

Discussion Paper

Afghanistan National Development Strategy (ANDS) Formulation Process: Influencing Factors and Challenges



Sayed Mohammed Shah

About the Author

Sayed Muhammad Shah is Senior Policy and Communications Officer with the Communications and Advocacy team at AREU. He has a MA in Mass Communications from Balochistan University, Pakistan. He has been working with AREU since August 2007 and has a major involvement in AREU's Policymaking Process studies and other communications activities.

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The Afghanistan Research and Evaluation Unit (AREU) is an independent research organisation based in Kabul. AREU's mission is to conduct high-quality research that informs and influences policy and practice. AREU also actively promotes a culture of research and learning by strengthening analytical capacity in Afghanistan and facilitating reflection and debate. Fundamental to AREU's vision is that its work should improve Afghan lives.

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Table of Contents

1. Introduction	5
2. Research Objectives and Methodology	6
2.1 Interacting with key stakeholders and interviews	7
2.2 Finding and collecting key documentation for analysis	7
2.3 Monitoring of the policymaking process	8
2.4 Limitations	8
3. Background	8
4. Ministries' and agencies' strategies.....	13
4.1 Issues and analysis	13
5. Consultative Process	16
5.1 National Consultations.....	16
5.2 Subnational Consultations	16
5.3 Issues and analysis:	18
6. Sector Strategies.....	21
6.1 Issues and analysis	22
7. Donors' Dialogue	23
7.1 Issues and analysis	23
8. Finalisation of ANDS	24
9. Key Findings	25
9.1 Afghan ownership in question	25
9.2 Sacrificing quality over process	26
9.3 Lack of coordination and other complexities	27
10. Conclusion.....	27

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Acronyms

AACA	Assistance Coordination Authority
AC	Afghanistan Compact
ACBAR	Agency Coordinating Body for Afghan Relief
ADB	Asian Development Bank
ADF	Afghanistan Development Forum
ANDS	Afghanistan National Development Strategy
APPPA	Afghanistan Pilot Participatory Poverty Assessment
ARD	Agriculture and Rural Development
AREU	Afghanistan Research and Evaluation Unit
CCCGs	Cross-Cutting Consultative Groups
CGs	Consultative Groups
CIDA	Canadian International Development Agency
CPHD	Centre for Policy and Human Development
DAD	Donor Assistance Database
DDAs	District Development Assemblies
DDPs	District Development Plans
DFID	Department for International Development (UK)
EAG	External Advisory Group
FAO	Food and Agriculture Organization of the United Nations
FCCS	Foundation for Culture and Civil Society
HIPC	Heavily Indebted Poor Countries
I-ANDS	Interim Afghanistan National Development Strategy
IMF	International Monetary Fund
JCMB	Joint Coordination and Management Board
JDR	Joint Donors' Response
MAIL	Ministry of Agriculture, Irrigation and Livestock
MDGs	Millennium Development Goals

MAIL	Ministry of Agriculture, Irrigation and Livestock
MoE	Ministry of Education
MoF	Ministry of Finance
MoHE	Ministry of Higher Education
MoLSAMD	Ministry of Labour, Social Affairs, Martyrs and Disabled
MP	Master Plan
MRRD	Ministry of Rural Rehabilitation and Development
NABDP	National Area-Based Development Programme
NDF	National Development Framework
NGOs	Non-Governmental Organisations
NSDP	National Skills Development Programme
OSC	Oversight Committee
PDC	Provincial Development Council
PDPs	Provincial Development Plans
PRSP	Poverty Reduction Strategy Papers
PRTs	Provincial Reconstruction Teams
SAF	Securing Afghanistan's Future
SNC	Subnational Consultations
SSDGs	Sector Strategy Development Groups
SSPSRL	Support to Strategic Planning for Sustainable Rural Livelihoods
TWGs	Technical Working Groups
UN	United Nations
UNAMA	United Nations Assistance Mission to Afghanistan
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
USAID	United States Agency for International Development
WB	World Bank
WGs	Working Groups

1. Introduction

The policymaking process is messy, but it can be characterised as involving various stages. These include agenda setting, policy formulation and policy implementation. There are various internal and external factors influencing the process throughout, and the result typically manifests in the agenda of the party in power. In Afghanistan, identifying who is actually in power is difficult because the government's autonomy is weakened by its dependency on foreign aid. Sixty-two donors¹ support the Afghan Government with billions of dollars for a part of its recurrent expenditures and for its entire development programmes. These donors have diverse mandates and approaches to the development of various sectors in the country and spend a large portion of development funds directly, without the government's involvement, on specific programmes in their regions of interest. These donors also strive to ensure integration of their priorities in national programmes, making it very difficult for the government to decide on national priority programmes.

An understanding of policymaking mechanisms is essential for all those actors endeavouring to influence policies and practices. The preparation of the Afghanistan National Development Strategy (ANDS) has been the biggest policymaking and strategy development event in the history of modern Afghanistan since 2001, in which consultations

S. No	ANDS Phases	Timeframe	Participants	Output
1	Ministries' / agencies' Strategy	March to May 2007	Ministries, government institutions, ANDS Secretariat, international donor organisations	43 Individual ministry/ agency strategies
2	ANDS consultations: <ul style="list-style-type: none"> National level Subnational level 	June to November 2007	Government ministries, institutions, ANDS, civil society, parliamentarians, communities, national and international development organisations, donors, embassies and academics.	35 Provincial Development Plans (PDPs). Input for sector strategies
3	Sector strategies	June to December 2007	Ministries, government institutions, ANDS Secretariat, international donor organisations	17 sector strategies and six cross-cutting strategies
4	Donor dialogue on sector strategies	October to December 2007	Donor organisations, UN agencies, ANDS Secretariat, government ministries	Consolidated comments
5	Final ANDS	December 2007 to April 2008	ANDS Secretariat	ANDS Document

¹ This figure was quoted by Professor Ishaq Nadiri, ex-Senior Economic Advisor to the President, at a lecture given at the Centre for Policy and Human Development, 8 July 2008.

were conducted at national and subnational levels. The occasion has provided a golden opportunity for broader observation and understanding of the policymaking process.

This paper, which has been divided into three parts, discusses the process of formulating the ANDS document. The first part briefly describes the research methodology, followed by some background information on the recent history of policy development in Afghanistan since the fall of the Taliban regime in 2001. It links the ANDS with the process of the Interim Afghanistan National Development Strategy (I-ANDS), the Afghanistan Compact (AC), the Millennium Development Goals (MDGs), the structure, role and responsibility of the Oversight Committee (OSC), and the Joint Coordination and Management Board (JCMB).

The second part of this paper highlights the process of developing various components of the ANDS document, including the ministries'/agencies' strategies, the consultative process, sector strategies, donors' dialogue and the finalisation of the ANDS.² This part is more detailed than the rest of the document. It describes some key facts, and is illustrated by a specific example of policymaking during the ANDS that highlights the extremely complicated process and some influencing factors.

The process of national and subnational consultations and their strengths and shortcomings are thoroughly discussed, and the manner in which this process raised expectations among communities is also sketched out. A major theme explored in this section is the Afghan Government's level of ownership within the process and the role and influence of other key stakeholders. Finally, the time constraints and other factors influencing the creation of the ANDS are also examined.

The last part of the paper summarises the main findings in response to the overarching questions raised as a result of the study and explores the factors influencing the process of the document's development, the level of ownership by the Government of Afghanistan, and the issues of quality, management and time constraints.

2. Research Objectives and Methodology

The Afghanistan Research and Evaluation Unit (AREU) has the mandate to influence policy and practice through quality research, therefore it is essential to understand how policies are developed in Afghanistan and what are the influencing factors. The understanding of policy processes in Afghanistan will enable AREU to more effectively influence policies in favour of sustainable development and thus bring about an improvement in the quality of Afghan lives.

AREU initiated a three-year study in September 2007 to understand the process of policymaking in Afghanistan. The broad aim of this study is to build an understanding about how policy is made and by whom. An analytical understanding of policymaking practices in Afghanistan is an essential precondition for engagement in those processes in order to leverage evidence as a policy-driving mechanism and to effect policy change. The study will consist of five or possibly six selective case studies focusing on the ANDS sectors.

The drafting of the ANDS was a major policymaking process in Afghanistan, and given its importance, AREU decided to observe and participate in its development. At the

² The ministries'/agencies' strategies, consultative process and sector strategies are explained in detail in this paper in sections 4,5,8 respectively.

conclusion of the ANDS process, AREU, reflecting its mandate as an independent research organisation and drawing upon its close observation of the process, prepared two separate documents: 1) a response to the ANDS document (an analysis of the contents); and 2) a description of the ANDS process explaining how the document was developed. The latter is included in this report.

The remainder of this section describes the methods used to obtain the key data upon which the description and analysis in this report are based, and ends with a discussion of the limitations of the methodology.

