key international players such as UNSRSG De Mistura, ISAF Civilian Representative Sedwill, COMISAF General Petraeus, US Ambassador Eikenberry, as well as with other international and regional partners such as Turkey, Japan, Canada, India, Pakistan, Russia, UAE, Saudi Arabia and others. Enhanced efforts have been made to deepen contacts with Government institutions including the Parliament, as well as civil society representatives and media.

With regards to the pooling of Member State funding, Trust Funds, such as LOTFA and ARTF⁸ are positive examples. These trust funds do not only ensure a more coherent sector approach, but also give the EU more political clout and a stronger steer on the direction of national programmes and policies. With regard to the ARTF for example the governance structure of the Trust Fund was discussed following a proposal by the EU Delegation in the broader ARTF donor group, and subsequently amended. EU MS are henceforth able, through the enlarged ARTF Incentive Programme Working Group (EU, DE, NL, UK) and the new ARTF Strategy Working Group (EU, DE, DK, IT, NL, SE, UK and Norway) to engage more effectively in a macro-level policy dialogue with the Afghan Government about public finance management issues, systemic reform issues, and development priorities. The ARTF will remain a major financing vehicle, although lately payments from EU MS have come under pressure or been deferred as a new Extended Credit Facility of the IMF did not materialise, because of a lack of progress with the resolution of the Kabul Bank crisis.

As regards the third recommendation, significant scope for improvement remains. EU Member State bilateral assistance is generally characterised by strict geographical preferences linked to troop presence, as is illustrated by the various references to Member State bilateral programmes and projects throughout this report. Whilst the geographical divisions can be positive in terms of division of labour, more structured discussions among EU donors, particularly at capitals level, with a view to sharing experiences and lessons learned, will be

⁸ Law and Order Trust Fund (LOTFA) and Afghanistan Reconstruction Trust Fund (ARTF)

required to acquire a coherent common EU approach and fully exploit the possibilities for joint programming and co-financing.

The fact that the Kabul Process has been stalled and capacity and implementation structures are not yet in place in the majority of Ministries to effectively manage the NPPs, does not help to create an environment which is conducive to a coherent donor approach. Many of these programmes remain in the design stage. Through the EU's general budget however, considerable efforts have been made to promote a sector-wide approach and proper programming and budgeting.

The economic crisis also had its impact on the development assistance budgets of a number of Member States, with some significantly reducing allocations for 2011 as a result.

The EU continues to push for increased alignment and strives to create appropriate synergies between the political, security and development dimensions where possible. An example of this includes the EU's common initiative in coordination with other stakeholders, such as the World Bank, in response to the various requests of the Afghan Government to strengthen civil service capacity. The joint proposal includes training of civil servants, as well as supporting public administration studies at the Civil Service Institute, Afghan universities and other training facilities. This proposal will now be furthered through the NPP for Efficient and Effective Government.

2.1 Cooperation with other donors

16 EU Member States⁹ are currently represented in Kabul. The EU also closely cooperates and coordinates with other members of the international community, both in Kabul and in Brussels.

2.1.1 UNAMA

UNAMA plays a crucial role in the coordination of international assistance in Afghanistan which will be necessary in order to ensure a successful transition and civilian transformation process.

On 22 March, UNAMA's mandate was renewed through Security Council Resolution 1974 (2011) for another period of 12 months. Prior to the debates on the mandate in the UN Security Council, Foreign Minister Rassoul had sent a letter to UNSG Ban Ki-Moon, asking for increased leadership and ownership for the Government. The resolution includes the request to the Secretary General to "conduct a comprehensive review of UNAMA's mandated activities and the United Nations' support in Afghanistan, including UNAMA's presence throughout the country" by the end of 2011. The review will inform the new mandate to be adopted by the Security Council in March 2012. .

The EU and EU Member States represented in Kabul participate in the weekly Heads of Mission ('Palace 7) meetings organised by UNAMA to discuss political and security developments, as well as cooperation and coordination issues with the UN and other actors.

⁹ BE / BG / CZ / DE / DK / EE / ES / FI / FR / HU / IT / LT / NL / PL / SE / UK

As a rule, the HoD/EUSR speaks on behalf of the EU at every meeting of UNAMA, often supported by Member States. The heads of EU development cooperation agencies also participate in weekly UNAMA-organised coordination meetings, during which the EU Head of Operations speaks on behalf of the EU in the donor coordination forums.

2.1.2 International Contact Group

The HoD/EUSR and the Special Representatives for Afghanistan and Pakistan (SRAPs) of various Member States regularly participate in meetings of the International Contact Group, the last of which was held on 3 March in Jeddah, Saudi Arabia.

Besides situational updates on both Afghanistan and Pakistan, the 'SRAPs' also discussed preparations for the International Afghanistan Conference in Bonn scheduled for 5 December 2011. Four working groups co-chaired by the Government and the IC will be set up on 1) reintegration (co-chaired by the UK and Japan); 2) civilian aspects of transition (co-chaired by Australia, Sweden and NATO SCR Sedwill); 3) regional cooperation (co-chaired by Turkey and UN-SRSG De Mistura), and 4) on the international community's long term engagement beyond 2014 (co-chaired by the EU and UAE).

On 11 March, HoD/ EUSR Ušackas held a brainstorming session with EU Member States to further discuss Transition & Transformation and 2014 & beyond, focusing in particular on the role of the EU. The matter has also been discussed with Members of Parliament and young politically active Afghans.

The next meeting of the International Contact Group has been scheduled for the end of June, and will be hosted by the Ministry of Foreign Affairs in Kabul.

3. EU 2011 Programme priorities

The EU Programme 2011 was drafted to set out the EU priority areas for 2011, as agreed with the EU Heads of Mission in Kabul. The priority areas include capacity building, police reform, and reintegration and reconciliation.

