

Second Implementation Report to the Council on the Plan for Strengthening EU Action in Afghanistan

October 2010

The Plan for Strengthening EU Action in Afghanistan and Pakistan (hereafter referred to as the Action Plan) was approved by EU Foreign Ministers at the External Relations Council Meeting on 27 October 2009. It represents a renewed commitment on the part of the EU as a whole to increase the effectiveness of EU assistance, by channelling its resources in support of the strategic development priorities of the Afghan and Pakistani Government and to strive for a common approach in national initiatives and programmes in the two countries.

In April 2010, High Representative/Vice President Ashton presented the first six-monthly implementation report on Afghanistan to the Council. The report revealed a number of significant obstacles for enhanced EU coordination in Afghanistan and recommended that the EU missions in Kabul in the next reporting period focused on what could realistically and reasonably be achieved in terms of tangible improvement within the parameters of the actual capacity on the ground.

Since then, the Office of EU's Special Representative (EUSR) has successfully merged with the EU Commission into one single EU representation in Kabul. The new double-hatted EUSR/Head of Delegation (HoD), Vygaudas Ušackas, is now representing, coordinating, and negotiating on behalf of the EU and promoting EU policy objectives in close connection with the EU member states in Afghanistan. For the first time, the EU is combining its substantial development assistance with its growing political weight in the country.

The EU Delegation has also taken over the responsibilities and tasks of the former rotating Presidencies in Afghanistan. One of the most important tasks of the Presidency has been to spearhead the implementation of the EU Action Plan. To this end, the EU Delegation developed the EU Presidency Programme 2010 outlining key priorities for the next six months. These key areas included: Elections; Reconciliation and Reintegration; Governance and Human Development; Rule of Law (EUPOL); Human Rights; and Regional Cooperation. A crosscutting priority was to strengthen the EU's visibility in Afghanistan.

Within these key areas, a number of key action points were identified to take forward the implementation of the Action Plan and to enhance coordination among the member states in Kabul. The action points included setting up additional EU working groups on the focus areas, more effective joint messaging, a more coordinated EU approach to development assistance, and enhancing the EU's relationship with national and international interlocutors. These correspond with the priorities and action points laid out in the *Implementation Scheme*.

This second implementation report focuses on the state of play of these key areas from April to the end of September 2010. Other priority areas, such as Agriculture and Rural Development, Capacity Building and Humanitarian Assistance will also be addressed in this report. The report consists of three parts covering Political Developments, the State of Play, and the Way Forward. It seeks to highlight the EU's and the member states' commitment and joint approach towards improving and strengthening the EU's engagement democratic development in Afghanistan and contributing to its democratic development.

1. Political Developments

Spring was characterized by a certain amount of political standstill in the wake of the ministerial appointments of January and February, with increased tensions between the parliament and the executive. At the same time focus shifted towards the executive's much trumpeted reconciliation and reintegration scheme. As discussed during the London conference the Afghan government's plan for reintegration – the Afghanistan Peace and Reintegration Programme (APRP) – was to be finalised ahead of the Kabul Conference but needed to receive much anticipated political support from various Afghan groups. To this end, a consultative Peace Jirga was held at the beginning of June. The event was a success in the sense that it gathered a broad spectrum of government supporters and received their official buy-in through a carefully managed and orchestrated event. The major outcome was a sixteen point declaration. The declaration explicitly mentioned and endorsed several key components of the APRP plan, including the formation of a High Peace Council to start investigating ways to engage with the armed opposition. Immediately after the Jirga the President ordered the formation of the council. However, the members are still to be announced as of end September. As a sign of good will and in line with the declaration of the Jirga he also released a number of Taliban prisoners. Shortly afterwards the head of the National Directorate of Security (NDS) Amarullah Saleh and the Minister of Interior Hanif Atmar were dismissed from their positions. The official explanation was that the two had failed to prevent the Taliban from conducting a suicide attack at the opening of the Jirga.

Following the Peace Jirga, tensions between the parliament and the executive increased. Parliament worried about the end of its term and the upcoming parliamentary elections demanded that the executive nominate candidates for the remaining vacant ministerial positions as well as appointing members of the long awaited Constitutional Oversight Committee (COC). The President introduced five of the seven members of the committee, which were all approved by the parliament. The final members are yet to be introduced. At the end of June the President also belatedly introduced seven candidates for ministerial positions. Two of them were rejected, the other five approved. He also appointed a new head of the NDS but has not introduced the new head to parliament for approval since the appointment was made after the parliament went into recess. There are still five vacant ministerial positions. Indications are that the President does not intend to introduce candidates for these posts until after the parliamentary elections. The parliament went on an extended recess at the end of June and is due to convene again on 23 of September and stay in session until the final results of the parliamentary elections are ratified. If the timelines are held the final results are due on 30 October.

At the end of June a not yet published Rolling Stone Magazine article was leaked to several American media outlets. The article was an in depth coverage of the then COMISAF McChrystal. It featured a number of derogative remarks by his closest advisors about several key members of President Obama's team. The article created a furore in Washington which led to McChrystal's resignation. General Petraeus, the commander of CENTCOM, was quickly announced as McChrystal's replacement. Since taking up the COMISAF position, General Petraeus has issued a new tactical directive in which he has relaxed some of the rules of engagement that McChrystal set forth. He has otherwise pursued a similar COIN strategy to the one instigated by McChrystal.

The military campaign has focused on Kandahar over the summer months. Following the operation in Marja in February, a plan was devised to wrest the largest city in the south – Kandahar – from partial control of the Taliban. Code named operation Hamkari it was opposed by several local actors. The operation was finally launched at the end of June. It is now being characterised less as an operation and more as "a rising tide of security." A key

component is the establishment of a police cordon around the city – much like the one around Kabul – while Special Forces target the insurgents command and control functions inside the city and in neighbouring districts such as Arghandab.

In June, the Afghan government was expected to approve a new scheme called the "Afghan Public Protection Force – Village Security". The scheme sought to create a village security force 10.000 for 2-5 years funded by ISAF and the US. However, this was delayed due to serious reservations in the Presidential Palace. The scheme has since then changed its name to the "Afghan Local Police Force" and was endorsed by Presidential decree on 16 August. The position of Chief Local Police Force has been created within the Afghan Ministry of Interior. This comes at a time when EUPOL are increasing their efforts in the police reform field highlighted by the writing of a new operational plan for the mission. The new HOD for EUPOL, Jukka Savolainen (Finland) arrived in country mid-July taking over the position from Kai Vittrup (Denmark).

The Kabul Conference took place without major incidents on 20 July. This large international gathering of 80 delegations, the first in Afghanistan since 1974, successfully avoided the "pledging trap" and focused on transition, Afghan sovereignty and responsibility and government build-up and priorities. This fuelled hope among international community members of a more effective partnership between the international community and Afghanistan. The conference validated the framework and timeframe for the transition process to take place and for increased development and capacity-building of the government (Security; Governance; Social/Economic development).

Substance-wise, the final communiqué allowed for the narrative of an increased security hand-over to Afghan responsibility and of long-term civilian commitment of the international community to Afghanistan beyond 2014, supplanting the military draw-down. The broad approval of the ISAF-originated *Inteqal* concept paper by the conference participants stressed the major role of the Afghan Government in the transition. Further, the National Priority Programmes developed by "clusters" made up of several ministries instilled a new and welcome impression that, finally, there is a plan and direction.

Donors broadly committed to aligning their aid in support of the National Priority Programmes presented at the conference, while clearly linking the goal of 50% of 'aid delivery on Budget' to improved Afghan financial management and effective fight against corruption, as laid down in the London Conference document.

Against the backdrop of a sense of 'yet another conference' whose conclusions would soon be forgotten, participants were keen to stress the very different nature of this meeting. This was only one element in a continuing "*Kabul process*" about benchmarks and accountability. The President recognised that Afghans rightly expected more in terms of governance and service delivery. He vowed to improve "checks and balances" for the three branches of the state and, in particular, ensure accountability of the executive – a choice of vocabulary that was clearly directed at Western audiences.

The biggest post-Conference issue will be, as usual, to ensure proper follow-up and accountability for the commitments made by the Afghan government. The Kabul Conference generated new political momentum, but this needs to be acted upon. To this end, the continuation of the clusters was seen as imperative to ensure effective implementation and coordination across the ministries. However, meetings with the Minister of Finance in early August revealed that some ministers felt excluded and opted for the dissolution of the coordination mechanism. Donors, however, stated that financial support depended on the ministers/ministries working together and encouraged the Afghan Government to continue the cluster process. After some internal discussions in the Cabinet and the President orally endorsing the overall cluster architecture, it was agreed that the clusters would remain but

the mechanism should be adjusted and strengthened. A new "improved structure" is now awaiting Cabinet approval.