2.1 Interacting with key stakeholders and interviews

As part of AREU's policy-process study, Agriculture and Rural Development (ARD) was chosen as the first sector to be examined. The first step was the identification of the key donors for this sector. To this end, budget information and a list of key donors were obtained from the Donor Assistance Database (DAD) in the Budget Department of the Ministry of Finance (MoF), which enabled us to find the donors' focal staff in the Ministry of Agriculture, Irrigation and Livestock (MAIL) and the Ministry of Rural Rehabilitation and Development (MRRD). AREU's previous relationship with these ministries, and the reputation it had forged, helped in gaining the trust and cooperation of ministry staff in preparing a contact list in a short period of time. This list contained the names and contact information of key staff from both ministries and the donor representatives working within them. Subsequent successful interaction through individual and group meetings resulted in information-sharing, the development of connections with other stakeholders, and opportunities to observe the processes of sector strategy development, national and subnational consultations, working groups, donors' dialogue, ANDS meetings and other relevant events.

This process started with the ARD sector, but it provided an opportunity to witness the broader aspects of the ANDS formulation process and gather information on other sectors and key actors involved in the process. As our list of contacts grew, individual and collective interviews were conducted with key staff in different ministries, ANDS Secretariat staff, donors' representatives, members of Sector Strategy Development Groups (SSDGs), working groups, members of drafting teams from different ministries and other staff involved in national and subnational consultations. Most of the interviews were conducted in English and Dari under conditions of confidentiality and anonymity. A total of 25 interviews were conducted, and almost all focused on the ANDS process. Those interviews specifically conducted for the ARD sector, 17 in total, also covered the ANDS issues as this sector was an integral part of the national strategy and the relevant stakeholders had their own views about the overall process. The interviews took from one to two hours and were loosely structured around some key questions that focused on key stakeholders and their roles and interests in the process. No formal questionnaire was used. The interviewees were selected on the basis of their roles in the process, their positions within their respective organisations, their knowledge, and their level of participation as observed in various meetings such as consultative groups, donors' dialogue, working groups and media programmes. The written notes from these interviews were the main source of information and were used in conjunction with reports from observed meetings.

2.2 Finding and collecting key documentation for analysis

The collection of all available policy and programme documents from the relevant ministries and from the ANDS Secretariat for analysis was a precondition of this study

and led to the collection of documents produced through the ANDS process, including drafts and final versions. Documents related to ministries' programmes, master plans, implementation plans, ministry and agency strategies, reports on national and subnational consultations, operation manuals, sector strategies, comments by donors and other organisations, the draft and final versions of the ANDS, progress reports and Provincial Development Plans (PDPs) were collected. A bibliography of these documents was also prepared to facilitate easier reading and analysis by the author of this report. Some of the documents were collected in draft forms along with comments by different organisations. This information helped the author understand conflicting opinions on different subjects, as well as priority issues for different stakeholders. Comparing the final version of documents with draft versions helped in analysing how priorities emerged and changed during the process.

2.3 Monitoring of the policymaking process

Policymaking is an evolving process, and for those who seek to understand it, participant observation throughout the process, particularly at meetings, is a useful source of information and helps in understanding the advocacy standpoints of different organisations. Successful interaction with key stakeholders enabled us to navigate such key meetings and gatherings as Consultative Groups' (CG) meetings, donors' dialogue, working groups, subnational consultations, and workshops and seminars on ANDS or related subjects. Extensive notes of these meetings and events were taken and recorded for final analysis. Discussions during these events provided the opportunity to understand the mandates of different stakeholders, as well as enabling an in-depth understanding of various issues from different perspectives as evidenced by the conflicting points of view and the diverse problem-solving solutions that were proposed. The observation of the process was a key component in the development of this report.

2.4 Limitations

It is worth noting several limitations of this study. It was almost impossible to access the office of the Senior Advisor to the President on Social and Economic Development, Professor Ishaq Nadiri, for the purpose of interviews and the gathering of relevant information. This was mainly due to the high level of protocol and to Professor Nadiri's extensive engagements. Some members of the Oversight Committee (OSC), who are key cabinet ministers, could not be interviewed because of their busy schedules. JCMB meetings also could not be attended because of the high-ranking level of the participants. As a result, this paper relies on information made available to the public and interviews with representatives of donor organisations, staff from various ministries and selected staff from the ANDS Secretariat. Important decisions were made at those higher levels, and the researchers' inability to access and monitor this part of the process may have affected the study. The unwillingness of some stakeholders to share information also made it difficult to obtain in-depth information on the issues surrounding the process.

3. Background

The last seven years of development efforts in Afghanistan have resulted in important rounds of policy and strategy development. In 2002, a National Development Framework (NDF) was prepared for the Interim Government of Afghanistan and national priority programmes were identified for the emergency period.³ Based on input from government

3 National Development Framework (NDF) draft - for consultation, April 2002.

departments and the direction of the Afghan Assistance Coordination Authority (AACCA), the NDF was, according to most accounts, designed and written by foreign experts.⁴

Securing Afghanistan's Future (SAF) emerged after the preparation of the NDF. SAF was written in 2004 by more than 100 international experts from the United Nations (UN) and multilateral development institutions in collaboration with their Afghan colleagues. It put forward a program of investments designed to lay the foundations for the sustained economic growth needed to support a financially sustainable state capable of undertaking social development and poverty reduction.⁵ Both the NDF and SAF documents were developed with limited consultations with Afghans during the formulation process and hence were dubbed non-Afghanised strategies.⁶

The AC and the I-ANDS process began in early 2005 with a discussion of Afghanistan's MDGs, which the Government of Afghanistan envisions will improve the well-being of its people. The MDGs, agreed upon by all UN member states, set measurable targets for "enabling more human beings to enjoy the minimum requirements of a dignified life by 2015."⁷ Because of its lost decades and the lack of required information, Afghanistan has altered the time frame for achieving its MDG targets to 2020.

The I-ANDS development process was led by a Presidential Oversight Committee chaired by Professor Nadiri, then Senior Economic Advisor to the President. Committee members included Hedayat Amin Arsala, Senior Advisor to the President and Minister of Commerce; Dr Abdullah Abdullah, Minister for Foreign Affairs; Dr Anwarul Haq Ahady, Minister of Finance; Dr Mir Mohammad Amin Farhang, Minister of Economy; Dr Zalmay Rasool, National Security Advisor; and Mohammad Haneef Atmar, Minister of Rural Rehabilitation and Development⁸. Afghanistan Reconstruction and Development Services Director Adeeb Farhadi headed the working groups. The OSC worked throughout 2005 and 2006 to develop and refine the contents of I-ANDS and to oversee the process.

Based on the MDGs, the I-ANDS was developed. It contained three pillars, under which eight sub pillars and six cross-cutting issues articulated policies (see Figure 1). The OSC consulted donors, the private sector, non-governmental organisations (NGOs) and civil society representatives through a consultation draft. An External Advisory Group (EAG) of donors provided informal feedback on the I-ANDS. The UN facilitated AC negotiations, and consultations were held between the international community and the Government of Afghanistan to set the benchmarks, which represent consensus on policy priorities between the two. However, some sources said that a group of ambassadors (referred to as a "tea club") were responsible for much of the indicator development.

The Afghanistan Compact is a political agreement between the Government of Afghanistan and the international community to work together toward achieving five-year benchmarks.

4 There was a general understanding among those interviewed that the NDF was designed and written by foreign experts, which was emphasised in interviews with senior UNDP employees on 04 March 2008 and in an interview with Norwegian Embassy staff in September 2007.

5 ADB, UNAMA, UNDP and WB, *Securing Afghanistan's Future: Accomplishments and the Strategic Path Forward*, (17 March 2004).

6 The term "non-Afghanised strategy" came into being when the ANDS Secretariat began calling the ANDS document a completely Afghanised strategy and the NDF and SAF non-Afghanised due to the involvement of numerous foreign experts in their preparation.

7 Islamic Republic of Afghanistan, "Millennium Development Goal Country Report 2005," (summary report, Kabul: 2005), 17.

8 Islamic Republic of Afghanistan, "An Interim Strategy for Security, Governance, Economic Growth and Poverty Reduction (I-ANDS)," (Kabul: February 2006), 3.

It supports the government's development strategy with each benchmark reflected as a five-year strategic objective of the I-ANDS. The London Conference, held from 31 January to 1 February 2006, brought together 60 delegates from the Government of Afghanistan, the UN and the international community. The delegates met to agree on the AC and I-ANDS with the Government of Afghanistan and subsequently pledged US\$10.5 billion in funds to support Afghanistan's reconstruction. The event was a precursor to the development of a full ANDS that would lay out the strategic priorities and mechanisms for achieving the government's overall development vision and would serve as the country's Poverty Reduction Strategy Paper (PRSP).