3.1 Follow-up on the Kabul process: strengthening Afghan capacity

Afghan institutional capacity development is closely linked with the long overdue Public Administration Reform. Such reform is indispensable for establishing a professional, efficient public service and retaining in it the staff trained with assistance of donors. As for now there is no one single Afghan national programme focusing on capacity building; this is rather a red thread running through the EU's assistance strategy. EU and EU Member State support will continue to be provided through multi-donor programmes (e.g. ASGP II) and trust funds (ARTF, LOTFA), as well as through bilateral programmes, but a more strategic approach shall be taken both in policy dialogue with the Afghan government on PAR as well as in preparation of future assistance programmes.

The programmes financed from the EU general budget, all contain a technical cooperation or capacity building component geared towards ensuring ownership and sustainability. In line

with the strategic approach to public sector institutional capacity development, a new support programme for Public Administration Reform (PAR) is currently being developed, in consultation with the GoA, EU Member States and other stakeholders. A € 60 M contribution to ARTF for high priority Government reform actions in justice and public administration will support under its PAR component the structured development of the capacity of the Afghan public service through the NPP for Efficient and Effective Government. The allocated budget should be € 20-30 M. and will also include a capacity building component.

Various Member States are also supporting PAR. The UK (DFID) has approved an extension of its support to the Civilian Technical Assistance Programme (CTAP), and is also supporting the Management Capacity Programme (MCP) managed by the World Bank. Other related support to capacity building, and specifically support to civil service training is provided by DE and IT. DE is working to implement a pilot project that aims to create a reliable and sustainable network of civil servant education centres in Afghanistan, with an initial focus on the North of the country. IT is working on a similar initiative and has taken a lead in the west of the country. Both FR and PL are also working on initiatives to support PAR. ES (AECID) is implementing several capacity building initiatives in Badghis aimed at the Governor's Office and Provincial Ministerial Departments. LT is funding a continuous project on PAR for the Ghor province. The EU encourages Member States to either directly support the NPP through ARTF, or to ensure that bilateral projects are fully synchronised with the NPP.

3.2 Police reform

In a joint effort, the international community and the Afghan government are moving towards a common vision for the future of the Afghan police. A National Police Strategy (NPS) was adopted in March last year for which the EU and EUPOL provided significant input through the International Police and Coordination Board (IPCB). A National Police Plan (NPP) is currently being developed with involvement of EUPOL, which will specify civilian police duties. The plan is likely to be adopted in spring 2011.

The Afghan National Police (ANP) remains deficient in terms of numbers, equipment and training, while often being drawn into army tasks such as counter-insurgency activities. Many challenges remain in the area of police reform: recruitment, vetting and selection are still not up to professional standards despite recent improvements, while training and education have been under political pressure for quick fixes. Mechanisms required for underpinning civilian policing, such as public prosecution services, re-integration mechanisms, and court and detention systems, remain deficient. Police recruits currently only receive six weeks of basic training focused on survival skills and weapon use. During the last six months, however, the necessity for having a more broadly-trained civilian policing capability with a general focus on rule of law enforcement instead of counter-insurgency, has gained ground.

The fiscal sustainability of the security forces remains a major long-term issue. In this regard, European donors to the UNDP-managed Law and Order Trust Fund (LOTFA), which pays for all police salaries, have reached a consensus to request a tangible government contribution (3% as of 2011, and 7,5% as of March 2012) from the Ministry of Finance to ensure progressive fiscal responsibility and inclusion of these recurrent costs in the national Budget.

In order to respond to the deteriorating security situation, an increase in the police force from 96,800 to 134,000 in 2011 was authorised in 2010. Another growth request to 170,000

policemen by November 2012 is presently being reviewed for endorsement by the Government and international donor community. These increases in police numbers obviously entail a need for increased recurrent cost financing. The significant expansion of the police-force since 2010 has highlighted the need for concurrently improving the capacity of the Ministry of Interior, as well as for improving the professional standards of the police force. EUPOL mentoring programmes are already in place, but there is a need for greater cohesion in policing and training approaches and standards, as well as follow-up in implementation. For this purpose, in early 2011 the donor community started discussions with MoI through the Institutional Reform Working Group to find ways to improve training and standardisation.

3.2.1 EUPOL

EUPOL has witnessed a positive development of the ANP during the past year, particularly in the areas of growth and training. Thanks to the leadership of Brigadier General Jukka Savolainen and the support extended by the HoD/EUSR and the EU HoMs, EUPOL has stepped up and refocused activities in its core areas of civilian policing¹⁰: the set up of training centres, strengthening the rule of law, further development of the Ministry of Interior (MoI) and the implementation of the City Police and Justice Programs (CPJP's).

During the reporting period, EUPOL has trained 2,435 Afghan policemen at various levels through the Afghan National Police Academy and the City Police and Justice Programme (CPJP), which is currently underway in 13 locations. It has developed 'Train the Trainers' programmes, drafted training strategies and curricula, and provided over 3,000 hours of mentoring. EUPOL was also involved in a number of initiatives aimed at improving the coordination of police officers and prosecutors at the pre-trial stage, and will jointly train some 500 police officers and prosecutors in the near future. Progress has also been made with regard to tackling police corruption with the establishment of the 'Military Anti-Corruption Unit', and with regard to oversight and accountability within the Office of the Police Ombudsman.

The EU, together with EUPOL, is also supporting the development of police training capacity, inter alia through the establishment of a Police Staff College in Kabul (leadership training) and a Training Centre in Bamyán (including female police training) in the coming months.