Despite Ramadan and the evolving crisis of the Kabul Bank, the Ministry of Finance managed to take forward the follow-up process. Short and long term Action plans are being developed to guide the implementation of the National Priority Programmes. As part of this process, capacity assessments of selective ministries were carried out by the MoF and the Civil Service Commission in August and September resulting in the MoF asking donors for immediately technical assistance to the ministries. From various sides, concerns are now raised that the capacity development element once again will be bypassed for quick impact solutions. The deadline for completion of the National Programmes is currently set for the end of 2010.

On 18 September, the Parliamentary Elections were held in Afghanistan. Despite the planning for the 2010 elections only being properly initiated in mid April, in the last six months the IEC has demonstrated an increased commitment to transparency in their decision making and their sharing of information with the general public. The IEC were able to launch all the procurement processes on time, to enable the proper and timely delivery of all sensitive materials to the field. Nevertheless given the short amount of time to prepare for these elections, public outreach and perhaps coordination with candidates was not as strong as it could have been. Election Day passed with a significant increase in security incidents including the murder of 3 IEC staff. At the time of writing, the elections were deemed to be well organised, although the status of polling stations and centres which did not report on election day still needs to be determined. There are early indications of fraud throughout the country and in many places low turnout. The handling of the potential fraud by both the IEC and ECC will be key and the EU will monitor how this will be carried out.

2. STATE OF PLAY

2.1. Strengthening Afghan capacity and ownership

2.1.1. A renewed commitment

In the preparations for the Kabul Conference, the EU and the member states worked together to consolidate and streamline the EU response to the National Priority Programmes produced by the ministerial clusters. The European Commission as well as several member states have announced that they will be redefining their fields of support in the coming months in line with the Afghanistan National Development Strategy (ANDS) and the Cluster Programs. The Mid-term Review of the European Commission's Country Strategy Paper was put on hold pending the outcome of the Kabul Conference and the start of the Kabul Process. A wide range of discussions were held with both Afghan Government partners and EU member states to find the best way forward. The European Commission's three focal sectors (rural development, health, and governance) will most likely be retained, as will the non-focal sector of regional cooperation. Social protection would be incorporated in the health focal sector. The EC's Multi-Annual Indicative Programme 2011-13 (MIP) will be finalised early in the second semester of 2010, including indicative sector allocations.

Like several member states, the European Commission also announced a further increase in development assistance for Afghanistan. EC funding is set to rise from EUR 150 million per year over the previous years to 200 EUR Million per year for the period 2011-2013, representing a 33% increase (although this is being challenged by the European Parliament). Germany has doubled its annual contribution to EUR 430.7 million until 2013 raising German civilian assistance to Afghanistan to approximately EUR 1.72 billion over four years. By end of 2010, France, which spent approximately EUR 38 million last year, will have increased its engagements to EUR 98 million. The UK will provide an additional 40% of aid funding over four years to support measurable outcomes to promote stability in Afghanistan. This brings

the UK total contribution to £700 million (EUR 839 million) over four years. Italy has pledged yearly average disbursement of approximately 50 million Euros. Denmark will provide an additional DKK 100 million (EUR 13 million) of aid funding over two years (2011-2012). This brings the annual bilateral assistance to Afghanistan up to DKK 450 million (EUR 60 million). At least 50% of all UK and DK support is intended to continue to be provided through government systems (mainly via multi-donor trust funds).

However, enhanced ownership is impeded by the fact that it remains difficult, if not impossible, to provide direct budget support to Afghanistan due to weaknesses in public finance management, and only a few ministries are ready for sector policy support programmes. Denmark has taken the lead in the area by providing sector policy support for the Ministry of Education. Italy has been channelling most of its aid through the Afghan budget since 2008, Afghan National Programmes or trust funds (ARTF, LOTFA): the 2010 ratio should reach 70% of the overall Italian ODA to Afghanistan. Other donors are still reluctant to use government systems, while providing technical assistance and development assistance bilaterally. Only 20% of all donor funds flow through government systems and only half of that is not earmarked. The Afghan Government claims to have (too) little discretion to allocate donor resources for its priorities. However, donors stressed that improved public finance management and a more effective fight against corruption are prerequisites for reaching the Accra aid effectiveness target of 50% use of government systems (a key objective in the Kabul Conference Communiqué). The quality of sub-national governance, both in terms of programming and budget execution, is a further challenge, although some progress is tangible (see below). Therefore, trust funds such as the ARTF continue to provide the international community with a transparent and effective solution for bringing aid 'on Budget'.

Following the Kabul Conference, the development of detailed designs for national priority programmes with credible budgets will be crucial, particularly as concerns the functioning of the Afghanistan Reconstruction Trust Fund. It is likely that major new funding will flow to ARTF. The three-year investment and results framework for the ARTF provides a clear picture of resources and needs. Projects under the ARTF investment window are to be clustered. A new stream of funding for large infrastructure projects is being set up between the World Bank and the ADB, and vigorously promoted by the Government.

2.1.2. Sub National Governance

One of the key priorities of the Action Plan and the Presidency Programme is to strengthen sub-national governance in Afghanistan. Ahead of the Kabul Conference, a temporary EU working group on Governance successfully addressed a number of issues related to sub-national governance. Of special importance was the follow up on the London Commitments of the implementation of the long awaited Sub National Governance (SNG) Policy, which was finally approved by the Cabinet on 22 March. A very ambitious Implementation Plan was presented to donors at a Sub National Governance Task Force meeting in May outlining the sequencing of necessary legislation and follow up mechanisms. The donors all welcomed the plan but stressed the need for the GoA to ensure fiscal sustainability and local institutional capacity building. No new commitments were made in the area of Sub-National Governance at the Kabul Conference, but the endorsed Policy Framework on Governance integrated by and large all the objectives in the Implementation Plan. An EU SNG Working Group will continue to monitor progress and follow the discussions in the SNG Task Force as well as the Afghanistan Sub National-Governance Programme (ASGP) donor meetings. In the reporting period, the EU persistently advocated for more frequent meetings of the SNG Task Force as well as the creation of substantive sub-groups. However, IDLG did not accommodate this request as the development of the District Development Programme and the implementation of the SNG Policy stretched its scarce resources.

EU support aims to strengthen provincial and district democratic governance, synergies between development and governance processes, and interaction with line ministries. 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 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. A new contribution from the EU Budget (EUR 12 million) to the second phase of the ASGP programme is currently under approval in Brussels and is expected to come on stream by end 2010. ASGP2 has been substantially redesigned with a view to support the implementation of the SNG Policy. This is now pursued by maximising Afghan ownership and national capacity building, a development strongly supported by the EU Delegation. The UK has already announced financial support to ASGP2. Further, in June, the UK took on the role as ASGP donor chair for the next three months, which includes co-ordinating donors' views and communicating those to UNDP.

Member states have also bilaterally increased their support to SNG in the reporting period: Germany has recently established a Regional Capacity Development Fund (tentative volume: EUR 56 million, 2010-13) for Northern Afghanistan. Its overarching objective is to effectively enable the provincial and district administration. Capacity building measures within Germany's newly established Stabilization Fund for Northern Afghanistan (EUR 46 million, 2010-13) also target strengthening the District Development Assemblies (DDAs).

The UK provided technical assistance to the IDLG and supported four key programmes on sub-national governance: the ASGP, the Performance Based Governors' Fund, the Helmand Institutional Building Programme, and the District Delivery Programme (DDP). Additional Funding for DDP (£20 million, EUR 24 million) is in the planning. DK also supported DDP with DKK 15 million (EUR 2 million) in 2010.

France developed a comprehensive strategy in the province of Kapisa and in the district of Surobi. Actions focused on capacity building, rural development, health, education and rule of law. An average of EUR 15 million has been spent annually in the area. A civilian team (8 experts) led by a High Representative has been appointed in Nijrab to monitor the situation with a clear focus on strengthening local governance.