PRSPs are required by the International Monetary Fund (IMF) and the World Bank before a country can be considered for debt relief within the HIPC (Heavily Indebted Poor Countries) initiative. HIPCs are a group of the 41 least-developed countries with the highest levels of poverty and debt. The IMF and World Bank provide debt relief and low-interest loans to reduce external debt repayments to sustainable levels. To qualify for assistance, the national governments of HIPC countries must meet a range of economic, management and performance targets. In April 2007, Afghanistan became the 41st HIPC via fairly unique circumstances.⁹ The Government of Afghanistan had come under pressure from Russia and the IMF to accept a debt of USD\$10.6 billion¹⁰ from Russia based on the amount of funds transferred to Afghanistan during the communist regime from 1978 to 1989. However, Afghanistan's status as a HIPC country meant that it would be able to write off the debt. Although the Afghan Parliament reacted strongly against the move, the decision was made on the basis that the country would be more likely to receive support and future funding from donors.

Following the London Conference, the Afghan Government and the international community (donor countries and institutions) agreed to establish the Joint Coordination and Monitoring Board for overall strategic coordination of the implementation of the AC.¹¹ The JCMB was a high-level decision-making body that focused on resolving strategic problems arising from the implementation of the AC. The JCMB is comprised of seven representatives from the Government of Afghanistan and 21 representatives from the international community. The seven government representatives were members of the Afghanistan National Development Strategy Oversight Committee nominated by the President, Hamid Karzai. They included the Senior Economic Advisor to the President, the Minister of Foreign Affairs, the Minister of Finance, the Minister of Economy, the National Security Advisor, the Minister of Education and the Minister of Justice. The 21 representatives from the international community were the Special Representative of the Secretary General and representatives from the United States, the United Kingdom, Japan, Germany, the European Union, India, Pakistan, Iran, China, Saudi Arabia, Turkey, Russia, the International Security Assistance Force, Coalition Forces, Canada, Netherlands, Italy, France, the World Bank and the Asian Development Bank (ADB).¹² The JCMB had two co-chairs: the Senior Economic Advisor to the President and Chairman of the ANDS OSC; and the Special Representative of the Secretary General, United Nations Assistance Mission in Afghanistan (UNAMA). The first meeting of the JCMB took place on 30 April 2006 and involved a review of the Board's role and its scope of responsibilities.

9 International Monetary Fund, "Debt Relief Under the Heavily Indebted Poor Countries (HIPC) Initiative" (factsheet, 2008) <http://www.imf.org/external/np/exr/facts/hipc.htm> (accessed 20 November 2008).

10 Jon Boone, "Afghan failure to meet IMF target casts doubt on debt relief," *Financial Times* (2 April 2008).

11 Joint Coordination and Monitoring Board, (terms of reference, 2006), 1.

12 "Joint Coordination and Monitoring Board Factsheet," (Kabul: UNAMA, 2006).

In the post-London Conference period from February 2006 to March 2007, planning activities were held for the development of the full ANDS document. After the first JCMB meeting in April 2006, the OSC asked the United Nations Development Programme (UNDP) to initiate a multi-donor project to support the formulation of the ANDS. The UNDP subsequently devised a two-year, USD\$8.2 million project¹³ with funding from the UK's Department for International Development (DFID), the Canadian International Development Agency (CIDA), the UNDP and the Dutch, Norwegian and Italian governments. The purpose of this project was to build a team to coordinate the preparation of ANDS and improve the capacity of team members. From July to September 2006, some 40 team members were recruited, including international and national staff, of which some of the latter had been involved in the formulation of I-ANDS and the AC. This team was called the ANDS Secretariat and was supervised by the ANDS OSC. The JCMB also provided guidance in the preparation of the ANDS.

To support the OSC in their role, the MoF and the ANDS Secretariat officially launched the structure of CGs on 25 May 2006. Based on eight sectors of the ANDS, eight CGs and five cross-cutting thematic groups were formed to coordinate and monitor aid effectiveness and reporting to the OSC. Each CG was co-chaired by the Minister of Finance and a relevant member of the OSC, and its members belonged to relevant government ministries and agencies, donor organisations, UN agencies and civil society. The CGs coordinated and monitored the effective implementation of the AC, assisted ministries in finalising strategies, advised on cross-sectoral priorities, aligned donor funding with strategies, and monitored aid effectiveness within the sector. To support the main functions of the CGs, 22 Technical Working Groups (TWGs) were established. Each of the TWGs was responsible for one or more of the AC benchmarks. Their main responsibilities were collecting and analysing data, developing policies, strategies and development programmes linked to the budget process, ensuring efficiency and monitoring progress toward the implementation of the benchmarks.¹⁴ Its members included representatives from relevant government ministries and agencies, donor organisations, UN agencies and civil society. Within the overall CG structure, Cross-Cutting Consultative Groups (CCCGs) were formed to address cross-cutting themes. The CCCGs had the "dual role of advising CGs and TWGs on cross-cutting themes, as well as reporting to the JCMB through the Oversight Committee on the implementation of cross-cutting policies."¹⁵

The practical development of the ANDS began in March 2007. A source from the ANDS Secretariat said the initial deadline for the completion of the ANDS was September 2008, but that time frame was pushed forward by six months to March 2008 at the request of the MoF, which was supported by the IMF. The change was made because the IMF had set a requirement that those HIPC countries that had reached a decision point had to adopt and have implemented their PRSPs for at least one year by March 2009. Once a country had met those criteria, it could reach its completion point, at which time lenders were expected to provide the full debt relief committed at the decision point. It is worth mentioning that, of the 41 countries that have been deemed eligible for HIPC initiative assistance, 23 have already reached their completion points and are currently receiving debt relief from the IMF and other creditors. Ten countries, including Afghanistan, have reached a decision point and are receiving interim HIPC debt relief pending their completion of the full requirements. Eight countries have been deemed

13 High-ranking UNDP official, pers. comm., 25 August 2008.

14 Consultative Groups Manual, Terms of reference and procedures, (04 March 2007), 8; and the ANDS website: http://www.ands.gov.af/ands/Provincial_Consultations/details.asp?id=60&sn=1&psn=0&awareness=0&national=expanded (accessed 25 November 2008).

15 Consultative Groups Manual, 8.

4. Ministries' and agencies' strategies

The first step in the ANDS development process was the preparation of individual strategies by all government ministries and agencies, which began in February 2007 after the approval of the ANDS work plan in mid-December 2006. In almost all ministries, technical teams were formed to conduct the initial drafting. The teams were comprised of foreign consultants and national ministry staff. The consultants had been contracted by various international organisations to provide technical support to the ministries and assist in the implementation of different programmes. A template was designed by the ANDS Secretariat for the preparation of these strategies with the aim of developing uniformity. The ANDS Secretariat also reviewed and commented on the draft ministries' strategies to aid in their improvement. The strategies were prepared in line with the AC benchmarks. In total, 43 ministry/agency strategies were developed and approved by the ANDS working groups. The ANDS Secretariat claimed strong ownership¹⁷ by the respective ministries and agencies during the strategy development process. Some of the strategies were presented to the Afghanistan Development Forum (ADF) in April 2007 and provided the basis for subnational consultations.

4.1 Issues and analysis

Members of the ministries' drafting team belonged to different organisations with varying agendas, and each would try to ensure that the mandates of their respective organisations were represented in the strategy.¹⁸ The contradiction of interests started a tug-of-war, first among the team members and then between the drafting teams and the ANDS Secretariat. At times, ministries felt their authority challenged as government bodies and sector owners, and they resented the ANDS Secretariat's authoritarian style when their draft reports were returned with specific directions for changes. They also questioned the status of the ANDS Secretariat and whether it was a government body. The ANDS Secretariat was managed through the office of the Chief Economic Advisor to the President but operated under UNDP funding with the presence of numerous foreign consultants.

All ministries were running different programmes to uplift their respective sectors, and some had developed master plans that consisted of several national development programmes (see Case Study 1). Thus, the ministries had already established and were committed to a set of priorities. The AC benchmarks in many cases conflicted with the ministries' programme priorities, making it difficult for drafting teams to reconcile these priorities and satisfy all the stakeholders as well as facilitate better outputs for the sector. The situation further deteriorated when they found that the ANDS Secretariat was inflexible on AC benchmarks, using a directive tone rather than engaging in negotiation (see Case Study 1).

The AC contains 72 development benchmarks incorporating set targets, of which certain benchmarks provided unrealistic and unachievable targets; however, these were immovable and were to be strictly followed. For instance, one of the benchmarks for the Security sector read: "All illegal armed groups will be disbanded by end-2007 in all provinces."¹⁹ Similarly, the benchmarks for Skills Development read: "150,000 men and women will be trained in marketable skills through public and private means by end-

17 "Ownership" in this context refers to the level of decision-making in setting national priorities.

