

United Nations Development Programme
Afghanistan
Accountability and Transparency (ACT)
Annual Progress Report – 2010



Ministry of Education and Civil Society representatives discussing involvement of Civil Society Organisations in fight against corruption through Civil Society Network

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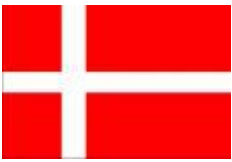
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Acronyms

ACT	Accountability and Transparency
ACT-GF	Accountability and Transparency Grants Facility
ANDS	Afghanistan National Development Strategy
CAO	Control and Audit Office
CPAP	Country Programme Action Plan
CSO	Civil Society Organization
EUPOL	The European Union Police Mission in Afghanistan
FIU	Fraud Investigation Unit
GoIRA	Government of Islamic Republic of Afghanistan
HOO	High Office of Oversight
IPO	Integrity Promotion Office
LOA	Letter of Agreement
MOE	Ministry of Education
MOF	Ministry of Finance
MOI	Ministry of Interior
MOJ	Ministry of Justice
NACS	National Anti-Corruption Strategy
SIGAR	Special Inspector General for Afghanistan Reconstruction
UNCAC	United Nations Convention Against Corruption
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNODC	United Nations Office on Drugs and Crime
USAID	United States Agency for International Development
VCA	Vulnerability to Corruption Assessment

Executive Summary

The ACT Project has shown a significant increase in output delivery and performance of activities. By taking into account ACT's 2010 Annual Work Plan (AWP) as benchmark, the Project has increased its activity performance from 5 percent to 73 percent of the 2010 total number of AWP activities.

In addition to a Project Document review, the ACT project also developed a Strategy Plan and Capacity Development Plan that is compatible with a new ACT project framework.

High Office of Oversight

UNDP/ACT provided critical support to HOO leading to improved managerial, technical and administrative capacity. To build up capacity of different departments in the HOO, UNDP signed a letter of agreement (LOA) with the HOO to extend material and human resource support to carry forward its mandate. The agreement gives HOO more control and flexibility to hire human resources directly. The project also continued to contribute to coordination efforts in the area of anti-corruption and in particular the coordination of support to the HOO. Towards achieving the goal of establishing a Corruption monitoring system, an agreement with the UNODC was signed to establish the Corruption Research facility in the HOO and conduct five surveys to gather information on prevalence and characteristics of corruption in five key Government sectors. The project also contributed to the process of creating a strategy for the HOO in light of the London and Kabul conferences held in January and July 2010. The project also supported creation of the new Monitoring and Evaluation Committee (MEC) in accordance with the London and Kabul Conference commitments of the GIRoA.

The Strategic Planning Advisor, and Senior Advisor as well as a UNDP anti-corruption advisory mission provided recommendations for strategic planning at HOO and designing a holistic capacity development plan for HOO. The project further assisted HOO in its preparations for the Kabul Conference to be held in July 2010, notably through HOO's participation in the Governance Cluster. Finally survey data collection and the hiring process for researchers/surveyors were finalized all within the framework of the signed Letter of Agreement (LOA) with UNODC.

ACT assisted HOO in preparations for Kabul Conference under the Governance Cluster and its anticorruption working group, most notably in devising the Transparency and Accountability Programme. After a preliminary assessment conducted together with HOO staff, a strategic framework was proposed to HOO. HOO has since adopted a Strategic Plan for 2011-2013. A joint UNDP-HOO working technical group will discuss the framework to reach an agreement on UNDP's support to HOO's strategy and specific steps ahead and ensure that an agreed upon "HOO-owned" framework can be implemented.

A new component focusing on providing support to MEC technical secretariat is envisaged in the proposed revised ACT Project Document. The organogram of MEC technical secretariat and terms of reference of staff of the secretariat were drafted by the project. A Communication Strategy was drafted

by ACT for the HOO to engage the civil society in the anti-corruption campaign. The working system of the Complaints and Information Gathering Directorate of HOO was reviewed and recommendations were made to improve the system. The project continued its support to coordination amongst key actors in the area of anti-corruption to ensure that the support provided to HOO is effective and that coordination amongst donors is increased to minimize overlap and duplication. The implementation of the Letter of Agreement (LOA) signed with HOO continued during the year extending material and human resource support to carry forward its mandate. The capacities of different departments in the HOO were built up through the letter of agreement which gave HOO more control and more flexibility to hire human resources directly and strengthen its recruitment and staff management capacity.

Ministry of Finance

Since the establishment of the Complaints Office at the Ministry of Finance in 2008, the UNDP has been active in ensuring that complaints were being received and handled jointly by the UNDP and ministry civil servants. While a database is in the making, data on number of complaints is available. In 2010, 163 complaints were received and 100% of all cases were investigated by the Fraud Investigation Unit at the MOF.

In 2010, ACT developed channels to link for the first time the Complaints Office to the preventive framework provided by Integrity Promotion Officers (IPOs) and newly organized civil society networks.

In 2010, a new internal procedure for handling the complaints in the Ministry of Finance was developed. This internal procedure also meant increased ownership for the ministry. Until October 2010, the UNDP was in the 'driver's seat' and was receiving and registering the complaints. The revised procedure ensured that ministry civil servants now are receiving the complaints through the usual channels thereby ensuring increased ownership of the process.