Italy is contributing to the reinforcement of local institutions through National sub-Governance programs. Specific contributions to the National Institution Building Programme – NIBP and to the Afghanistan Sub-National Governance Programme – ASGP, with a specific focus on Herat and the Western Region Provinces, have been disbursed in 2010. Italy has also deployed a team of experts in the Province of Herat with the aim of developing local Governance and Institutional Capacity Building.

The Netherlands actively supported sub-national governance at provincial level in Uruzgan province. A monthly meeting on sub-national governance in Uruzgan is organized with all stakeholders and donors, and leads to improved coordination and demand-driven interventions.

In June, Lithuania together with the IDLG carried out a Workshop on Development Perspectives of Ghor Province. The workshop aimed to improve communication and cooperation among the Provincial Administration, the Government and donors and was attended by the partner countries engaged in the development of Ghor province (Japan, Lithuania, and the United States), Ministers/High Representatives of the Government and authorities of Ghor Province.

2.1.3. A plan for national capacity building

National capacity building includes enhancing the capacities of both the *public* and the *private* sectors. Despite countless initiatives over the past eight years, including major funding from the EU Budget, public sector reform has to date only produced limited results for a wide variety of internal and external factors. Capacity at central – and particularly at local – level remains weak throughout the government apparatus (policy definition, programme preparation, budgeting, medium-term expenditure framework, public finance management, monitoring, and sector coordination). Donors continue to inject large quantities of technical assistance, which in some cases requires better alignment with Afghan priorities.

As part of the Kabul Process, the Afghan Government now envisages launching major initiatives to tackle these log jams, but details will only emerge during the next reporting period. Renewed EU engagement with public finance management and civil service capacity building, both at policy level and through support from the EU Budget and member states' Budgets, seems in order for the coming years. However, success will require a smart approach since these notions cover a multitude of disciplines that are complex, require scarce expertise, and often hinge on inter-ministerial coordination.

Preparation of the European Commission's Annual Action Programme (AAP) 2010, for a total of EUR 170 million, was completed during the reporting period. The following programmes passed EC quality controls: Rural Governance and Development (EUR 75 million), Support to Health (EUR 73 million), and Support to Regional Cooperation (EUR 22 million). All the programmes contain major capacity building elements, focusing both on public and on private sector capacity as appropriate. A continuation of the EC-supported National Risk and Vulnerability Assessment household survey (with a value of EUR 4 million) was integrated into the Rural Governance and Development programme, with a strong emphasis on building capacity in the Central Statistics Organisation.

Capacity development of Afghan partners is in general a core component of the EU MS development cooperation in Afghanistan. In the reporting period, Germany launched an *Open Policy Advisory Fund (OPAF)* to offer technical expertise for key reform programmes. The UK has provided support to the secretariat of the Government's Civil Technical Assistance Programme (CTAP), which was successfully launched after the Kabul Conference. The UK also supported the Management Capacity Programme. Together, these two programmes will help build the capacity of Afghan civil servants in strategic positions in Government in a sustainable manner. The UK, with the US, is also looking at funding a large ARTF programme to support Public Administration Reform, as set out by the Kabul Conference. Italy supports the IARCSC-led Programme for Efficient and Effective Government and is willing to increase its efforts to secure the implementation of the comprehensive reform of the Afghan public administration, also with the support of the Italian Superior School for Public Administration. Italian Universities are also increasingly involved in training civil servants and offering technical assistance namely in the Province of Herat.

EU support to capacity building also include direct funding of advisors to the ministries: The Netherlands supported the Ministry of Agriculture, Irrigation and Livestock (MoAIL; notably a change management process and the irrigation department), the Ministry of Education in the field of agricultural education and extension, and the provincial government of Uruzgan. So did France through its "agricultural platform" to MoAIL and its experts working for the Ministry of Education. Denmark funded 200 national as well as two international advisors in the Ministry of Education. The European Commission also funded a number of advisors in various ministries, including MoAIL, the Ministry of Public Health, and the Ministry of Justice.

During the reporting period the EU Delegation and several member states started exploring possibilities for supporting high level civil service training, including the possible establishment of a dedicated network of regional training centres, provision of specialised

bachelors'/masters' programmes at universities, and exchange programmes for senior Afghan officials. After being approached by the President, the Minister of Finance and other high ranking Government officials several times on this issue, an initiative by the HoD/EUSR and Germany to assist the Afghan government with the creation of a national network of civil service training centres to 1) offer a Bachelor's/Master's degree in Public Administration and 2) provide long-term public management training to high level civil servants was presented at a HoMs meeting in Kabul in early September. The HoMs agreed that this was an important area where the EU could provide valuable expertise. It would further be a visible sign of EU long term political commitment to development and reform of Afghanistan. The EU Delegation is now looking into the funding possibilities within the next MIP (2011-2013). Germany has already pledged support to the Afghan Government in establishing and implementing curricula for a Master of Public Administration programme in Afghanistan and to conduct training measures for senior-level civil servants.

Sparked by a request from the Afghan Ministry of Foreign Affairs, the EU, together with several member states (Italy, France), is further looking into the possibilities of supporting the Diplomatic Academy of the Afghan Ministry of Foreign Affairs. Estonia, Germany and Italy have already provided training courses for Afghan Diplomats in Europe. France additionally proposed to address the question of inter-ministerial coordination at the level of the Cabinet or that of the Office of the President. Mr Daoudzaï, Chief of staff of the President, Mr Mudabber, Head of the Office of Administrative Affairs, and Mr Moshahed, Head of the Civil Service and Administrative Reform Commission, were invited to France and a French support team will be sent to Afghanistan shortly.

Finally, member states in general supported activities and projects in the area of good governance and capacity building via their Provincial Reconstruction Teams. The Czech Republic is spending EUR 1.465.000 in Logar in 2010-11. Denmark is supporting capacity building in the education sector in Helmand through three advisors, who assist the Helmand Education Department. Lithuania is supporting capacity building programmes for civil servants of provincial institutions in Ghor by providing management, IT and English language courses for more than 60 civil servants. Lithuania is also supporting a project on strengthening the project preparation, fund-raising and project management skills of the provincial administration and non-governmental sector in Ghor.

2.1.4. Strengthening the electoral framework and democratic institutions

In the reporting period, the EU has continued to run its weekly Election Working Group with active participation by the majority of EU member states. The Election Working Group endeavoured to be more focused in its approach and fed into weekly Heads of Missions meetings and subsequently the ambassadors meetings convened by the UN Secretary General's Special Representative (SRSG).

After the 2009 elections, the international community, including the EU, called for essential electoral reform to take place prior to the parliamentary elections. Some of the international community's demands and expectations were too ambitious to be implemented by the time of the parliamentary elections in September 2010. To this end, a deal was brokered, with the support of the international community, with UNAMA and with the government of Afghanistan. This included the replacement of key members of the Independent Electoral Commission (IEC), the presence of two international sitting commissioners on the Electoral Complaints Commission and maintaining the gender quota within parliament.

Following on from the passing of the presidential decree outlining the new electoral law, candidate nomination began in April, resulting in over 2550 candidates being placed on the final candidate list. The candidate nomination period was not without controversy. The success of the candidate nomination depended on the perceived transparency of the vetting process (which was changed according to the new electoral law). Contrary to the 2005

electoral law, the new law prescribed that only the NDS, MoI and MoD would have the right to vet candidates and present their findings to a vetting commission embedded within the IEC. From the beginning, the IEC left the vetting to the three security institutions. This resulted in 37 candidates being taken off the final list.

On the positive side, both the Commissioner of the IEC and the Chief Electoral Officer of the IEC Secretariat were replaced. As a result, the IEC was perceived as much more transparent, open and inclusive. Nevertheless, the true test of its independence will be seen in its handling of fraud in the holding of the 2010 elections.

Despite recommendations by the EU and other embassies to maintain the presence of the Election Complaints Commission (ECC) throughout the period leading up to the preparations of the 2010 elections, the maintenance of only a skeleton staff in this institution has made its role futile and insignificant, almost rendering void the ECC's capacity to deal with complaints during the challenge period. This was especially pertinent at the provincial level, where an acute lack of infrastructure meant the institution again suffered from some of the many problems it encountered last year due to a late start up.

However, some of the EU EOM recommendations were adhered to and closely flagged by the EU Election Working Group. This includes the recommendation to ensure that the final list of polling centres was published well ahead of Election Day. The list was published on 18 August, although some of the decisions to close so many stations compared to last year proved to be controversial among some candidates. They claimed that the closure of certain polling centres was intentional and did not correlate with the security guidelines set out by the security forces and the IEC.