18 Sources from government ministries and international organisations, pers. comm., from August 2007 to October 2007.

19 Afghanistan Compact, Annex I, "Benchmarks and Timelines," (February 2006), 6.

2010.”²⁰ Up to the drafting of this report, according to the National Skills Development Programme (NSDP), only 20,000 people had been trained. “We neither have sufficient funds nor human resources and sufficient time to accomplish this target,” a senior NSDP staff member said, adding: “Now the MoF has extended programmes up to 2013, but again it is unachievable. Even if we train 150,000 people, the market does not have the capacity to absorb them.”²¹ Another example is the benchmarks in Urban Development, which said: “By 2010, in line with Afghanistan’s MDGs, investment in water supply and sanitation will ensure that 50 percent of households in Kabul and 30 percent of households in other major urban areas will have access to piped water.”²² The working group in this sector in the donors’ dialogue on the Urban Development sector strategy said this benchmark was unrealistic and unachievable.

OSC Chairman Professor Nadiri²³ said problems with the realising of the benchmarks were due to a lack of information about the sectors that could have been used to inform the assumptions made while they were being set.

From the beginning, the Government of Afghanistan, particularly the ANDS Secretariat, made the claim that ANDS was Afghan-owned, an indigenous development vision that could guide government action in place of strategies that had been prepared outside Afghanistan. However, this claim appeared to be less than genuine in light of interventions by donors. The country’s dependence on aid makes the position of its government less influential when dealing with donors on setting national priorities. Afghanistan is funded by 62 donor countries and institutions for its development programmes and recurrent expenditures.

These donors have diverse approaches to the development of various sectors in the country, but all expect their demands to be met by the government (see Sections 7 and 8). Such a situation creates tremendous difficulties for the government, which must wrestle with contradictory demands and eventually compromise on its own priorities. Whether or not it fits into the context of Afghanistan, any idea suggested by an aid organisation is likely to find a place in the country’s development strategies.

A further limitation on the effectiveness of the government in determining its own destiny has been the weakness of its own human resources. The shortage of properly qualified staff in government ministries limits the government’s capacity to formulate policy and strategy and forces them to rely on technical assistance from foreign consultants. Most ministry staff were trained during the 1970s. Afghanistan’s isolation from the rest of the world during the protracted years of civil war left it excluded from modern knowledge and technologies in almost all sectors. Afghanistan’s formal education system was not reformed nor its curriculum updated, particularly at the higher education level, during the 30 years of civil war. It has produced a cadre of degree holders with outdated ideas that do not fit the requirements of the modern age. Although much work has been done since 2001 to reform and update the educational system and curriculum, as well as to build the capacity of government staff, neither the education system nor the existing workforce are close to meeting international standards. On the other hand, the attractive salaries and incentives offered by non-governmental organisations have drawn a huge number of professionals, particularly those repatriated from abroad after the Taliban regime. In light of its meagre resources, the government sector cannot compete with the

20 Afghanistan Compact, “Benchmarks and Timelines,” 10.

21 NSDP national staff, pers.comm., 24 August 2008.

22 Afghanistan Compact, “Benchmarks and Timelines,” 9.

23 Ishaq Nadiri, Lecture on the ANDS, Centre for Policy and Human Development, (8 July 2008).

salaries offered by international organisations, and thus cannot attract the same calibre of professionals.

Box 1: Case study on ministry strategy formulation in the Ministry of Agriculture, Irrigation and Livestock (MAIL)

This case study identifies some inherent challenges involved in the development of the ministry strategy for the MAIL. This information is based on interviews with members of the working group who drafted the strategy.

MAIL developed a master plan under the Support to Strategic Planning for Sustainable Rural Livelihoods (SSPSRL) project funded by the DFID that started in early 2005. A working group consisting of international advisors and consultants and national ministry staff worked jointly and identified national priorities based on the needs of the agriculture sector in Afghanistan. These priorities were incorporated in the agriculture sector Master Plan (MP), which encompassed seven national programmes. At the time of developing the ANDS ministry strategy, the working group found the AC benchmarks conflicted with MP priorities, which they said resulted in different sector targets. Working group members complained that although the AC benchmarks were not sufficiently realistic, they were non-negotiable and set specific reporting requirements. The MAIL team responsible for the formulation of the ministry strategy began reconciling the MP and the ANDS and decided to meet the benchmarks through the seven programmes of the MP. Eventually, they devised a ministry strategy and sent it to the ANDS Secretariat. However, the Secretariat rejected the document and sent it back to the ministry with directives to report solely according to the AC benchmarks.

With the SSPSRL coordinating the process, the team set about improving the strategy based on the Secretariat's directives and was able to successfully revise the document. Meanwhile, another ministry strategy appeared written by the United States Agency for International Development (USAID) Advisor who was working directly with the office of the Chief Economic Advisor to the President and Chairman of the ANDS Secretariat. It was significantly different from the strategy developed within the ministry, given that USAID had a different approach¹ from other donors for the development of the agriculture sector in Afghanistan. The second strategy surprised members of the drafting team and they protested against it;² as a result it was subsequently rejected. However, the matter did not end there; a USAID consultant made another attempt to have the second strategy signed by the Minister by attaching to it the title page of the ministry-led strategy. It was checked before signing and rejected, and the jointly drafted strategy was subsequently signed.

1 RAMP final report, "Rebuilding Agriculture Markets," (Kabul: USAID, 2004).

2 Member of working group on ministry strategy, pers. comm., 30 November 2007.

While government employees lack up-to-date technical training, foreign consultants who are highly qualified from a technical perspective tend to apply concepts that may not be suitable in the context of Afghanistan. In particular, the ideas of an open-market economy, private sector development and commercialisation have often been promoted by consultants, primarily because there is political concord between the Afghan Government authorities and the international community to embrace such concepts. Consequently, Afghan ministry staff and foreign consultants have had to work together despite a huge gap in ideas and capacity, and with limited opportunities and insufficient time for discussion and the creation of mutual understanding.

5. Consultative Process

The ANDS Secretariat described consultations and participation at the centre of the ANDS process and claimed it was the first time in the history of Afghanistan that the government had conducted broad-based consultation with the people.²⁴ In general, the ANDS consultative process was comprised of two parts: national consultations and subnational consultations.

5.1 National Consultations

The national-level consultations were primarily conducted through CG meetings held quarterly, prior to each full JCMB meeting in order to share CG meeting reports with JCMB members. TWG meetings were also held quarterly to enable TWG members to share their reports at CG meetings. The CG meetings were jointly chaired by representatives from the MoF and the relevant ministries. A total of five rounds of CG meetings were held; the first series were held from 6 June 2006 and the final round from 8 January to 14 January 2008. Participants at these meetings included representatives from Afghan Government institutions, civil society organisations, UN agencies and the donor community. The meeting agendas usually included opening remarks by the co-chairs, progress on the sector strategy, implementation and progress of the AC benchmarks, the sectoral budget, open discussions and recommendations, and the achievements of previous JCMB actions and decisions. Other consultative events, such as those organised to consult with youth below the age of 25, were also organised outside of the CG meetings (in the case of youth, these were mainly held at universities).

5.2 Subnational Consultations

The ANDS Secretariat also had the mandate to hold consultations at the provincial level. The Secretariat had prepared a consultation plan which it initially intended to facilitate through the offices of provincial governors and Provincial Development Councils (PDCs). However, the weak capacity of provincial administrations necessitated the development of a different approach, and the issue was discussed at the Afghanistan Development Forum²⁵ in April 2007. At the ADF meeting, some donors proposed the idea of Provincial Development Plans being incorporated into the ANDS process²⁶. A draft discussion paper for the ADF on "*Provincial Development, Provincial Budgeting and Integration PDPs into ANDS*" (April 2007, page 6) states: "At the end of 2006 the PRT's (Provincial Reconstruction Teams) Steering Board approved the PRT Policy Note which supported the development of the PDPs within the framework of developing the ANDS." The PRTs had already stimulated provinces to work on developing PDPs, and by the time of the ADF meeting in April 2007 21 provinces had completed the process of developing PDPs.²⁷ During this ADF meeting, the PDPs attained lots of emphasis from some donors or PRTs, who argued that the PDPs would create grassroots democracy and gain popular support for the ANDS. They viewed the preparation of the PDPs as the best way to ensure a bottom-up rather than top-down approach in the ANDS process. Certain organisations, including the MoF, the DFID, the World Bank and the ANDS Secretariat opposed the idea

24 ANDS/PRSP Progress Report, prepared for IMF/World Bank Board of Directors, (2006/2007), 15.

25 In January 2002, the Afghan Government agreed to meet with donors annually to review the country's development priorities. The first ADF was held in 2003 and continued until 2007. More information is available at <http://www.adf.gov.af/index.asp?page=faqs#watsadf>

26 Senior MRRD staff and international and national NABDP staff, pers. comm., from September to December 2007.

27 Afghanistan Development Forum, "Provincial Development, Provincial Budgeting and Integration PDPs into ANDS," (April 2007), 6.

of preparing the PDPs as part of the ANDS process.²⁸

Eventually preparation of the PDPs became part of the ANDS process and the MRRD came forward in the meeting to take responsibility for leading the design and facilitation of subnational consultations and the provincial development planning process through its National Area-Based Development Programme (NABDP) in collaboration with the ANDS Secretariat.