The lack of a Crime Investigation capacity in Afghanistan remains a constraining factor. Crime Investigation Department (CID) capacity building is therefore one of EUPOL's key strategic objectives and funding for a future 'CID Faculty' will be important in that regard, through LOTFA or other funding mechanisms, in cooperation with partners, such as the National Police Academy, NTM-A and the German Project Team (GPPT).

EUPOL's activities are complementary to the important efforts of other partners in theatre, such as NTM-A/CSTC-A and the Afghan government, but also within the EU framework. In cooperation with EUPOL and the United States for example, the German Police Project Team (GPPT) has set up the Northern Initiative for Justice Advancement (NIJAT) to train police,

¹⁰ Following a strategic review of its activities, EUPOL has disengaged from areas such as counter-terrorism and counter-narcotics, which are partnered by other international actors, to concentrate on the core activities of crime investigation and forensics development.

lawyers, prosecutors and judges in an 11-week programme in Kunduz. Other Member States (FR) provide complementary training service through the European Gendarmerie Force, or through NATO Training Mission (NTM-A) and Combined Security Transition Command-Afghanistan (CSTC-A) directly (UK).

EUPOL's specific expertise in civilian policing will be of great importance in view of the civilian aspects of the transition process. The HoD/EUSR will, in accordance with his mandate, provide the EUPOL mission with local political guidance in this respect.

EUPOL's current state of deployment is: 322 Internationals (188 Police + 48 Rule of Law + 86 Civilian Experts). 23 EU Member States¹¹ have so far contributed to the mission, as well as four 'third states' (Canada, Croatia, New Zealand and Norway). With the announcement of a new Dutch police training mission, EUPOL's state of deployment will be further increased later this year (to 45 in total), making NL one of the biggest contributors to the EUPOL mission, after DE (48 in total).

3.2.1 LOTFA

LOTFA has to date focused almost exclusively on disbursing police salaries. The EU (general budget) continues to be the single largest contributor to LOTFA, with EUR 225 million to date. For the period of 2011-2013, the EU plans to make a new contribution of EUR 140 million to the fourth phase of the Trust Fund (LOTFA IV). These funds are likely to be earmarked for the three priority areas of LOTFA: e.g. remuneration of police salary payments, capacity building of civilian policing¹², as well as community policing. This will hence contribute to the gradual attainment of the preconditions for transition. EU Member States also contributing to LOTFA include CZ, DE, DK, FI, EL, IT, NL and UK.

3.3 Reintegration and Reconciliation.

The Afghanistan Peace and Reintegration Programme (APRP) is gathering pace, with growing engagement from provincial authorities. So far however its impact has been relatively marginal with approximately 950 'reintegreees' going through the programme across the country, and with another 1400 or so that have expressed interest in joining the programme. Progress in the implementation of concrete projects, however, has suffered from limited management capacities and the slow build-up of implementation structures at provincial level, as well as a lack of capacity from line ministries to design adequate project proposals. The joint secretariat in Kabul is not really geared towards implementation and so far coordination with other actors such as UNDP (which administers Window B of the APRP Trust Fund) has at times been difficult. As an interim solution, the Joint Secretariat, with support from UNDP, aims at establishing a small grants structure which will allow provincial authorities to implement small scale community projects, thus filling the gap between immediate demobilisation packages and longer-term development programmes.

To date, only a small percentage of the funding available via the APRP has been channelled into concrete community recovery projects. This entails the risk of frustrating many of those who were interested in joining the initiative. The assessment of ISAF/NATO is that the

¹¹ AT (7), BE (6), BG (2), CZ (8), DE (48), DK (17), EE (4), EL (4), ES (3), FI (37), FR (7), HU (12), IE (14), IT (16), LT (3), LV (2), NL (27), PL (5), PT (1), RO (22), SE (21), SK (2), UK (28)

¹² Also referred to as 'democratic' policing

necessary structures for the full implementation of the programme should be set up within the next two months. As the 'fighting season' will recommence at the end of March, this might just be too late to offer a number of fighters a real alternative for this year.

Despite it being foreseen in the Multi-annual Indicative Programme, the EU has not yet contributed to the APRP from the general budget, due to the relatively low budget execution rate and also because it awaits further details concerning the final management set-up and roll-out of the programme. Several EU Member States (DE € 50 M until 2014, DK € 2 M for 2011, EE € 32.000 for 2011, ES € 3 M for 2011, FI € 1,75 M, **IT € 4 M**, UK € 5,75 M), have already paid into the programme and some are actively helping with the preparation of project proposals in the area of their geographical focus (e.g. FR in Kapisa and Surobi). The UK has also funded a bilateral project to monitor the effects of reintegration in a number of provinces (Baghlan, Kunduz, Badghis and Herat), alongside training in grievance resolution through the Peace Training and Research Organisation (PTRO). **[DELETE: Other Member States (IT) provide funding to related initiatives such as Disbandment of Illegal Armed Groups (DIAG).]**

On **reconciliation** steps have been taken with regard to the UN's 1267 list¹³, with a working group set up in Kabul between the Security Council P5 members, plus DE (as current SC coordinator for Afghanistan and chair of the 1267 sanctions committee) and UNAMA, together with representatives of the Government's National Security Council. The 19 April deadline for submission of information for delisting has been postponed to 16 June. Currently 47 Taliban are up for delisting. The Government has prioritised the delisting of three current members of the High Peace Council (HPC) that remain on the 1267 list. The High Peace Council was established in early October as the main conduit for reconciliation efforts by the Government. The HPC has overseen policy development for the APRP, visited several provinces as well as made high profile visits to Pakistan and Turkey. However the HPC has not yet initiated any structured dialogue with the opposition. There have been numerous contacts with the insurgency at a tactical, intelligence level, and these contacts have increased recently. Strategic contacts are still inadequate, however, even if nascent, the critical issue during the last few months was that there was no clear decision by the US to commit to taking part in the reconciliation process. This however changed with the speech of US Secretary of State Clinton to the Asia Foundation on 18 February during which she mentioned that the US government's three red lines for the Taliban (the renunciation of violence, severance from al-Qaeda and abiding by the Afghan constitution) were no longer described as pre-conditions but as objectives – as “necessary outcomes of any negotiation.