With regard to female participation, the EU, following recommendations from the EU EOM advocated and supported the IEC and other stakeholders with the early recruitment of women polling workers and female searchers. The EU endeavoured to promote the recruitment of female searchers. However, a lack of coordination and perhaps comprehension by certain ministries meant that the Ministry of Interior and other ministries' efforts to ensure the maximum amount of women as female searchers has proven weak. In general, the inherent weakness in the Ministry of Interior (MoI) is still apparent and this was pertinent when being asked to lead the training, recruitment and payment plans for the female searchers. In the end and after continuous pressure from the EU, IDLG was given the responsibility of paying the searches while the MoI would conduct the training. At the time of reporting, it was still unclear as to how many female searchers were recruited out of the possible 9000 need for Election Day.

In the reporting period, Denmark, Finland and Norway supported the Afghan Women's Network for a campaign to increase female voters' participation in the election. After the parliamentary election, the Afghan Women's Network will also train newly elected women in parliamentary affairs, with the aim of strengthening the voice of women in Parliament.

As last year, police training was carried out by EUPOL. EUPOL trained almost 300 Afghan ANP trainers and more than 273 ANP officers for the 2010 elections.

The EU continues to be engaged in its long term commitment to electoral reform. It has hosted a series of meetings to discuss this important issue, and is supported by the EU Election Assessment TEAM (EAT). This will contribute substantially to the dialogue on long term reform and steps forward to ensure that essential capacity and momentum are not lost after the 2010 parliamentary elections.

The EU regularly engages with all electoral stakeholders including civil society and is in constant dialogue with organisations such as The Free and Fair Election Foundation of

Afghanistan (FEFA) and the Asia Foundation. The EU will continue to support these organisations, as well as the key electoral institutions to ensure that long term electoral reform is pursued and that an appropriate project is set up to continue the work already carried out in the last two years.

The European Commission and the majority of the EU member states in Kabul supported the Parliamentary elections in Afghanistan through significant contributions to UNDP's electoral assistance programme (ELECT) (new contributions from Germany, UK, Denmark and Italy). Some member states also funded external election observer missions: Germany and Denmark funded the Afghan observer organisation, FEFA (in total EUR 4.3 million) and the UK the Asian Network for Free Elections.

Germany's Political Foundations also provided continued capacity building assistance to Afghanistan's political parties and the Netherlands financed a programme for civic education through media. Finally, the UK and Finland worked with women's organisations and NGOs to support full and active female participation in the electoral process. Finland paid special attention to training of female candidates and improving the security of female voters.

2.1.5. Reintegration/Reconciliation

The EU actively contributed to Afghan-led peace building by providing political support to the National Consultative Peace Jirga, which took place on 2-4 June. The Jirga was attended by over 1,500 delegates and produced a sixteen point declaration. The declaration explicitly endorsed several key components of the Afghan government's reintegration plan, including the formation of a High Peace Council, to start investigating ways to engage the armed opposition, the release of those detained without sufficient evidence and the removal of Taliban leaders from the UN's international 'blacklist.' EU support for the Peace Jirga encouraged an inclusive and representative process, with particular reference to the role of women, which was greatly appreciated in Afghanistan. This contributed significantly to enabling the EU to exercise leverage over the participation of civil society and particularly women, in the Jirga as well as in the ensuing peace building processes. The EU Delegation also supported the GoA in successfully organising the event (app. EUR 650.000). The EU Delegation also promoted the implementation of the National Consultative Peace Jirga's decisions and outcomes to enhance reconciliation and reintegration.

A successful EU reconciliation and reintegration working group, led by Denmark, followed up on the reintegration plan and helped prepare the ground for the Kabul Conference after the Peace Jirga. The working group co-ordinated member states and agreed joint messaging. The working group has now been made permanent and will continue to harmonise EU policy. The EUSR/EU Delegation has also strengthened dialogue with the UNSRSG's office and the NATO SCR's office. The EU has thus deepened relations with the government, political groups and civil society representatives, including ensuring women's rights were taken account of in the Peace Jirga.

The EU has continued to work closely with the Afghan government and donors, including Japan and the US on the follow up to the Peace Jirga and the Kabul Conference, including encouraging the Afghan government to establish and resource the required government bodies and mechanisms.

The Afghan Peace and Reintegration Programme (APRP) was endorsed at the Kabul Conference, where Baroness Ashton made a commitment for the EU to contribute funds. Before the Kabul Conference, Baroness Ashton participated in a meeting with Secretary Clinton and Afghan women, demonstrating the EU's and the international Community's stance on the importance of women's rights in any political reconciliation process.

The EU has also urged MS to make contributions. The UK has made a contribution of £1.72 million (EUR 2 million) and has pledged a further £3.28 million (app. EUR 4 million). Italy and Denmark have both pledged EUR 4 million each. Germany has committed to contribute EUR 50 million over five years.

On 27 July, the UK, Japan and the Government of Afghanistan signed a MoU to establish the Afghan Reintegration Finance Mechanism (RFM). The Financial Oversight committee for the Peace and Reintegration Financing Mechanism was also established and consists of the Minister of Finance, the Chief Executive officer of the ARPR, and the Minister of Agriculture, Irrigation and Livelihood. Two representatives from the donor nations will be members of the financial oversight committee. The donors will rotate after six months. To be eligible to sit on the oversight committee donors must have contributed a minimum of USD5 million annually. Japan and the UK are the current members, as they have already contributed to the programme. Membership of the JCMB Reintegration Committee will be limited to those pledging an annual contribution of USD 5 million or more to the programme.

In August, the Afghan government finally approved a new scheme called the "Afghan Public Protection Force – Village Security". The scheme aims to create a village security force of 10 000 for 2-5 years funded by ISAF and the US. The scheme is strongly backed by General Petraeus and has been renamed the "Afghan Local Police Force". The position Chief Local Police Force has been created within the Afghan Ministry of Interior. The EU has pressed for clarification of the role of the Afghan local police and their role in reintegration programmes. The questions of control and oversight over the new force were of particular concern.

The Netherlands has been supporting social outreach programmes in Uruzgan province and prepared a paper entitled 'Reintegrating the Insurgency Piece by Piece in Uruzgan Province; Aspects of a comprehensive peace building Strategy'.

2.2. Strengthening the Rule of Law

2.2.1. Anti-corruption

The EU MS and the EU Delegation have closely followed all developments regarding anti-corruption and are monitoring the achievement of the benchmarks agreed upon during the London and Kabul Conferences. Member states welcomed measures to tackle corruption, such as the strengthening of the High Office of Oversight (HOO), and the synchronization of anticorruption legislation with the UN Convention Against Corruption. The fact that ministries and agencies had been ordered to design corruption suppression plans was a positive development.

However, although there has been some progress, recent developments such as the allegations of corruption against the Head of the High Office of Oversight (HOO), make any visible progress and real commitment from the Afghan side doubtful. It is therefore of the utmost importance that the announced 'Joint Monitoring and Evaluation Committee' is effectively set up, will be independent and will consist of both Afghan and international members, as was agreed at the London Conference. This mechanism should monitor the HOO as well as the implementation of anticorruption measures.

In the reporting period, following guidance from the Minister of Interior, the EUPOL Mission developed (jointly with The Combined Security Transition Command - Afghanistan (CSTC-A), UNDP and UNODC) an Anti-Corruption Implementation Programme (ACIP). In addition, an Anti Corruption Implementation Programme Action Plan was developed by Mol, EUPOL, CSTC-A, UNDP and UNODC. The Anti Corruption Projects and modules listed in the Action Plan are to be carried out and conducted in Kabul at Ministerial level and throughout all regions and provinces of Afghanistan.

The primary focus of projects for the provinces and regions are the establishment of six regional mobile Anti Corruption teams. Following a merit-based selection process, six team leaders were selected together with 30 officers to form the first mobile Anti Corruption teams. The team leaders were all subjected to polygraph checks and a vetting process. The teams have been successfully operating since January 2010 and deployed on various investigations across Afghanistan. In the first six months of this year, 64 individuals have been investigated and 14 referred for prosecution.

In addition, the UNDP Accountability and Transparency (ACT) Project has been supported by some EU MS (UK, Denmark, Italy). In addition to support to the HOO, the project has components that support key government institutions (the Control and Audit Office, the Ministries of Education, Finance and Interior) as well as civil society in fighting corruption. The revised version of the UNDP ACT project, that still needs to be approved by the ACT project board later this year, will provide technical support to MEC by providing international expertise and secretariat services.