The NABDP had experience developing District Development Assemblies (DDAs) and District Development Plans (DDPs) throughout the country under its Community Development component.²⁹ Consequently, in consultation with stakeholders, the MRRD and the ANDS Secretariat devised a mechanism and finalised a handbook for subnational consultations and provincial development planning (see Box 2). As mentioned above, some provinces already had PDPs which had been developed before the ANDS. However, they were to be improved because: 1) they had not adequately involved communities; 2) they had not been led by the government; and 3) they were not aligned with the ANDS³⁰.

The subnational consultations and provincial development planning were completed between June and September 2007 in all of Afghanistan's 34 provinces. The ANDS Secretariat claimed 46 percent attendance by women during the consultations, which was considered a milestone. Consultations were conducted in 13 sectors: Security, Education, Health, Agriculture, Roads, Private Sector Development, Rural Development, Energy and Water, Social Protection, Refugees and Repatriation, Justice, Anti-Corruption and Counter-Narcotics.

The formulation of the PDPs was based on the consolidation of inputs from line ministry strategies; existing PDPs; the priorities of rural communities; the priorities of urban communities, including those set out in Urban Plans; and the priorities of vulnerable social groups such as Kuchis, refugees, returnees and internally displaced persons, and the disabled. Given the concentration of population and the specific issues facing Kabul as the national capital, two separate consultation processes were held and two PDPs were produced for Kabul Province, one covering the urban area and one for the rural districts.

In addition, the Agency Coordinating Body for Afghan Relief (ACBAR) and the Foundation for Culture and Civil Society (FCCS) also consulted the poor at the community level. ACBAR, under its Afghanistan Pilot Participatory Poverty Assessment (APPPA) project,³¹ conducted from May 2007 to May 2008, documented the perspectives of the poor regarding poverty for integration into the ANDS. Other NGOs conducted consultations in districts affected by insurgency.

The ANDS secretariat also launched a public awareness campaign, "which aimed to (i) inform the public about the ANDS, (ii) obtain public support for the implementation of the most important ANDS reforms, (iii) manage people's expectations."³²

28 ANDS Director Adeb Farhadi in a speech marking the occasion of dialogue on the first draft of the ANDS (10 March 2008) said the ANDS Secretariat and MoF were against the integration of PDPs development as part of the ANDS. Other sources from the MoF, DFID and the World Bank also expressed concerns in this regard, pers. comm., from November 2007 to March 2008.

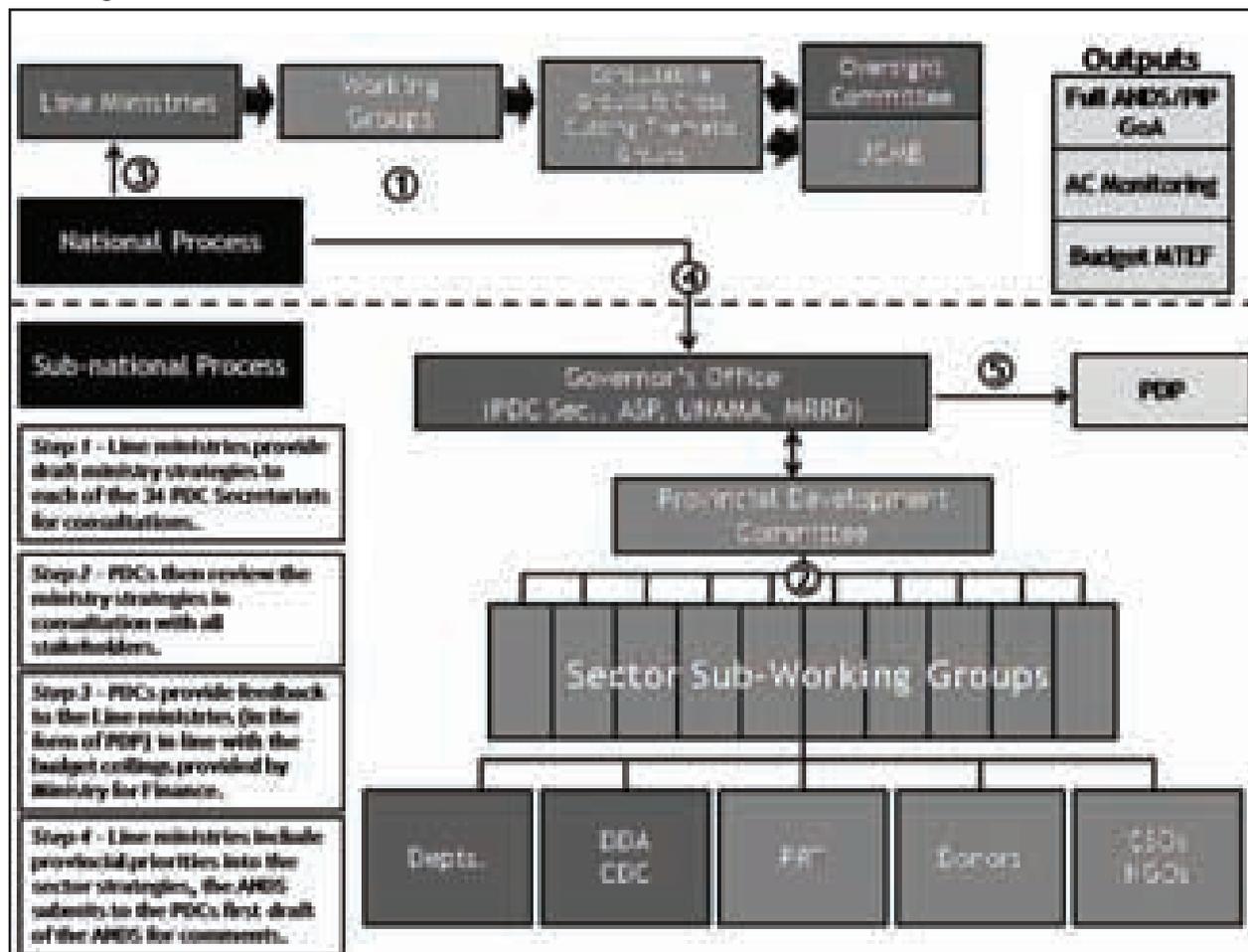
29 More information on NABDP and the role of DDAs is available at the MRRD website: <http://www.mrrd.gov.af/nabdp/>

30 ANDS Secretariat and MRRD, *Subnational Consultation and Provincial Development Planning Handbook*, (revised July 2007), 5.

31 ACBAR website <http://www.acbar.org/> (accessed 9 October 2008).

32 ANDS/PRSP Progress Report, 16.

Figure 2: Links Between National and Subnational Processes



Source: Progress report of ANDS/PRSP (2006/2007)

5.3 Issues and analysis:

The national-level consultations conducted through CG meetings were well organised and allowed stakeholders to express their ideas and concerns over the issues pertaining to the ANDS. These meetings were attended by representatives of government institutions, UN agencies, the donor community and civil society organisations; members of the Afghan Parliament were not invited. The only concern raised in interviews with different sources was the inability of the ANDS Secretariat, as a result of the hasty nature of the process, to analyse the information gathered during these consultations and integrate it into the document.

The subnational consultations and provincial development planning left some stakeholders, particularly donors, quite sceptical because of the poor quality of the outcomes of the consultations and the rushed nature of the process. The PDPs for the 34 provinces were submitted to the ANDS Secretariat at the beginning of October 2007, meaning the consultations and PDPs were completed in four months. An NABDP source said: "The time frame of only four months for countrywide consultations was quite unrealistic. In terms of real planning it was vague, and no mechanism for the systematic use of data existed for provincial planning." The ANDS Secretariat argued that PDPs were not part of subnational consultations before the ADF in April 2007 and that their

integration as part of the ANDS process doubled their workload despite previously already having insufficient time to finish the document. Consequently, their primary focus was on the meeting of deadlines and not ensuring the quality of the work. During the planning process for the subnational consultations, the ANDS Secretariat did not involve government ministries³³, which meant that representatives of line ministries who attended the subnational consultation workshops had less orientation and preparation.

One of the basic principles³⁴ of the formulation of the PDPs was that “these should not lead to the formulation of wish lists but to the preparation of prioritised and fiscally sustainable development plans.” However, at the end of the process, the majority of the PDPs appeared no better than wish lists as they did not include budgets or implementation plans. Some sources from donor organisations said the findings of the PDPs were unclear and were not linked to the ANDS. The only mechanism for the implementation of the PDPs was the integration of their priorities into the sector strategies, which remained very vague. In later donor dialogue, donors expressed concerns in this regard. The ANDS Secretariat explained that only those priorities they deemed suitable were integrated into the sector strategies.³⁵

The ANDS Secretariat argued that the subnational consultations reduced the distance between the government and the people and that both spoke the same language on national development priorities. However, concerns exist that the process also raised expectations among the populace. “Unfortunately, the PDP process was not explained properly to the people,” said a source from the ADB, expressing the fear that the weak service-delivery capacity of the government could increase popular discontent and widen the gap between the government and the people, particularly if it was not addressed through the ANDS implementation. “People have already started asking for what they mentioned as their priority projects in their respective provinces during provincial development planning,” he said.