The HoD/EUSR has taken an active role, in coordination with the international community in Kabul and in consultation with the Afghan Government, in trying to reach out to influential members of Afghan society who might be able to play a role in the reconciliation process. The EU also participated in the Peace Support Group which met in March and in April at the invitation of the High Peace Council with key actors, such as the UN, Japan, the Organisation of the Islamic Conference (OIC), Turkey, the UK, and others.

¹³ The Consolidated List established and maintained by the 1267 Committee with respect to Al-Qaida, Usama bin Laden, and the Taliban and other individuals, groups, undertakings and entities associated with them: <http://www.un.org/sc/committees/1267/pdf/consolidatedlist.pdf>

4. Other Cooperation priorities

In addition to the three priorities identified in the EU 2011 Programme, EU Member States agreed on other action points for priority implementation in the 'Implementation Scheme'¹⁴ which was approved in early 2010. These included strengthening sub-national governance, election review and reform, and economic development through agriculture and rural development. Other areas of continuous importance are justice, human rights and civil society, and regional cooperation.

4.1 Strengthening sub-national governance

Previous support to sub-national governance from the EU Budget, through the first phase of UNDP's Afghanistan Sub-national Governance Programme (ASGP), formally came to an end on 30 April in 2010. However, the EU Delegation continued as a member of the programme's board of donors and the Sub-National Governance Task Force in 2010, as have several Member States including DU, IT, NL, UK and Norway.

A new contribution agreement with UNDP for EUR 12 million from the EU budget to the second phase of the ASGP programme (ASGP II) was signed in December 2010. ASGP II has been substantially redesigned with a view to support the implementation of the Sub National Governance (SNG) Policy which was approved by the Afghan Government in early 2010. ASGP II aims to scale up existing activities in policy development and implementation; national capacity building of Independent Directorate Local Governance (IDLG); assistance to provincial, district and municipal administrations and respective councils; and, support to local coordination mechanisms at the provincial and district levels. FR also provides support to the IDLG. NL and the UK engaged in a dialogue with the UNDP about improving the support to IDLG, and thereby the roll-out of the sub-national governance policy, through the ASGP. DK and the UK are also planning additional funding for the IDLG District Delivery Programme.

EU Member States have also contributed to strengthening sub-national governance, either bilaterally (e.g. CZ organising visits via their PRT, DE by setting up special funds to train provincial governments in project management, supervision and financial planning; ES through capacity building and expert training programmes for local civil servants in Badghis; IT providing technical assistance and training in Heart, the UK via the Performance Based Governor's Fund and the Helmand Institutional Building Programme) or jointly, like PL and LT which prepared study visits for Afghan officials in cooperation with the Afghanistan Civil Service Institute.

4.2 Election reform and building democratic institutions

The EU supports electoral reform and efforts to enhance the capacity of key democratic institutions, first and foremost the parliament and the Independent Electoral Commission (IEC). Both institutions are key to the success of electoral reform and for the next elections in 2014/15 to be conducted in a more transparent, credible and inclusive manner. The EU will lend its political and financial support to an Afghan-led national 'lessons learned exercise', scheduled for May-June, aimed at sensitizing decision makers to comprehensive electoral reform.

¹⁴ COASI Meeting doc. 018/10 co01

The UNDP ELECT programme, lending technical and operational assistance to Afghan electoral bodies, has been extended until end of June 2011. The programme's focus will continue to be on further consolidating the progress made within the IEC, whilst providing inputs for comprehensive technical recommendations for electoral reform. The ELECT programme is supported by various EU Member States including BE, DE, DK, EE, ES, FI, FR, IE, IT, LU, NL, SE, and UK. A follow-up project to the UNDP ELECT programme will be formulated in April, following an external programme evaluation and needs assessment mission. The EU has offered to continue the coordination of EU Member States which will be contributing to the future ELECT basket fund.

In order to sustain the work with decision makers, the EU has set up a new EU working group for coordinating support for the new parliament and political parties. HoD/EUSR Ušackas has also offered technical expertise to the new Speaker of Parliament to advise, where necessary, in the set up of the necessary procedures to improve the work of the Parliament. The EU has also offered to facilitate the formation of a 'Friends of Europe group', to establish contact with Afghanistan Friendship Group in the European Parliament led by MEP Thijs Berman. Several EU Member States have also offered assistance to the Parliament, inter alia by organising seminars (EE), information visits (DE, UK), technical support via the modernisation of voting, attendance registration and speaking systems (EE) or capacity building, including political party development (DE through its political foundations).

4.3 Economic Development including agriculture and rural development

The end of 2010 and beginning of 2011 continued to be characterised by a volatile security situation in Kunduz, Baghlan and Takhar provinces, where the EU is funding agricultural projects through the EU general budget. Despite these constraints, achievements in agricultural development remain significant in terms of water management (construction and rehabilitation of irrigation schemes and integrated river basin management), improved animal health service delivery, horticultural value-chain and seeds industry development.

With the approval of the new Multi-annual Indicative Programme for 2011-13, the coming months will enable the EU to prepare its continued work in the sector for the years to come. In this context, the EU is assessing opportunities to further support the capacity development of MoAIL's and MRRD's management and to bring its funding "on budget" and thus expand its contribution to the National Priority Programs emerging in the aftermath of the Kabul process.