At the Attorney General's Office, EUPOL has been mentoring high-profile corruption cases on a regular basis, including assistance in investigative measures such as how to lead a case, based on sound evidence, to trial. Unfortunately EUPOL AGO mentors have to deal with obstruction and reluctance to investigate cases where high-ranking officials are involved. The Attorney General has recently issued an (oral) instruction to all AGO Afghan staff that AGO mentors will not have any access to the cases any more. AGO mentors should only supply technical assistance and not interfere with ongoing cases. So far, the international AGO mentors have agreed to maintain their physical presence at the AGO until further notice and are awaiting developments.

2.2.2. Counter-narcotics

Several member states (UK, Finland, Germany and Denmark) as well as the EU Delegation provide ongoing support to various UNODC-implemented counternarcotics programmes, such as the TARCET II initiative and the setting up of intelligence sharing networks on drug trafficking flows between Afghanistan and its neighbouring countries.

The EU and its member states also supported the commitment of the Afghan Government to revise and deliver on a new National Drug Control Strategy in 2011. During the reporting period, the EU Delegation and France completed their joint support project for the extension of the Counternarcotics Training Academy (CNTA) in Kabul. The CNTA is now fully operational and will provide training courses for up to 1,500 counternarcotics policemen and other law enforcement professionals annually. In addition, as a part of the ongoing engagement in counter-narcotics support to alternative livelihoods is mainstreamed through several member states' (Germany, Denmark, Finland) and the European Commission's development cooperation, in particular in the area of sustainable economic development in rural areas.

Additional bilateral support includes the Netherlands funding a number of activities in the fields of interdiction, drugs awareness through the media, drugs counselling and addiction centres, and alternative livelihoods. The UK supported the delivery of the National Drugs Control Strategy (NDCS). In March and April 2010, the UK conducted a series of workshops to increase the awareness of the Afghan Parliamentary Counter Narcotic Committee, and to strengthen its ability to hold the Government to account. As in previous years, the UK has supported the Ministry of Counter Narcotics in its Governor-Led Eradication programme. The UK is supporting a range of public information activities conducted on behalf of the Government of Afghanistan to deter farmers from planting poppy. The UK funded the joint MCN/Ministry of Public Health/UNODC Drug User Survey, published in June 2010. The European Commission, finally, funds an ongoing three-year research programme on the drivers of poppy production implemented by the Afghanistan Research and Evaluation Unit

(AREU). Italy supports the UNODC Regional Programme for Afghanistan and neighbouring countries, as a useful platform for regional cooperation in areas of common concern such as illicit trafficking and border management.

2.2.3. Policing

The Kabul Conference endorsed in principle a strategy for transition in the security sector, and acknowledged the progress being made towards target goals for the national army and the national police. 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 police salaries, have reached a consensus to request a tangible government contribution (5% as of March 2011, 10% as of March 2011) from the Ministry of Finance to ensure progressive fiscal responsibility and inclusion of these recurrent costs in the Afghan Budget. The growth target figures of the Afghan National Police (109.000 by November 2010) have already been reached, due to an increased recruitment and training effort of all international stakeholders. However, the current basic police training of six weeks is not sufficient to ensure the necessary level of professionalism if the force is expected to perform civilian policing duties adequately.

To ensure the implementation of a quality based, sustainable police training curricula, the EU Delegation and EUPOL have progressed towards the establishment of a "Police Leadership Faculty" as an integral part of the National Police Academy in Kabul and a Regional Police Training Centre in Bamyan Province, with a special focus on training female police officers, to be funded from the EU Budget (under the Instrument for Stability).

The significant expansion of the police-force in the past few years has highlighted the need for also improving the capacity of the Ministry of Interior. In this regard, EU member states and the EU Delegation have been actively involved in setting up an "Institutional Reform Working Group" in the Ministry of Interior, one of its aims being to investigate how the political functions of the Ministry can be decoupled from its operational component. A report of the reform working group will be presented to Minister of Interior by the end of October.

In the reporting period, the EUPOL Mission led the development of criminal investigation capability within the Afghan Anti Crime Police. EUPOL supported developing and training a proactive, intelligence-led police force with an appropriate command, control and communication structure through, for instance, Leadership & Management courses and Agent and Informant Handling and Analysis courses. Outside Kabul, EUPOL has implemented its objectives in selected urban centres, where sufficient personnel, logistical and security support is in place. The main vehicle for this is the City Police and Justice Programme (CPJP), which is underway currently in 13 locations. Furthermore, EUPOL enhanced its commitment to training, especially concerning specialised police training, 'Train the Trainers' programmes and the drafting of training strategies and curricula as well as the development of the ANP Staff College.

The majority of EU member states support the Afghan Police through LOTFA. Further, member states contribute significantly to the EUPOL Mission. The current state of deployment of EUPOL is: 307 Internationals (169 Police officers + 49 Rule of Law experts + 89 civilian experts). 23 Member states have so far contributed to the mission, as well as four 'third states' (Canada, Croatia, New Zealand and Norway).

Since April, several bilateral measures to strengthen the police sector were also taken by the member states. The Netherlands among other things continued to contribute towards strengthening of the Afghanistan Urban Police, both financially and through provision of police trainers and mentors. Further, at the level of Uruzgan province, a Regional Police Training Centre was established and training was provided for over 800 policemen. Police

stations and check points were built; mentoring teams are working with AUP teams in the field. An Operational Coordination Centre – Provincial (OCC-P) was established to coordinate the activities of the ANSF. France continued its commitment to the training of the VIP-Protection Unit, to the operation of the scientific police laboratory and the Underaged Police Brigade.

Germany continued to extend its bilateral programmes to enhance police literacy, as well as infrastructure, equipment and training. The German Police Project Team focuses on training at the Police Academy, KAIA Airport police in Kabul, and Police Training Centres in Mazar-e-Sharif, Kunduz and Feyzabad, where over 2.700 Afghan police have been trained up to August 2010. It is also involved in Focus District Development Programmes in the North of the country.

Besides the contribution to EUPOL, the Italian Guardia di Finanza is engaged in a bilateral mission (Grifo) in Herat, aimed at training the Afghan Border Police. Guardia di Finanza is also willing to implement technical assistance activities in favour of Afghan anti-corruption bodies. Moreover, some member states continued to actively support the EUPOL mission by accommodating its personnel in the premises of their PRT, in order to facilitate EUPOL activities as well as contacts with NTM-A.

In cooperation with the UK, Estonia contributed to the construction of Helmand Police Training Centre in Lashkar Gah. Estonia was also preparing the deployment of four police training instructors through NTM-A to Kandahar province in October 2010. In August 2010, Denmark fielded a Police Operational Mentoring and Liaison Team in Gereshk, Helmand.

During the reporting period the European Gendarmerie Force, under the lead of France, with contributions of Spain and Poland, opened their new training facility in Mazar-e-Sharif dedicated to the formation of several hundred Afghan National Civil Order Police Officers and Non Commissioned Officers (NCO) a year. The French Gendarmerie, as part of the European Gendarmerie Force, has also accepted to take responsibility for the newly built police training academy in Wardak province, which is set to open in 2011.

In 2010, Lithuania, in cooperation with the US (US Pennsylvania National Guard), established a Police Operational and Mentoring Team (POMLT) in order to accelerate strengthening of the ANP in Ghor province. Lithuania also carried out a training course on working with explosive devices for the National Directorate of Security of Ghor province.

2.2.4. Justice sector

Implementation of the National Justice Programme (NJP) continued to face difficulties and delays, partly due to structural weaknesses in the justice institutions and partly due to the absence of a shared donor vision. It continues to be difficult for the EU as a whole to come up with common messages vis-à-vis the Government, although a more coherent (or unified) approach was achieved in the run-up to the Kabul Conference. The overall impact of the National Justice Programme is questioned and its scope seems overly ambitious. A culturally sensitive and practical approach is long overdue. A mid-term review is underway and the EU Delegation is supporting the Justice Institutions in revising the National Justice Sector Strategy (NJSS) and the NJP (with the help of an international consultant). The objective is to improve prioritisation, also in the light of the outcomes to date of the Kabul Process. Support continued to human resource management in the justice institutions, including the provision of ad-hoc short-term support in the run up to the Kabul Conference.