In the donors’ dialogue on the first draft of the ANDS in March 2008, the Director of the ANDS Secretariat said they were fully aware of the expectations raised among the communities through subnational consultations, which was why they held intense discussions with provincial governors and line ministries about integrating the priorities of the PDPs as much as possible into their strategies. He said the government was also reviewing the number of ministries in that regard.

The subnational consultations were the only forum in which Afghanistan’s parliamentarians were consulted. They believe they were deliberately kept away from the other phases of the ANDS process, particularly the national consultations, although as elected representatives of the people they have the right to participate in national priority setting.³⁶ Based on interviews, it was clear that a fear prevailed in ANDS management circles that the involvement of Parliament could mess up the process, as it had little experience in such matters, and that if the ANDS was taken to the Parliament, it would become politicised and hence be difficult to finalise. As a result, the Parliament of Afghanistan expressed little support for the ANDS upon its completion. On some current affairs programmes aired on Afghan television, the parliamentarians, particularly

33 NABDP source, pers. comm., 27 November 2007.

34 ADF, “Provincial Development Discussion Paper: Provincial Budgeting and Integration of the Provincial Development Plans into the ANDS,” (draft, April 2007), 7.

35 ANDS Director Adeeb Farhadi in a speech given during donors’ dialogue on the first draft of the ANDS, 10 March 2008.

36 Roundtable discussion on the ANDS on Tolo Television’s “Guftumaan” programme attended by engineer Abbas Noyan, a member of the Economic Commission of the Afghan Parliament, 17 October 2008.

members of the Economic Commission of the National Assembly, expressed concerns that the National Assembly was not involved in the decision-making process. On the “Guftumaan” programme broadcast on Tolo Television, engineer Abbas Noyan, a member of the Economic Commission of the Parliament, said about the ANDS³⁷: “The Parliament summoned the newly appointed Senior Economic Advisor of the President to answer their questions regarding the ANDS and its implementation, but he failed, pretending he had recently taken charge of his office responsibilities and citing his non-involvement in the ANDS process. Some ministers who were members of the Oversight Committee were also questioned in Parliament on the ANDS, but they could not satisfy the parliamentarians. The Parliament is still seeking someone who can answer their questions and remove their concerns about the ANDS implementation, monitoring and evaluation, deadlines, and the prioritisation and sequencing of priorities in the sector strategies.”

Box 2: Four core phases of SNC and PDPs: Excerpted from the Subnational Consultation and Provincial Development Planning Handbook

1. Preparatory Workshop

A two day workshop was held in all the provinces in the week before the Subnational Consultation process began with the participation of representatives from rural communities (members of DDAs), urban stakeholders (such as municipal government, city shuras, chambers of commerce, business groups, associations of business owners, women’s groups), Kuchi and other vulnerable groups (such as refugees, returnees and disabled people). During the workshop participants would look at the major issues affecting the development of their respective provinces from their perspective and identify priority courses of action.

2. Subnational Consultation Workshop

The two and half day Subnational Consultation workshops were attended by Community representatives (who attended the preparatory workshop), line ministry representatives and other groups such as PRT, UN agencies, donors and NGOs. The participants would be divided into eight groups according to the development sectors identified in the ANDS. In each group the line ministries present their strategy, identifying their goals and the programmes to achieve them. Participants would identify the most important needs and the province’s goal for the sector. They would discuss the ministries’ strategies and decide how well they respond to the needs and priorities. They would identify elements which were missing and suggest ways to improve the ministries’ strategies.

3. Provincial Development Planning Workshop

The Provincial Development Planning workshops ran for two days with the same participants as in SNC workshops. During the workshop, participants would work in the same eight groups as in the SNC workshops. Each group put together a list of priority projects for the sector which should be implemented in the first year. This list of projects for each sector was included in the Provincial development Plan.

4. Writing up and reporting

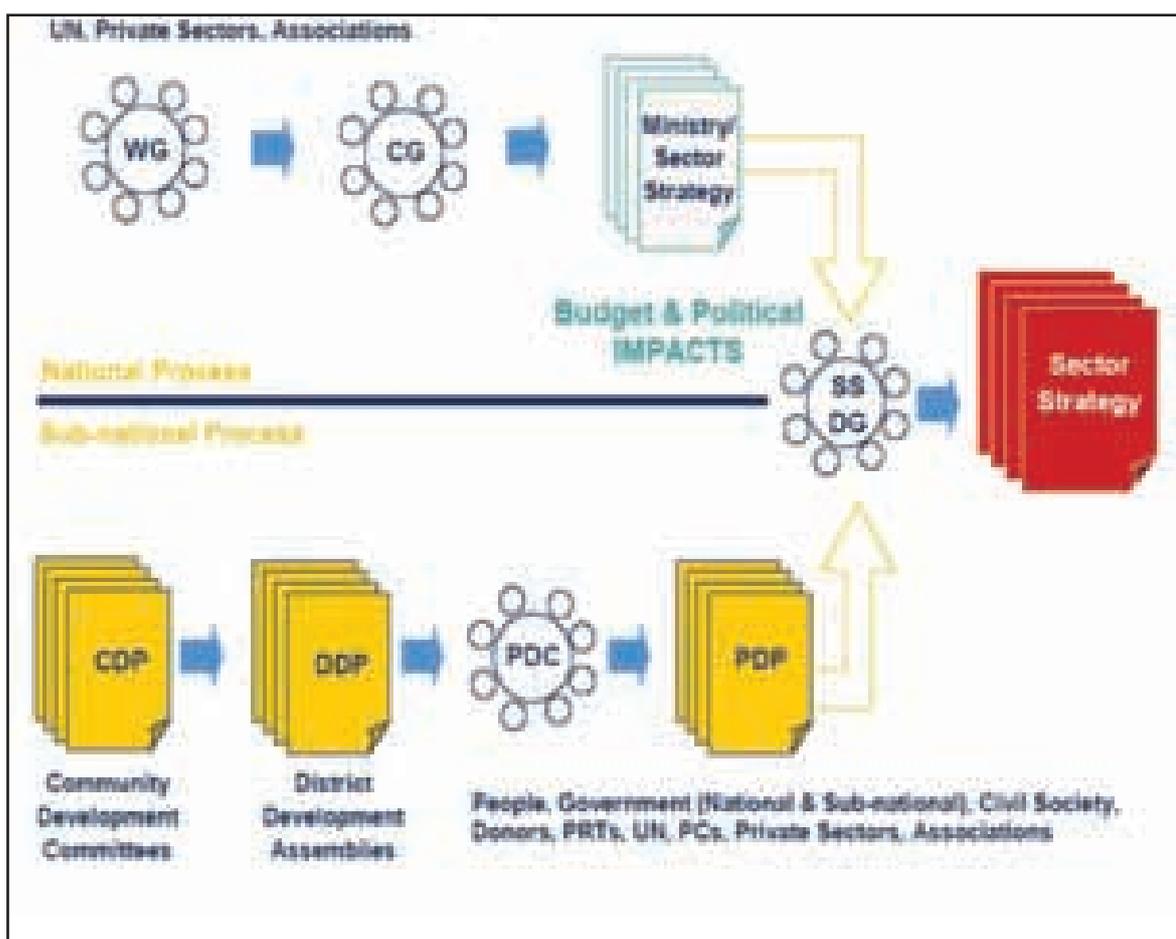
In the final phase of the process, the outputs from the SNC and PDP workshops were combined with information about the province and edited to provide the first three sections of the PDPs.

37 Tolo Television’s “Guftumaan” programme, 17 October 2008.

6. Sector Strategies

The process of developing ANDS Sector Strategies began in June 2007 with the establishment of Sector Strategy Development Groups (SSDGs). These SSDGs, one for each of the 17 sectors of the ANDS, consisted of deputy ministers, senior foreign advisors, key national staff of the relevant ministries, representatives from the cross-cutting sectors, representatives from the MoF and the Sector Coordinator from the ANDS Secretariat. All were led by their respective line ministries. Meanwhile, UNDP had to provide foreign consultants to be based in the ANDS Secretariat to assist the SSDGs and improve their work, particularly in terms of the English language. The UNDP experienced difficulties in finding consultants³⁸ for some of the sectors. The ANDS Secretariat felt that time was running out and a lot of work still remained. As a result, it approached USAID for assistance and Bearing Point (USAID) consultants were brought into the process in July 2007. These consultants prepared the template for drafting the sector strategies and enabled the SSDGs to bring uniformity to their work. The ministry/agency strategies, PDPs and donors' comments provided the main inputs for the sector strategies. The first drafts of the sector strategies began by October 2007 and were submitted for donor comments in October and November 2007.