The EU and various EU Member States already provide support to rural development and agriculture through programmes of the Ministries such as the MRRD's National Solidarity Programme (DK, ES, IT, SE), the Afghanistan Rural Enterprise Development Programme (DK, SE) and the National Area Based Development Programme (DK, ES, EU). In agriculture, the EU supports capacity development for the Ministry of Agriculture, Irrigation and Livestock (MAIL) and manages a number of major, long-running programmes. These focus on water management and irrigation, animal health, horticulture and seeds production. Member States also have bilateral programmes: ES implements an integrated rural development programme in Badghis Province which includes livestock and irrigation projects as well as road construction; CZ does similar rural projects through its PRT; FI focuses on alternative livelihoods to poppy cultivation; FR on horticulture, cotton and cereal, agriculture,

cattle farming and rural electrification; DE has extended programmes aimed at 'integrated development' in rural areas (incl. agricultural activities, business development support for farmers and road construction and rehabilitation), as well as the promotion of SMEs in the Kunduz province; ES implements an integrated development programme in Baghdis province; IT supports agriculture and rural development in Herat, Badghis and Ghor; SE supports training and the creation of micro enterprises in the Balkh province (through the NGO 'Hand in Hand'); NL supports the development of a national programme for agricultural education and MoAIL is being supported in its organisational reforms by NL and the UK through the change management programme; and the UK and DK cooperate on upgrading the Gereshk Hydropower plant in Helmand, a project co-financed by the Asian Development Bank and Da Afghanistan Breshna Sherkat (DABS). Via their PRT in Helmand, DK, EE and the UK together with the US continue to support the Governor's counter-narcotics plan, which includes the distribution of agricultural inputs to farmers to incentivise them away from poppy cultivation.

To further economic development, the EU Delegation together with DE and FR, has also assisted in the preparations of the European Union Chamber of Commerce in Afghanistan (EUCCA) which will be officially established later this year. The EUCCA will be an important organisation representing the voice of the EU business community, which will aim to pave the way for contacts between interested businesses of the 27 EU Member States and Afghanistan, to develop trade, commercial and industrial relations between both sides. The initiative will also help Afghanistan to generate revenue and attract much-needed investment in the long term.

4.4 Justice

The Justice Sector remains problematic, with slow progress on the Kabul Conference commitments and political resistance to outside support. Significant difficulties were encountered by the EU-funded expert who was to assist in the compilation of the National Priority Programme "Law and Justice for All", due to the unwillingness of the Justice Institutions involved to cooperate with the expert and amongst themselves, causing significant delays in the programme's delivery. It is hoped that, eventually, the NPP will propose a more realistic and Afghan-owned approach to justice reform. In this light, the EU will be designing an overall contribution to the ARTF to cover Public Administration Reform and Justice Sector Reform, to match the objectives and priorities set out in the NPP.

EU (general budget) technical support to human resource management in the justice institutions will come to an end within the next three months. However, the work begun through this programme will be followed up through the second phase of the World Bank's Justice Sector Reform Programme, under the ARTF. EU (general budget) funding for UNDP's Justice and Human Rights in Afghanistan included support to setting up the Human Rights Support Unit at the MoJ, which is now operational. The programme has also provided awareness training on human rights to over 45,000 students, as well as initiatives to improve access to justice and legal awareness at district level.

With regards to transitional justice, several projects funded by the EU (general budget), implemented through various civil society organisations, contribute to the collection and compilation of evidence of past atrocities. It also finances victims' organisations and the provision of counselling to victims. Activities to mitigate current conflict at community level

are also being backed through various local peace building initiatives that mobilise youth and local elders among others.

Several EU Member States also have bilateral programmes in the justice and rule of law sector. DE for example continues to support the Afghan justice sector by training judges and prosecutors, providing fair trial seminars and legal manuals. EE organised a 'Victims; coordination and networking conference 30-31 March. ES finances the "Joint Access to Justice at the District Level Project" (JAJDL) programme, through UNDP MDG Achievement Fund. FR started a programme targeting the Parliament, Supreme Court, MoI, MoJ and the Law Faculty of Kabul University to reinforce security systems and rule of law. IT supports the National Justice Strategy and access to legal aid. NL is preparing, in close cooperation with DE, a rule of law support programme for the Kunduz Province which inter alia aims to strengthen the relation between police and prosecutors. The UK is providing training and infrastructure support to judges and prosecutors, will provide support to secretariat of the new anti-corruption monitoring committee (MEC), and has funded the Afghan Independent Bar Association to deliver nationwide training to female defence lawyers.

4.5 Human Rights and Civil Society

The EU Human Rights and Gender Working Group continues to coordinate the EU stance to human rights issues. The Government's draft regulation on women's shelters (barring NGOs from running private safe houses and bringing the existing women's shelters under the direct control and supervision of the Ministry of Women's Affairs), caused a strong reaction from the international community. The EU has subsequently been active in applying political pressure for changes demanded by Afghan civil society and women's organisations to be taken on board. An EU statement on the proposed legislation was issued on 20 February.¹⁵ The outcome is yet to be determined, but there seems to be reason for cautious optimism at this stage.

Over the past few months several cases related to freedom of religion were brought to the EU's attention. This was addressed through low-key diplomacy due to the extreme sensitivity of the topic.

Within the framework of the EU Human Rights and Gender Working Group, Member States have taken the lead on various topics such as gender (SE together with Norway), religious freedom (NL), **support to the 'Afghana' network of civil society organisations (IT)** and other outreach and support to civil society (DK, SE, UK). A Human Rights Country Strategy is currently being developed, with a proposed course of action to take in response to the human rights situation in Afghanistan, as suggested by COHOM in December 2010.