Contributing to the implementation of the National Justice Sector Strategy, Germany supported the training of judges during their internship period at the High Court and provided fair trial seminars and legal manuals to judges, prosecutors and huqooq-officers from all over Afghanistan. Ongoing German initiatives include the setting-up of a Master of Law

programme in Afghanistan through the Max-Planck-Institute Heidelberg and SOAS London as well as legal aid and legal awareness programmes at the national level in Kabul and the sub-national level in Northern provinces. Within these activities promoting access to justice for women is a key element.

Italy supports the Independent National Legal Training Centre (INLTC), enhancing legal education and professionalism of justice sector professionals; assists the Afghan Independent Bar Association (AIBA) through contribution of the Italian National Bar Association; and supports Afghan women judges, through the Italian High Council for the Judiciary and the Committee for Equal Opportunities. Italy helped train more than 3.600 judges, prosecutors and officials with courses that are still ongoing, including a high-level training programme on comparative studies of European and Islamic law for Afghan judges, prosecutors, Ministerial officials and scholars implemented by the Universities of Perugia and Roma Tor Vergata.

The Netherlands supported a number of activities focused on transitional justice and (training of) judges and prosecutors. There are advanced plans to set up a translation unit for the Ministry of Justice and to build a small hospital and health facilities in Pol-I-Charki prison.

The UK has funded the Criminal Justice Task Force and has also established a programme of support, covering training and infrastructure development, to the Anti-Terrorism Prosecution Directorate within the Attorney-General's Office. Judicial security has also remained a priority. Since April 2010, the UK has completed a successful upgrade of the security measures in place at the Supreme Court.

Lithuanian led PRT had initiated Legal Shura meetings in Ghor province, where the judges of the appeals and city courts, the prosecutor, the Department of Justice, the governor's office as well as NGOs and the Afghanistan Independent Human Rights Commission meet to discuss justice sector coordination issues. In 2010, two such meetings were held and participants agreed to hold monthly meetings in the future.

France has started a two-year programme (EUR 3.6 million) to support the Afghan police and to launch actions at the level of the Supreme Court (training of judges), the Attorney General's Office, the Ministry of Justice and the Afghan Bar.

2.2.5. Human rights

The EU Delegation/EUSR actively promoted participation of women and men in the peace process (including the Peace Jirga of 2-4 June 2010), as well as participation of women in the September elections. Furthermore, the EU ensured that the Kabul Conference Communiqué contained significant references to gender issues (including a chapter on gender and children's rights). The Kabul conference had been preceded by a trilateral, highly publicized meeting, between Afghan women, SoS Clinton and HR/VP Ashton. The explicit support for Human Rights expressed in the Communiqué for Afghanistan's Independent Human Rights Commission was only secured through considerable international insistence during the drafting process. Intense dialogue with human rights defenders was maintained and concluded with the adoption of the updated EU local strategy on Human Rights Defenders.

Through the regular EU Human Rights and Gender WG meetings the EU Delegation continues to work towards joint EU approaches and to bring human rights onto the political agenda. In addition, the EU Delegation is contributing to the implementation of UNSCR 1325 through dialogue with the GoA, ISAF and others and by strengthening Afghan civil society organisations in order for them to monitor progress. On violence against women, the EU Delegation maintained and reinforced its dialogue with the Ministry of Justice, AGO, CSOs and other relevant stakeholders to assure the adoption and implementation of the Elimination

of Violence against Women Law (EVAW). In addition, the EU Human Rights and Gender WG adopted the EU local strategy for the implementation of EU guidelines on violence against women and girls and combating all forms of discrimination against them. This will need constant follow-up by EU MS and the EU Delegation/EUSR.

Generally, the EU Delegation is making great efforts to strengthen its cooperation with and support to NGOs and CSOs, with the aim of supporting the role and voice of women in the political process and other areas of concern for them. In this regard, the EU Delegation will also produce a documentary on women's rights in Afghanistan. Some progress was made with regard to Transitional Justice by continuing the support to the Transitional Justice Coordination Group (TJCG).

Activities on Transitional Justice will be reinforced through additional projects, to be financed under the European Instrument for Democracy and Human Rights (EIDHR). The Delegation is, together with Norway, Switzerland, the UK, Denmark and Germany, monitoring progress on implementation of the Human Rights Support Unit at the Ministry of Justice.

Four member states (Netherlands, France, Finland, and Denmark) also support the Afghan Independent Human Rights Commission (AIHRC). In 2010, Denmark supported AIHRC with DKK 4.5 million (app. EUR 600.000), Finland EUR 900.000, France EUR 150.000 and the Netherlands with EUR 715.000. The Netherlands, together with Denmark, is focusing on women's rights (improving access to justice for women, assistance to the CEDAW reporting process), civic education and transparency and press freedom. Germany also supports women's rights via its Gender Mainstreaming Programme. In particular, the implementation of gender units within the ministries is fostered. Italy has established a specialized Unit within the Office of the General Prosecutor in Kabul dedicated to combating violent crimes against women, and foresees to establish another one in Herat. Italy also supports Afghan NGOs providing legal assistance to vulnerable persons, women and minors, provides vocational training and female entrepreneurship programmes, and participates in the UNIFEM Programme aimed at promoting gender equality in the provinces.

The EU member states are also working with civil society bodies to provide political and financial support to build up a stronger, better co-ordinated and more active civil society in Afghanistan (Denmark, UK). In addition, the UK has supported the Afghan Government to build up the capacity of Ministries and other key institutions such as the Parliament.

2.3. Promoting growth through Agriculture and Rural Development (ARD)

The EU has been engaged in agriculture since 2002, mainly in three sub-sectors (water management, animal health, and horticulture). It remains to be seen whether this broad spectrum should be maintained or if there should be a focus on specific niches in coming years. Ahead of the Kabul Conference, the European Commission (EC) and member states started work on improving the alignment of EU assistance in Afghanistan and identifying areas for enhanced coordination in the ARD sector.

Overall, progress on the ground remained constrained by, in particular, insecurity. Flooding and deteriorating security in Kunduz and Baghlan provinces continued to hamper the implementation of river basin works. Despite these constraints, achievements in agricultural development remain impressive in terms of land brought under irrigation (over 145,000 hectares of arable land), improved animal health service delivery, and horticultural development. In April 2010, the Ministry of Agriculture, Irrigation and Livestock (MoAIL) finalised the collection of over 800 native and 200 imported varieties of fruits and nuts grown in Afghanistan, and began evaluating which types are best for export (and import substitution).

In May 2010, the EC signed a MoU with MoAIL for a EUR 50 million contribution from AAP 2009 to support the establishment and capacity building of central and provincial institutions (the state water management and veterinary services have now started to perform their prioritised core functions). Support to horticulture will provide the basis for a regenerated horticulture industry that is expected to produce seven million disease-free certified fruit trees annually by 2015.

Under the European Commission's Annual Action Programme (AAP) 2010, a major contribution is envisaged to the national programmes (current or redesigned) of the Ministry of Rural Rehabilitation and Development (MRRD). To promote a sector wide approach and proper programming and budgeting, the EU intends to provide an un-earmarked contribution of around EUR 60 million, with the understanding that fund allocation would be based on enhanced programming and management, that synergies between programmes are increased, and that the EU plays an active role in policy setting.

Building on its commitments in the areas of sustainable economic development, water, energy, health and education, Germany launched a reconstruction and development initiative for Northern Afghanistan in 2010. This initiative focuses on transport infrastructure, water and energy supply and rural development projects and aims to create a stable, enabling environment for sustainable economic growth. In addition, the German and Afghan Governments agreed to establish a Rural Infrastructure Development Fund, which will put sub-national governance structures in Northern Afghanistan in a position to take on more responsibility in planning and implementing key infrastructure projects (tentative volume: EUR 81 million, 2010-13).

France has devoted a significant part of its aid to supporting Afghan agriculture and rural development. In 2009, EUR 15 million were spent for rural infrastructures, capacity building in favour of the MoAIL (see above) and various programmes in the North and the North-East of the country as well as in the provinces of Kabul and Kapisa. By the end of 2010, France's commitment to agriculture and rural development will amount to EUR 42.15 million.

Italy supports rural community development initiatives (contribution to the National Solidarity Programme – 20 million Euro, and National Rural Access Programme NRAP – 7 million Euros) as well as microfinance and SMEs schemes in the Western region and Herat Province especially (through a contribution to MISFA for 6,75 million Euros in grants).