Figure 3: Sector Strategy Development Diagram



Source: Progress report of ANDS/PRSP (2006/2007)

38 International USAID staff, pers. comm., 6 December 2007; senior UNDP staff, pers. comm., 23 September 2008.

6.1 Issues and analysis

It was the first time in the history of the country that government ministries were given an opportunity to participate in sector-level planning.³⁹ However, the planning was not an easy task in view of the vast differences among the ministries, their varying mandates, their lack of capacity and insufficient experience, the unrealistically short time frames and their general lack of preparedness. "It could have had better results if the ANDS Secretariat had conducted some training on policymaking and planning practices in the ministries before kicking off the development of the strategies," a source from the Food and Agriculture Organization of the United Nations (FAO) said.

Although the ministries were divided into the sectors based on commonality of interest and objectives⁴⁰, their individual mandates conflicted with each other at various points. For example, MAIL and the MRRD both work for the rural population and share the overarching goal of poverty reduction. As a result, both were incorporated into the Agriculture and Rural Development (ARD) sector. Similarly, the Ministry of Education (MoE), the Ministry of Higher Education (MoHE) and the Ministry of Labour, Social Affairs, Martyrs and Disabled (MoLSAMD) were grouped into the Education and Skills Development sector because of their common objectives. However, in the ARD sector, both MAIL and the MRRD have different operational structures. MAIL is a single-sector ministry which provides technical and technological services. MRRD, on the other hand, is a multi-sector ministry with its policy based on five national programmes. It outsources projects as well as undertakes such programmes in rural areas as the construction of clinics, schools, canals, small dams and roads, which other ministries consider within their own mandate. Both ministries also have different fund allocations in their core budgets and a different capacity to spend the allocated funds. MRRD has much larger numbers of foreign advisors and technical staff than does MAIL.

To reach consensus and resolve the conflicting issues, the ministries needed strong inter-ministerial coordination and sufficient time to negotiate. Unfortunately, the hasty nature of the ANDS process did not provide sufficient time for such discussions and the SSDGs were pushed to meet the deadlines. A member of one of the SSDGs from MAIL said: "ANDS gives heart attack; they want everything in two hours."

In addition, UNDP had to place many consultants with the ANDS Secretariat to support the SSDGs and help improve their work. A UNAMA source said a group of 50 consultants on UNDP and Bearing Point contracts worked in the ANDS Secretariat to prepare the ANDS. However, a senior UNDP official said one consultant for each sector worked to assist with the formulation of sector strategies. Some of these consultants, who were initially brought in by UNDP, later switched to Bearing Point.

Although the ANDS Secretariat said the job of the consultants was only to facilitate and edit the language of the SSDG drafts, in reality they provided guidance for the sector strategies and influenced the process.⁴¹ Consultants for some of the sectors changed frequently, causing repeated changes in work formats based on their personal understandings, which not only further complicated the process but also wasted time

39 A senior advisor at the Ministry of Agriculture, Irrigation and Livestock, pers. comm., 3 December 2007.

40 Ishaq Nadiri, ex-Senior Economic Advisor to the President, Centre for Policy and Human Development, 8 July 2008.

41 Members of different Sector Strategy Development Groups, pers. comm., from October 2007 to December 2007.

and resources. A general complaint by the SSDGs in relation to the consultants was their limited familiarity with both Afghanistan and the specific sector, however they still influenced the strategies. A cabinet minister and member of the OSC said in an interview:⁴² "The ANDS process is necessary for the country, but constant changes and foreign consultants made it complicated. The Government of Afghanistan was not ready to do it, and anyhow there is always the dilemma about how long should be waited for the government ministries to get the strength and required capacity." A senior foreign advisor and member of the SSDG for the ARD sector⁴³ expressed the same sentiments: "There was no coordinated approach towards sector strategy development. A person who comes from abroad and has no clue of the sectors writes the strategies built on his personal experience; this is why some of the strategies look like a reporting document."

The quality and shape of each sector strategy depended entirely on the capacity of SSDG members, ANDS internal consultants and the interest of funding organisations in the different sectors. The expatriate consultants were contracted by different organisations for specific programmes in the ministries and were also members of the SSDGs. These consultants wrote their parts of the draft sector strategies, ensuring that they fit the objectives of their respective organisations. For example, the United Nations Educational, Scientific and Cultural Organization (UNESCO) wrote a large part of the Information and Culture strategy and contributed a lot to the content of the Primary Education section of the Education sector.

7. Donors' Dialogue

All the draft sector strategies, except Security, were presented to the donor community for comment in October and November 2007. The donors also commented on other parts of the ANDS document such as Poverty Profiles, the Macroeconomic Framework, Implementation and Monitoring, and Aid Effectiveness. UNDP organised and facilitated these donor dialogue sessions in line with the recommendations of the EAG, which was a platform for donors to comment on drafts and the overall ANDS process. The draft national sector strategies, including the strategies addressing cross-cutting issues, were made available to the donors for discussion a few days ahead of the scheduled date, and UNDP also received comments by email before and after the dialogue.

During the dialogue sessions, UNDP noted the donors' comments and the written comments and compiled a 219-page document which was conveyed to the ANDS Secretariat in order to finalise the sector strategies. "In total, 19 separate donor dialogues were held, attended by 417 representatives, generating 157 written comments from 32 various donors and agencies."⁴⁴

7.1 Issues and analysis

The attendance and participation of donors in some sectors remained high. Those sectors included Justice, Governance, Health and Nutrition, Education, Energy, Private Sector Development and Trade, Agriculture and Rural Development, Counter-Narcotics and Gender Equity. Other sectors attracted a medium level of attendance, while a few, such as Culture, Media and Youth, drew very low attendance levels.

42 Member of the Oversight Committee, pers. comm., 24 January 2008.

43 SSDG member and senior foreign advisor, pers. comm., 28 November 2007.

44 Key Issues and Consolidated Comments, from donor dialogues on the Draft Sector Strategies of the ANDS, October to December 2007, page 4.

The vague mechanism for integrating the cross-cutting issues and priorities of the PDPs caused much concern among the donor community. The cross-cutting issues were seen as the weakest part of the ANDS in the wake of the poor-quality drafts and their insufficient integration into the sectoral strategies. Among the six cross-cutting issues, only Counter-Narcotics satisfied the majority of the donors.

In these dialogues, the donors recognised the lack of coordination among their organisations, and stressed the need for real coordination.

The donors' dialogue culminated in a long document full of conflicting comments⁴⁵ that provided the ANDS Secretariat with a reason to ignore the majority of them and integrate only those comments with which they agreed. As a result, the donors were unhappy that their comments were not adequately reflected in the ANDS. Their discontent was evident at a meeting on 10 March 2008 when the first draft of the ANDS was released and donors were invited to comment. During the meeting, the Director of the ANDS Secretariat said: "Every comment of the donors was read and given enough consideration, but the donors have conflicting views on certain issues such as counter-narcotics and the private sector. The government has to make a decision. We cannot make everybody happy and we cannot make Afghanistan according to the wishes of any specific country." ANDS Director Adeeb Farhadi asked that donors provide harmonisation of specific comments rather than a long list of general comments. He also said that if donors wanted a more perfect document, he would ask the Cabinet Oversight Committee to allow them another four months to work on the document. The co-chair of the event, Marshall Elliot from DFID, said the donors would prepare a Joint Donors' Response (JDR) that would examine some collective issues and aspects of the ANDS.⁴⁶

The ANDS Secretariat was also unhappy⁴⁷ with UNDP for not properly consolidating and coordinating the donors' response to the sector strategies. "The UNDP did the job of a secretary and it just put the comments on one and the other and gave it to the ANDS Secretariat," a source from the ANDS Secretariat said.

In April 2008, a JDR to the ANDS entitled "*From Compact to Impact*" was released and presented at the Paris Conference on Afghanistan on 12 June 2008. The paper discussed in detail the issues of ownership, prioritisation, harmonisation, alignment and provincial development plans.

8. Finalisation of ANDS

The finalisation of the ANDS saw some dramatic ups and downs, and rumours spread that it had been rejected by the IMF. The first draft of the document was produced within a one-month period when OSC Chairman Professor Nadiri was on a trip to the United States. After the submission of the draft document, Professor Nadiri visited the IMF office and was told of the IMF's concerns about the draft ANDS and a letter was formally sent to his office in Kabul.⁴⁸ The IMF was not satisfied with certain parts of the draft and wanted changes made, particularly in relation to Private Sector Development. In addition, the country had failed to demonstrate better economic performance under an

45 ANDS Director Adeeb Farhadi in a speech given during donors' dialogue on the first draft of the ANDS, 10 March 2008.

46 The researcher was present at the meeting held on 10 March 2008 at the UNDP office, Kabul.

47 ANDS Secretariat staff, pers. comm., 20 May 2008.

48 Senior ANDS Secretariat staff member, pers. comm., 20 May 2008.

agreement with the IMF. The MoF had admitted that the Afghan Government had failed to raise the agreed target of US\$715 million in taxes.⁴⁹

This fuelled the rumour that the IMF had rejected the ANDS. The situation compelled President Karzai to step in and ask the ANDS Director to brief him on the issue. He tasked the MoF with finding a solution. In response it formed another drafting team which included some UNDP and USAID staff in an attempt to prepare a workable document before the donors' conference in Paris in June 2008.⁵⁰ The Afghan Government feared that the failure to produce an acceptable document would have serious implications for both future international funding and the debt relief it was enjoying under HIPC initiatives. Additionally, it would develop a bad name internationally as about \$US9 million⁵¹ in funding had been received to support the drafting of the document.