Several EU Member States also have specific bilateral human right related programmes, e.g. ES finances several gender programmes in Badghis. EE organised a conference in Tallinn 11-12 November entitled 'Women, Peace and Security – the Afghan view'.

The EU continues to support an array of civil society organisations and NGOs. Projects range from strengthening media actors in political reporting to supporting the development of a code

¹⁵ See: http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/119395.pdf

of conduct against ethnic discrimination. Several women's organisations receive financial assistance to implement projects that foster awareness and advocacy for women's rights, including one project to monitor and improve the implementation of UN Security Council Resolution 1325. Member States (FI) have also worked with the Afghan Ministry of Foreign Affairs on the implementation of the UNSCR 1325 on women, peace and security. Close cooperation on the matter was established within a multi stakeholder working group, including the EU Delegation and EUPOL.

The most recent call for proposals under the European Instrument for Democracy and Human Rights (EIDHR) has been adapted to attract smaller local NGOs that do not have the financial capacity to manage large grants, with a view to gradually expanding and strengthening national civil society. DK, NO, SE and the UK are developing a CSO fund together, which should start implementation later this year. FR organises debates and seminars for CSOs via its Cultural Institute and DK and the UK provides support to the Afghanistan Independent Human Rights Commission (AIHRC).

4.6 Regional Cooperation

Following the momentum created by the Kabul Conference, efforts and dialogue on regional cooperation has significantly intensified.

Afghanistan-Pakistan relations have been focusing on implementation of the Afghanistan-Pakistan Transit Trade Agreement (APTTA), which received preliminary approval in July and was signed in October 2010. Instruments of ratification were exchanged in Kabul in January. Disagreement on the interpretation of several clauses of the agreement however led to a decision to delay the implementation of the APTTA for a period of four months.

In the broader regional context, various international conferences and ministerial meetings were organised including the 4th Regional Economic Cooperation Conference on Afghanistan (RECCA IV – November 2010), the 11th Summit of the Economic Cooperation Organisation (ECO) and the 5th Trilateral Summit of the Presidents of Afghanistan, Pakistan and Turkey (both in December 2010). The EU and six Member States (DE, DK, FR, IT, SE and UK) participated in the RECCA IV. This was an opportunity to reinforce the EU's engagement in encouraging cooperative relations in the region and the Delegation actively supported the Government preparing the conference and co-chaired and coordinated the drafting of recommendations for the Working Group on Trade, Transit and Border Management.

On 7 December 2010, the Minister of Finance countersigned the EUR 22 million agreement for an EU support programme to regional cooperation in Afghanistan. This is designed to enhance the capacity of Afghan institutions to benefit from increased cooperation with neighbouring countries, supporting in particular: cross border cooperation, inter-ministerial coordination on regional issues, and management and regulatory capacity in the railway sector. Related to this, DK and Canada might co-finance the Centre for Regional Cooperation in the Afghan Ministry of Foreign affairs later this year.

The Delegation is intensifying dialogue with Member States and others active in the sector, aiming at a well-coordinated effort. A dedicated regional cooperation working group has also been set up by UNAMA, the first meeting of which took place at the beginning of April.

The EU also politically supports the Dubai Process, as do a number of Member States, such as the UK which, as a complementary effort, conducted an intelligence-sharing exercise with Afghan and Pakistani counter-narcotics and border officials at the Central Asian Regional Information & Coordination Centre (CARICC) in Almaty, Kazakhstan.

In terms of regional connectivity, President Karzai, together with the presidents of Pakistan, Turkmenistan and the Indian Minister for Oil and Gas, signed an agreement to start the construction of the Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline, in Ashgabat, Turkmenistan, in December 2010. Apart from the Asian Development Bank, India, the US and Russia, several EU Member States have expressed interest in the project as potential investors. Although the EU will not support the construction of infrastructure via the general EU budget, the assistance programme in support of the Centre on Regional Cooperation (CRC) as described above will enable follow-up and guidance of TAPI preparation activities.

The HoD/EUSR visited Pakistan in November 2010 and India in February 2011 to discuss cooperation on Afghanistan. This included a visit to the Afghan-Tajik border together with other OSCE Ambassadors. The HoD/EUSR also continues to participate in meetings of the 'Silk Route Society in Kabul' together with Ambassadors of neighbouring countries, the EU Member States and the UN.

In addition to the EU's collective efforts, Member States also have bilateral projects to support regional cooperation. DE set up a Regional Integration Programme which specifically targets border areas of Afghanistan, Pakistan and Tajikistan and focuses on cross-border activities (construction of bridges and roads, flood protection, hydro power etc.). FR, currently holding the G8 Presidency, is also pushing for increased regional cooperation with a specific focus on trans-border cooperation on rail, water, energy and human resources. The progress is however hampered by lack of action of the Afghan government, for example as regards establishing of the railway secretariat.

5. Humanitarian assistance

Through its department for Humanitarian Aid and Civil Protection (DG ECHO), the EU continues to support the delivery of impartial and independent humanitarian assistance to returnees, internally displaced persons, communities affected by the current war and other vulnerable groups, including those affected by natural disasters. Similarly, DG ECHO will continue to support the delivery of essential services to the humanitarian community such as security advice, humanitarian flights as well as the coordinating role of OCHA for humanitarian aid in Afghanistan. A total budget of EUR 36 million was allocated in this regard in 2010 and this year, EUR 33 million will be allocated. During 2010, EUR 7.5 million was contracted to link relief food security programmes to rehabilitation and development through the specific Linking Relief, Rehabilitation and Development (LRRD) instrument. This support will continue during 2011 for a total of EUR 5 million.