The Netherlands supported a number of programmes in the field of agriculture and rural development, to a total amount of EUR 18 million in 2009. These include rural infrastructure including irrigation, check dams, water reservoirs, flood control measures, and access to markets, partially through MRRD/NABDP, GTZ and the FAO; identification of constraints and strengthening of agricultural value chains (almonds, grapes, vegetable oil, saffron); certified wheat seed and fertilizer distribution, including agricultural extension, also through the media; processing of agricultural products; nursery production and distribution of saplings of fruit trees to farmers; formulation of a sectoral policy and institutional framework for agricultural education and extension.

The UK has drafted a £20 million (EUR 24 million) programme that will support MoAIL in its organisational change process during the coming three years. The UK's support focuses on agricultural policy design and implementation [expected to be approved in the coming weeks]. The UK is one of the four donors presently funding the Asia Foundation, which assists MoAIL in designing its future organisational development and change management programme. The UK will continue supporting NSP with a major share of its budget for agriculture and rural development.

The Czech PRT in Logar has been providing capacity building at the Department of Agriculture and has been implementing community agricultural projects in Logar Province, with a total volume of EUR 1.274.000. However, the Czech Republic considers the National Solidarity Programme the primary vehicle used to build social capital. The Czech Republic is also supporting agriculture and rural development through small scale projects implemented by various Czech NGOs (e.g. People in Need).

Denmark is supporting agriculture and rural development through a number of channels. In 2010, Denmark will use DKK 85 million (EUR 11 million) within the livelihood sector, including contributions to a number of programmes implemented through MRRD and MoAIL.

In 2010, Lithuania carried out a project on increasing food security by a more effective agricultural sector in Ghor Province. It aimed to assess the capacities of the agriculture sector of Ghor as well as national and sub-national institutions responsible for development of agriculture sector. Lithuania also supports rural development by funding small-scale projects (construction of road culverts, providing access to drinking water (well digging), and reconstruction of schools), mainly implemented with local communities in Ghor and Zabul provinces.

2.4. Enhancing the effectiveness of the EU presence and activities in Afghanistan

2.4.1. Alignment and coordination at the European level

The arrival of the new HoD/EUSR in April 2010, preceded by the arrival of a new Head of Operations (Development) in March, created new dynamics in Kabul. In the run up to the landmark Kabul Conference, intra-EU coordination intensified significantly and the EU's profile as a political and development actor was substantially enhanced. Numerous working groups successfully prepared joint EU responses to various policy domains as well as to the draft Kabul Conference Communiqué.

Work on the ensuing Kabul Process (transition to Afghan leadership, ownership and gradual restoration of full sovereignty) has started, including through the revitalisation of the EU working group structure. The EU Delegation/EUSR ensured that the *EU Action Plan for Enhanced Engagement in Afghanistan* became a central plank of the EU's work programme. A first implementation report was produced in April, followed by a *Presidency Programme* that focuses squarely on promoting the Action Plan. The intense work of the past months has paved the way for closer EU cooperation on the Kabul Process, both on political matters and on development cooperation (and the two are indeed intertwined strands of the overall EU strategy for Afghanistan).

The EU Delegation continued to contribute to donor coordination and policy dialogue in all fields. However, weaknesses in public finance management continued to hamper progress to increased use of Government systems, although it is hoped that the Kabul Process will bring significant changes in this respect. Nonetheless, the road will be long and difficult. The EU has continued to increase its contributions to multilateral trust funds and aid from the EU Budget is substantially on-budget. Steps to reorient support to improved policy definition, national programme preparation, budgeting, and budget execution were pursued, including and in particular as part of the preparations for the Kabul Conference. This should contribute to making sector-wide approaches and direct budget support realities in the medium term.

2.4.2. Coordination at the international level

The majority of the EU member states in Kabul are active members of the JCMB and its respective Standing Committees. During the reporting period the Joint Coordination and Monitoring Board (JCMB), co-chaired by UNAMA and the Minister of Finance, met twice. Preparations for the second meeting in particular, which took place immediately prior to the Kabul Conference, were much more profound than on previous occasions. Reform of the

JCMB is firmly on the agenda as part of the Kabul Process. Under new leadership installed during the reporting period, UNAMA has been reconsidering its coordination activities – with a shift in rhetoric from 'donor coordination' to 'aid coherence'. It remains to be seen how UNAMA intends to play a role in the context of the Kabul Process.

Through regular meetings, the HoD/EUSR further strengthened the relations with the UNSRSG, the NATO SCR and COMISAF as well as with the EU Institutions and member states in Kabul. The increased frequency of HoMs meetings have intensified EU coordination and ensure common lines ahead of the UNSRSG weekly meetings. Moreover, the EUSR/HoD ensured the full participation of the EU HoMs in the weekly SRSG ambassadors meetings.

The EU is growing into a larger political player in Afghanistan. In the next reporting period, the EU and its member states should enhance its political presence in Afghanistan, based on its role as a significant donor as well as an important political player. In the follow-up to the Kabul process, the EU should build on the good coordination work that emanated from its preparations for the conference in order to consolidate its position as a key, long-term international partner for Afghanistan.

2.5. Humanitarian assistance

There is still a lack of recognition of the extent and even existence of a humanitarian crisis in large parts of Afghanistan. Moreover, the security situation limits the access to vulnerable people as well as information and increases the risks for humanitarian workers. Afghanistan remains one of the world's most dangerous countries for humanitarian workers (local and expatriate staff) who increasingly are victims of intimidation, abductions and killing. There is therefore a question of access of humanitarian workers to those in need of assistance: large parts of the country (notably the South) are inaccessible for most of the humanitarian stakeholders (except ICRC to some extent). The access becomes a more difficult issue even in areas which used to be considered safe.

Poverty and vulnerability across wide areas of Afghanistan is compounded by natural disasters such as drought over the last few years, floods and recent earthquakes. This means that many communities in Afghanistan have exhausted their traditional coping mechanisms and are very vulnerable. There are also concerns over the increased security risks for civilian humanitarian workers who are perceived by insurgent forces as being associated with the international military forces. International humanitarian organisations increasingly talk of a perceived blurring of lines between the military and civilian efforts in Afghanistan and the consequent shrinking of the so-called 'humanitarian space' in which to safely and freely operate.

Despite these difficulties, the EU Delegation and the member states continued to deliver a wide range of humanitarian assistance over the last six months. This assistance was channelled to returnees, internationally displaced persons (IDPs), communities affected by insecurity and other vulnerable group including those affected by natural disasters.

In 2010, the European Commission through its humanitarian office, ECHO, funded a €33 million humanitarian aid package to provide assistance mainly to conflict and disaster affected populations as well as the new returnees. ECHO supports food, shelter, water and sanitation facilities in vulnerable areas of the country.

Bilaterally, the member states provided more than EUR 80 million in humanitarian assistance in 2010. From January to August 2010, Germany allocated about EUR 9 million for humanitarian assistance, focusing on humanitarian mine clearance, support for refugees and IDPs and disaster relief. This is complemented by approx. EUR 10 million in development-oriented emergency and transition aid. The Netherlands supported UNOCHA, WFP, UNICEF and UNHCR, EUR 6.5 million in 2010. In the last two years Italy provided humanitarian assistance for 16,2 million Euros. In 2009 Italy supported WFP, UNHCR, UNOPS, ICRC and

IFRC with a global contribution of 4,8 million Euro and launched a bilateral initiative of 4.5 million Euro with NGOs implemented projects. For 2010 Italy envisaged humanitarian assistance actions for 6,9 million Euro with the aim to continue in providing health care, improving water access, protecting vulnerable people, promoting gender equality, reducing the natural disaster risk and carrying out humanitarian mine clearance, with a focus on the Western Provinces.

The UK provided £6 million (EUR 7.2 million) to the International Committee of the Red Cross/Crescent (ICRC) to help mitigate the vulnerability of people directly affected by conflict in Afghanistan. This funding will contribute to providing 14 National Society clinics with medical equipment and training in both health care and logistics, and ensuring that 175000 conflict affected people receive food and essential household items. In addition to this, the UK is currently programming an additional £20 million (app. EUR 24 million) for humanitarian assistance over the next 4 years.

Denmark spent DKK 75 million (app. EUR 10 million) in Afghanistan through the Danish Region of Origins Initiative. This included funding for DACAAR, Norwegian Refugee Council, UNHCR and NSP. On top of this comes an expected DKK 35 million (app. EUR 4.6 million) on upcoming humanitarian problems as well as DKK 44 million (app. EUR 5.8 million) spent through Danish NGO's, primarily in the humanitarian field.