As the new MoF drafting team began revising the ANDS, Professor Nadiri returned from the US and announced that no other drafting committee would revise the document and that the ANDS would be completed by the ANDS Secretariat. This led to a confrontation over who would finalise the ANDS. In the end, the MoF team gave up in the face of strong pressure and the ANDS was redrafted by the ANDS Secretariat with the required changes.

The document was approved by President Karzai on 21 April 2008 and presented to donors at the International Conference in Support of Afghanistan in Paris on 12 June 2008. At the conference, more than US\$20 billion was pledged to finance the implementation of the ANDS during the next two-and-a-half years, including support for the preparation of national elections in 2009 and 2010. This was in addition to the US\$10.5 billion funding commitment that Afghanistan received at the London Conference in February 2006, in which it had to generate from US\$5-6 billion from its own resources.⁵² This represents a total commitment of US\$36 billion toward Afghanistan's development. Afghanistan needs US\$51 billion for the implementation of the ANDS in the next five years; a commitment the government is expecting⁵³ to receive from donors for the remaining funds.

9. Key Findings

This paper aims to draw together observations and evidence about the ANDS development process. By examining the major events of the process, the paper aims to draw general conclusions about how the ANDS document was developed and by whom it was influenced, the lack of ownership and the conflict between donors. The following are some of the major findings.

9.1 Afghan ownership in question

The Government of Afghanistan through the ANDS Secretariat claimed ownership of the ANDS development throughout the process. The following realities and challenges surrounding the process weakened that claim:

49 Boone, "Afghan failure to meet IMF target."

50 Senior staff from the ANDS Secretariat, USAID, UNDP and the MoF, pers. comm., from May 2008 to July 2008.

51 Total cost of the UNDP project to support ANDS formulation, senior UNDP staff, pers. comm., 23 September 2008.

52 Ishaq Nadiri, ex-Senior Economic Advisor to the President, Centre for Policy and Human Development, 8 July 2008.

53 Ishaq Nadiri, ex-Senior Economic Advisor to the President, Centre for Policy and Human Development, 8 July 2008.

- Afghanistan needed a PRSP to qualify for debt relief under the IMF-backed HIPC initiatives, and the ANDS fulfilled this requirement. To qualify for assistance, the Afghan Government had to meet a range of economic, management and performance targets to be ensured by the MoF. The country's centralised system of governance allotted development funds to programmes in different ministries, hence the conditions that the World Bank and IMF placed on the process and the outcomes of the ANDS clearly reduced the Government of Afghanistan's level of control and ownership.
- Afghanistan is the recipient of massive international funds for its development and reconstruction programmes, which are strategised with the broad involvement of foreign stakeholders. Most of the development funds are conditional to specific programmes and regions in accordance with the strategic goals of funding organisations. The Afghan Government had to agree on the conditions and priorities of these funding organisations and integrate them into the ANDS, which weakened the level of its ownership.
- The ministries, despite being the owners of their specific sectors and having a broader understanding of the context, remained under intense pressure to follow the AC benchmarks even if their own priorities made more sense. This also put in doubt how the different priorities gathered through the subnational consultations could be included in the strategy. The relatively weak position of the government in determining the content of the ANDS was exacerbated by a lack of professional capacity to draft strategies in government ministries and institutions. The ministries had to rely on the skills of foreign consultants, which increased international involvement in policy design and strategy development.
- The shift of initial deadlines for the ANDS from September 2008 to March 2008 by the IMF and the World Bank and the addition of provincial development planning as part of the ANDS process clearly proved a lack of government ownership of the process.
- English was the primary language for developing the ANDS and its related documents, which were later translated into the Dari and Pashto languages.

9.2 Sacrificing quality over process

- The development of PRSPs needs sufficient time and proper time management as it involves many stakeholders and requires extensive consultations. However, in Afghanistan the ANDS Secretariat worked under immense pressure from the IMF through the MoF within an inflexible and tough time frame to meet the deadlines. The ANDS Secretariat stepped up the process which resulted in the sacrifice of work quality .
- The subnational consultations and provincial development planning were completed within an unrealistic time frame of four months, which not only resulted in the production of poor-quality PDPs but also raised expectations unreasonably among the communities, who were not fully informed of the nature of the ANDS process. Because the PDP priorities will not be costed and the government's structure is too weak at the provincial level to deliver services, there is now an increasing risk of popular discontent and distrust of the government's ability, particularly as communities have already begun asking for the fulfillment of the demands they made through the subnational consultations.
- Afghan Government ministries were brought together for the first time to plan at the sector level and needed appropriate time to discuss and build understanding

around conflicting issues. The compressed time frame did not provide sufficient time for the SSDGs or for inter-ministerial coordination, and hence strategies were developed through forced compromises rather than through the building of understanding via negotiations.

- The creation of the ANDS occurred at multiple levels: through subnational consultations with the general population and provincial development planning; through ministries and multi-ministerial sectors (with significant international involvement); through the ANDS Secretariat and the MoF with technical assistance and management; and through political leadership represented in the OSC and JCMB. These different levels set priorities that varied widely and proved a big challenge in terms of integration, alignment and harmonisation within the ANDS. As mentioned earlier, the priorities of certain stakeholders were considered more important for political reasons, occasionally requiring the government to compromise on its own internal priorities. Thus, the only solution for harmonising priorities was further negotiation, which time constraints did not allow.

9.3 Lack of coordination and other complexities

- A lack of coordination exists at various levels, including among government institutions, between the government and donors and among donor agencies, which has not only hampered the development efforts in Afghanistan but has also complicated the process of national level planning and strategy development.
- The Afghan Parliament was involved in identifying priorities only at the subnational level with the participation of its members in the consultative workshop. This limited role led them to feel deliberately excluded from the process. The Parliament of Afghanistan now has a less-supportive stance on the status of the ANDS.
- The absence of a clear mechanism for integrating cross-cutting issues and PDP priorities in the sector strategies also caused dissatisfaction among the stakeholders. Thousands of pages of people's comments were generated from subnational consultations, which raised expectations among the communities, but there was no clear method of incorporating those concerns into the ANDS.

10. Conclusion

The final ANDS is written primarily by foreign experts and manifests the vision of international funding organisations rather than representing a purely indigenous development and poverty reduction plan for Afghanistan. The Afghan Government remained under immense pressure from the IMF, the World Bank, USAID and other major funding organisations to adopt specific policies and meet deadlines that unquestionably stepped up the pace of the process and not only affected the quality of work, but also widened the gap in understanding and weakened consensus among the stakeholders. As well as the government's dependency on foreign aid, which limits its ownership of development policies, the dearth of technical capacity within government institutions to devise policies and strategies also reduced national influence in the decision-making process. A lack of coordination within the donor community and between the government and donors resulted in poor prioritisation and harmonisation of development priorities.

On the other hand, the approval of the ANDS ensured Afghanistan's eligibility for economic incentives under the IMF-backed HIPC initiatives and resulted in the government securing a commitment of more than US\$20 billion in foreign aid for the development of the country. In addition, it still has the potential to provide a platform for all stakeholders involved in development to ensure better coordination of development activities and

improve the ownership of the Afghan Government. However, the question remains as to whether the ANDS can be successfully implemented and if it can be used to effectively coordinate development efforts and reduce poverty?

The implementation of the ANDS is undoubtedly a big challenge for its implementers, however there are ways forward. AREU's paper on the ANDS content⁵⁴ suggests that the broad priorities of the ANDS need sequencing through a regionally responsive implementation plan that is sensitive to the challenges of delivering on development promises in insecure regions and to the potentially negative consequences of marginalising less problematic areas. For the ANDS to succeed in substance, improvements in process are also crucial. To move the ANDS implementation forward, there is a need for greater coordination at all levels, including among the funders of Afghanistan and the Government of Afghanistan. These stakeholders must build greater consensus and support for the development vision foreseen in the ANDS.

54 Paula Kantor and Adam Pain, "Delivering on Poverty Reduction: Focusing ANDS Implementation on Pro-Poor Outcomes," (Kabul: AREU, 2009).

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Flower Street (corner of Street 2), Shahr-i-Naw, Kabul

phone: +93 (0)799 608 548 *website:* www.areu.org.af *email:* areu@areu.org.af