Most challenges faced by humanitarian actors in their mission are related to a deteriorating working environment. The intensification of the conflict has resulted in higher numbers of displaced people (more than 350,000 IDPs in 2010), more International Humanitarian Law (IHL) violations, more civilian casualties and less access to the population and information, rendering it difficult and often impossible for the humanitarian community to assess the scale of needs and adapt its response accordingly. Despite these alarming figures, there is a lack of

acknowledgement of an ongoing major humanitarian crisis and no strong political impetus for the international community to advocate for strategic changes towards independent humanitarian aid.

EU Member State funding for humanitarian assistance is mostly channelled through larger international organisations such as the ICRC (BE, ES, IT), UN agencies such as UNICEF (ES, SE), UNHCR (DK, FI, SE), OCHA (SE), WHO (ES, FR) and WFP (DK, ES, FI, IT), as well as through international and national NGOs.

6. Conclusions and recommendations for the way forward

Discussions in Kabul now focus on supporting the transition and transformation processes, and shaping the international community's engagement beyond 2014. Three years lay ahead during which major efforts will have to be made both by the Government and the International Community to ensure that the transition and civilian transformation process will be irreversible and that Afghanistan will be confident and capable to offer its people sustainable stability and prospects of a brighter future.

The EU will be able to play a part by effectively strengthening coordination and cooperation between Member States, further aligning its development assistance in accordance with the NPPs, and to speak with 'one voice'. Collective political messaging will continue, especially on issues like the Kabul Process, transition, reintegration and reconciliation, reforms in the key areas including Public Sector Reform, improvement of public finance management etc.

The political and development dimensions of EU action (both through the EU general budget and the EU Member States) should remain synchronised through strong links and relations between Brussels, EU capitals and the EU missions in Kabul. The scope for improvement in terms of coordination and cooperation has clearly been identified in this report and the EU HoM's recommendations for the way forward for the next six months, listed below, will ensure that the aims of the EU Action Plan to strengthen our collective action can actually be achieved.

Supporting the Transition & Transformation process

Kabul Process and Capacity Building

- In view of the civilian transformation process, the EU and Member States will examine the possibilities for **further alignment** of their assistance programmes and projects in accordance with the NPPs.
- Public Administration Reform is indispensable for establishing a professional, credible, sustainable and efficient civil service in Afghanistan. In this context the new support programme for Public Administration Reform (PAR) is currently being developed, in consultation with the GoA, EU Member States and other stakeholders. A € 60 M contribution to ARTF for high priority Government reform actions in justice and public administration will support under its PAR component the structured development of the capacity of the Afghan public service through the NPP for

Efficient and Effective Government. The allocated budget should be € 20-30 M. and will also include a capacity building component. The EU and EU MS will work closely to advocate PAR reform in policy dialogue with the Afghan government and support its objectives in a coordinated way. Through the ARTF PAR programme the proposal of establishing a **network of civil service training centres**, which was jointly developed by the EU Delegation and Member States, can be furthered.

- The EU will maintain the major **capacity building** focus of its ongoing programmes in agriculture and rural development, public health, social protection, regional cooperation, justice reform, and so on. This will be done in line with the EU Backbone Strategy on Technical Cooperation¹⁶ and the commitments made at the Kabul Conference.

Sub-national governance

- The EU will vigorously follow and steer developments in this critical area of **governance**, together with the participating Member States. Specific attention will be given to ensuring the links between local governance and rural development as well as strengthening the public finance management at central, provincial and local levels.
- A general consultation with EU Member States will be organised on **Phase II of the ASGP** to discuss the programme's performance.

Police Reform

- The EU will continue to provide support to **police reform** through the International Police Coordination Board, the Law and Order Trust Fund for Afghanistan (LOTFA) Steering Committee, as well as the MoI Institutional Reform Working Group.
- The EU together with Member States and EUPOL, will continue its active role in the **policy dialogue on police reform** with the MoI and relevant international stakeholders, and - where possible - support and strengthen the capacity development and training of the Afghan police to facilitate greater cohesion in training approaches and standards, as well as follow-up in implementation in practice.
- The HoD/EUSR and HoMs recommend that the construction of a National Police Staff College in Kabul and a Regional Police Training Centre in Bamyan province through support of the Instrument for Stability (IfS) will start as soon as possible, to establish the **training facilities** necessary for EUPOL to carry out its mission on mentoring and training the Afghan National Police (ANP) on civilian policing skills.
- For the period of 2011-2013 EU funding to **LOTFA** will support remuneration of police salary payments, capacity building of civilian policing, as well as community policing.

Shaping the International Community's engagement beyond 2014

¹⁶ See: http://ec.europa.eu/europeaid/how/ensure-aid-effectiveness/documents/backbone_strategy_on_tc-pius_final_en.pdf

- The EU will, together with the UAE, co-chair the Working Group of the International Contact Group (ICG) on the **International Community's engagement beyond 2014**, in preparation of the International Afghanistan Conference in Bonn in December 2011. The main aim will be to assure the Afghan Government of the EU's and IC's long term commitment.
- The HoD/EUSR and HoMs recommend launching discussions with the Member States in the relevant fora in Brussels with the aim of obtaining a mandate to start negotiations on a (first generation) **Partnership Cooperation Agreement** with Afghanistan later this year in time for the second Bonn Conference in December 2011. The agreement will demonstrate the EU's long term commitment and reinforce the multi-faceted relations between the EU and Afghanistan, inter alia through the institutionalisation of a formal political dialogue.
- In view of the need to generate revenue and attract investment to become a self-reliant market economy in the long term, the EU Member States will assist Afghanistan in the development of an adequate **legislative framework for the exploration of natural resources**, in line with the work of the Extractive Industries Transparency Initiative (EITI). The HoD/EUSR and HoMs also recommend starting preliminary preparations for the organisation of a meeting or conference on Afghanistan's investment potential in this sector later this year with a view of developing processing capacity in Afghanistan. This initiative could be taken forward in the margins of the International Afghanistan Conference in Bonn, scheduled for December. The processing capacity in key sectors is necessary to increase future revenues to the Afghan government budget as well as diminishing dependence on donor funding. It is also indispensable for diversification of the economy and creation of jobs.