Finnish humanitarian aid contribution to Afghanistan amounted to EUR 2 million for 2010. France spent approximately 5 million EUR in 2009, mainly through 3 NGOs and the ICRC, focussing on food supply and essential household items.

2.6. Regional Issues

2.6.1. Enhanced regional cooperation

Regional cooperation has been one of the focuses of the Kabul International Conference. The importance of economic regional linkages, including through trans-boundary infrastructure programmes - such as railway connections and electricity networks - has been strongly emphasized. The November RECCA IV addressed these objectives, capitalizing on recent successes as the Hairatan-Mazar-e-Sharif railway track, and on better inter-afghan coordination, in the context of the infrastructure and development "cluster" set up after the Kabul Conference. Progress has been also accomplished for the facilitation of trade and transit between Afghanistan and all its neighbours, especially Central Asian countries as underlined at the recent UN SPECA forum.

The Afghanistan-Pakistan Trade and Transit Agreement announced at the RECCA III Conference in 2009 was finally signed in early July. This may lead to a boost in intra-regional trade (particularly exports to India).

The HoD/EUSR is a dedicated member of the Silk Road Club, an informal monthly initiative hosted by the UNSRSG since May. These meetings gather Ambassadors from "neighbouring and historically close countries" to exchange views and consider ideas of regional relevance, to be eventually later channelled to the Donors' community and to the Government. The HoD/EUSR hosted a Silk Road Club meeting in July.

Current EU financial support is limited and has to date focused on improved border and customs management and the reconstruction of the Kabul-Jalalabad road. The Delegation prepared a regional cooperation programme of EUR 22 million under the Annual Action Programme 2010, which includes further support to customs and border management, as

well as support for a Centre for Regional Cooperation (CRC) in the Ministry of Foreign Affairs, and inter-departmental coordination on railway development. The EU also supported Afghan inter-ministerial coordination (through the CRC) and advises on possible priorities in the areas of Trade, Transit and Border Management.

Member states' contributions for regional programmes include DKK 10 million (EUR 1.3 million) from Denmark. The programmes will be implemented in the border regions of Pakistan.

2.6.2. Improved EU coordination as part of international coordination

The EU contributed substantively to the drafting of the Regional Cooperation paper presented at the Kabul Conference through a dedicated Working Group. This sectoral working group is now part of the revised EU coordination architecture to accompany the implementation of the Kabul process.

During the reporting period the British Embassy and the EU Delegation collaborated closely in support of the Centre for Regional Cooperation at MFA. Regular dialogue has been ongoing in order to ensure continuous support and joint monitoring in view of the handover of funding responsibilities (from the UK to the EU) foreseen around the end of the year. The Centre is designed to increase the capacity of the Afghan Government to drive forward regional co-operation initiatives in support of its stabilisation and development needs. Common efforts have been also made to encourage the establishment of a regular sectoral consultation forum chaired by the Government and including the broader Donors' community.

3. WAY FORWARD/ NEXT STEPS

The coming period will undoubtedly be profoundly marked by the daunting challenge of implementing the outcomes of the Kabul Conference. The Kabul Process of transition to Afghan leadership, ownership and full sovereignty includes many challenges – political, developmental and managerial. Many details remain to be decided. Maintaining the new pace and intensity of intra-EU coordination and cooperation will be an additional challenge. Specifically, the following is envisaged:

Monitor the Kabul Process

- The EU will continue to monitor the GoA's implementation plan and the finalisation of the National Priority Programmes.
- Conveying common messages to the GoA will be pursued as in the lead up to the Kabul Conference.
- Discussions with the GoA and UNAMA on alignment behind GoA's priority programmes as well as reaching the goal of 50 per cent development aid on Budget, depending on improvements in public financial management and fighting corruption, will proceed.
- In agreement with the GoA, UNAMA and the larger international community, the EU also envisages to assume an active role in the processes overlooking and driving progress in the justice sector and on public administration reform.

Increased Focus on National Capacity Building

- As there is not one single Afghan national programme focusing on capacity building, EU support will continue to be provided through multi donor programmes (ASGP2) and trust funds (ARTF) as well as through bilateral programmes.

- Furthermore, at the request of the Afghan Government, the EU Delegation and the member states will look into the possibilities for supporting high level civil service training, which could include the possible establishment of a national network of civil service training centres amongst other options.

Enhance Regional Cooperation

- The EU will continue to engage with regional actors, including Pakistan, India and Iran, and will remain active in the Silk Route Club.
- The EU will work to reduce conflicts of interests between the regional countries and to encourage cooperative relations. The EU will support efforts to rebuild the historical role of Afghanistan as the trade and transit hub for the region.
- The EU will also help the Afghan government to implement a network of think tanks to coordinate policy on the region. An EU working group on Regional Cooperation will be established, facilitated by the EU Delegation, to promote common EU positions on regional issues.

Support of Reintegration and Reconciliation Efforts

- The EU will continue to coordinate EU donors through regular meetings of the working group on reintegration, set up before the Kabul Conference.
- The EU will decide upon its contribution from the EU Budget to the APRP in the upcoming months.
- The EU will work with member states and the USA, in the context of the latter's forthcoming review, with a view to ensuring that human rights, and in particular women's rights, are taken into account in the reintegration and reconciliation processes.

Facilitate 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. European stakeholders are actively involved in setting up a new coordination mechanism inside the Ministry of Interior, the Ministry of Interior Coordination Cell (MICC).
- The EU Delegation plans to support the construction of a National Police Staff College in Kabul and a Regional Police Training Centre in Bamyan province through the Instrument for Stability to allow for a more proactive EUPOL involvement in the provision of civilian police training.
- This support programme furthermore foresees a number of short-term police capacity building measures to be implemented by EUPOL. It is currently being explored how to provide more substantial support to EUPOL's civilian police training activities.
- To ensure an increased efficiency and flexibility of EUPOL, it is recommended that thought should be given to determine how best to implement the provisions of art 6.1 of Council Decision 2010/279/CFSP of 18 May 2010 on the EUPOL Mission in Afghanistan, which states that the Head of the EUPOL Mission shall assume responsibility and exercise command and control of the Mission at theatre level.

Electoral reform

- The EU has already held the first seminar in a series of many to discuss the challenges facing electoral reform for the future. The EU will continue to work closely with the IEC and other electoral stakeholders on the follow-up to the EU EOM 2009 and the EU EAT 2010 recommendations. It aims at ensuring that the mistakes that were made after the 2005 elections will not be repeated.
- The EU will continue to support institutional development, including capacity training for all electoral stakeholders (e.g. public awareness, voter education) and legal and electoral reform (e.g. voter registry, transparency and accountability in parliamentary procedures), in accordance with member states' programmes and as recommended by previous EU EOMs.
- Follow-up seminars will be held shortly after the final announcement of results to ensure that the momentum from the elections is not lost, and that donors commit to long-term electoral reform.
- EU could play a greater role in providing support to the parliament. Parliamentary support has previously been both sporadic and uncoordinated. The EU could take an active role in coordinating support to the new parliament - both technically in helping to develop the facilities but also structurally by improving routines, regulations and procedures as well as politically through a greater and more structured engagement with the Afghan parliament as an institution. This would increase the parliament's capacity and its abilities to play the role assigned to it by the Afghan constitution.

Human Rights

- The EU will continue to chair the Human Rights Group, and will endeavour to focus the group on key issues, including the advancement of women's rights.
- A series of seminars to introduce the donor community to the main issues affecting women are planned, and the EU will endeavour to participate in the '16 days of activism' (25 November – 10 December).
- A more specific approach will be developed on how to ensure that transitional justice is not again relegated to the back burner, and a link between human rights, transitional justice, and reconciliation will be sought, as well as closer interaction with the Ministry of Religious Affairs to promote human rights and more essentially women's rights in the Afghan context.

Strengthen Civil Society

- The EU will continue to provide support to the expansion and strengthening of civil society. The growth of civil society and linked support to the growth of democratic parties and organisations will help to expand and hopefully consolidate the space for public debate in Afghan political forums. Such space is crucial, especially if a political solution is sought with the opposition. This could be achieved through financial means. Several member states are working on the establishment of a trust fund to which the EU also could contribute from the EU Budget.
- In addition, members of civil society and the strata belonging to the younger political class could be engaged politically through invitations to Europe and increased participation in workshops and conferences.