Reintegration and Reconciliation

- As regards the political process, and the crucial role **Reconciliation and Reintegration** play in this regard, the EU will continue to encourage the Afghan Government to roll out the necessary structures at provincial level throughout 2011. The EU will provide political support to the High Peace Council (HPC) and will work closely with the Executive Body and the six sub-committees of the HPC. Further, the EU and EU Member States will continue to work with all parties to ensure that human rights, including women's rights are fully respected in any political reconciliation process.
- The EU is committed to supporting the **APRP** and will specify amounts in the light of progress by the Fund in utilizing the amounts already transmitted by contributors, including Member States. The EU will closely follow the developments and achievements of this programme together with other contributing EU Member States.
- Together with the Member States, the international community and the Afghan government, the EU will continue to reach out to influential members of Afghan society who might be able to play a role in the **reconciliation process**.

Other cooperation priorities

Elections

- The EU will lend political support to electoral reform by encouraging the government to establish a National Commission on **Electoral Reform** in line with commitments made in the Kabul process. The EU and Member States will offer the Parliament and other institutions technical advice in their efforts to reform the electoral framework and the EU will continue to play a role in coordinating donor support to capacity building efforts of electoral stakeholders and institutions in the inter-election period.
- The EU will also **strengthen relations with the Wolesi Jirga and Mesherano Jirga**, and emerging political parties.

Economic development through agriculture and rural development

- The EU will continue to support agriculture and rural development through ongoing and new programmes financed via the general budget on the basis of the **National Priority Programmes** managed by MRRD in view of their evolution to the sector programme in future.
- The EU will continue to encourage Member States and other International Community actors to provide **joined-up, if not pooled, funding** for the relevant National Priority Programmes managed by MRRD and MAIL as they emerge.
- The EU Delegation will, together with voluntary support of the DE and FR Missions, facilitate the private sector driven establishment of the **European Union Chamber of Commerce in Afghanistan** (EUCCA).

Justice

- Despite slow progress on the Kabul Conference commitments for the justice sector, the EU and EU Member States will continue to **push for necessary reforms**.
- In 2011, the EU will provide support of EUR 20-30 million to the National Priority Programme for Justice, through the **ARTF as a component of a major**, € 60 M contribution to ARTF for high priority Government reform actions in justice and public administration.

Human Rights and civil society

- The **EU Human Rights and Gender Working Group** will continue to coordinate the EU stance to human rights issues, allowing the HoD/EUSR and EU HoMs to raise issues of concern with the Government.
- In line with the COHOM recommendations of December 2010, a **Human Rights Country Strategy** will be developed, with a proposed course of action to take in response to the human rights situation in Afghanistan.
- The EU will award small to medium size grants for **civil society** actors for a combined total of some EUR 3 million in 2011, on the basis of calls for proposals, and various EU Member States will establish a CSO fund for similar purposes

Regional Cooperation

- In 2011, the EU will implement the **regional cooperation** programmes agreed in late 2010 (EUR 22 M), whilst concurrently preparing new support measures for commitment in 2012 (approximately EUR 15 M). These programmes will be complemented by joint and bilateral activities of the EU Member States.
- The EU will, together with EU Member States, assist the Ministry of Foreign Affairs with the **follow-up of the deliverables of RECCA IV, APPTA**, as well as with the preparations of a possible trade agreement between the ECO countries.
- The EU will, through the SAARC Civil Aviation Project, aim to assist the MoTCA to set up a Civil Aviation Authority through the provision of technical expertise and assistance, and will continue to facilitate the overall coordination process where possible between the relevant donors and stakeholders.

Annex II: list of abbreviations

AIHRC	Afghanistan Independent Human Rights Commission
ANA	Afghan National Army
ANP	Afghan National Police
ANSF	Afghan National Security Forces
APPF	Afghan Public Protection Force
APRP	Afghanistan Peace and Reintegration Programme
ARTF	Afghanistan Reconstruction Trust Fund
ASGP	Afghanistan Sub-National Governance Programme
CPJP	City Police and Justice Programme
CSTC-A	Combined Security Transition Command- Afghanistan
CTAP	Civilian Technical Assistance Programme
ECC	Electoral Complaints Commission
EITI	Extractive Industries Transparency Initiative
FAA	Federal Aviation Administration (US)
IC	International Community
ICAO	International Civil Aviation Organization
IDLG	Independent Directorate Local Governance
IEC	Independent Electoral Commission
IO	International Organisation
IPCB	International Police and Coordination Board
ISAF	International Security Assistance Force
JANIB	Joint Afghan-NATO Inteqal Board
JCMB	Joint Coordination & Monitoring Board
LOTFA	Law and Order Trust Fund
MAIL	Ministry of Agriculture, Irrigation & Livestock
MoI	Ministry of Interior
MoJ	Ministry of Justice
MoTCA	Ministry of Transport and Civil Aviation
MRRD	Ministry of Rural Rehabilitation & Development
NGO	Non-Governmental Organisation
NPP	National Priority Programme
NTM-A	NATO Training Mission – Afghanistan
OIC	Organisation of the Islamic Conference
PRT	Provincial Reconstruction Team
PSC	Private Security Company
RECCA	Regional Economic Cooperation Conference on Afghanistan
SAARC	South Asian Association for Regional Cooperation

Annex III: EU donor matrix for Afghanistan

See attached Excel file