To build capacity at the Ministry of Finance, the UNDP developed training material and conducted two training workshops for 12 staff members of the Fraud Investigation Unit on fraud investigation techniques. During the two workshops, 80% and 88% of the participants respectively increased their knowledge.

During 2010 various versions of the complaints management database at the Ministry of Finance were discussed. When the civil servants assumed responsibility of the complaints handling in October 2010, the MOF management called upon the UNDP to develop an internal note on how such a revised MOF database could look like. This was discussed, and will be implemented in 2011.

In late 2010 an agreement was reached between the UNDP and the Ministry of Finance on the establishment of the Integrity Promotion Office (IPO). It is designed to assist in providing training to its employees and providing policy advice to senior management on how to deal with fraud, ethics and corruption. As an example, the IPO office will assist in establishing whistle blower policies, internal Ministry of Finance anti corruption policies and action plans, training seminars on ethics, conducting analyses on departmental vulnerabilities to corruption. In short, IPO staff is at the disposal of MOF senior management in all matters dealing with fraud, anti corruption and ethics.

Ministry of Education

In 2010, ACT developed channels to link for the first time the Complaints Office to the preventive framework provided by Integrity Promotion Officers (IPOs) and newly organized civil society networks.

The ACT project provides both technical and infrastructure support to Ministry of Education for the establishment and development of complaints and investigation mechanism. Complaints handling procedure was prepared and the VCA being conducted at MOE. Training workshops were conducted for the capacity development and mentoring the ministry staff from complaints office, internal inspection, and the safety and security directorate. The project also provided IT equipments to the supporting staff hired at MOE.

Control and Audit Office

To create an enabling environment for the Control and Audit Office to play its role in fraud and corruption prevention and detection, the CAO was supported in the Governance cluster for the Kabul Conference and for the first time, the Control and Audit Office's role was recognized and found mention in the Kabul Conference communiqué. The Government of Afghanistan committed to enact an Audit Law with enabling provisions for independence of CAO and reporting and also to strengthen the CAO. In line with the commitments in the Kabul Conference, a strategy for fraud and corruption and a capacity development plan for the CAO have been developed through a consultative process, which is under final stages of acceptance. Two training programmes on fraud and corruption detection were held where 50 participants including 23 from internal audit departments and four female officials were trained. One workshop involving all staff of CAO (250) and officials (around 50) from relevant ministries was conducted in March 2010 on Role of CAO in reducing administrative corruption. Two workshops as part of the process of development of strategy were conducted in September and November 2010, attended by all Directors and Senior officials of CAO (19 and 21 respectively for the two workshops). A concept note on creating Audit Coordination Committees has been prepared which will be rolled out after the acceptance of strategy and capacity development plan. Specific audit procedures will be reviewed and capacity development initiated in 2011, after the capacity development plan is accepted.

Civil Society Organizations and Public Advocacy

A successful approach to combating corruption will require the involvement of a wide range of actors including civil society, media and public. Based on the re-aligned project document, the project worked on establishing civil society networks for the MEC, MOE, MOF and MOI in ministerial level and on sub-national level with provincial council members and government service departments in provinces. The project developed concept notes and action plans in consultation with MOE, MOF and MOI to establish CSOs networks and civil society transparency boards in the mentioned ministries. To provide technical and financial support to the CSOs participating in the MEC, MOE, MOF and MOI CSOs networks the ACT Grants Facility strategy has been developed. Posters with anti-corruption messages were adopted and produced for distribution to general public to raise awareness on issues and negative consequences of corruption. The ACT booklet was developed into English, Dari and Pashto languages for the project

containing important information about the project and was distributed widely. Lack of capacity on the part of civil society to implement anti-corruption activities has been a challenge. However, the project approach has been focused on developing capacity of CSOs to take their role in the fight against corruption through a network approach.

Key results for 2010:

HOO

- **Result 1:** UNDP assisted the HOO in carrying out its activities through the material and human resources support through Letter of Agreement (LoA).
- **Result 2:** UNDP entered into an agreement with the UNODC to carry out survey in five sectors and also assist in building up the capacity of the corruption monitoring system.
- **Result 3:** UNDP supported HOO in participation in the Governance Cluster for Kabul Conference.
- **Result 4:** UNDP helped create the proposal for the technical secretariat for the Joint Monitoring and Evaluation Committee (MEC).

MOF

- **Result 1:** The UNDP assisted the Ministry of Finance in drafting a complaints procedure thereby ensuring clear roles of responsibilities at MOF. At the same time, increased responsibility for the MOF was ensured since the civil servants of the Ministry of Finance now receive and register fraud and corruption complaints.
- **Result 2:** UNDP developed channels to link for the first time the Complaints Office to the preventive framework provided by Integrity Promotion Officers (IPOs) and newly organized civil society networks.

MOE

- **Result 1:** The UNDP assisted the Ministry of Education in drafting a complaints procedure thereby ensuring clear roles of responsibilities at MOE.
- **Result 2:** UNDP developed channels to link for the first time the Complaints Office to the preventive framework provided by the forthcoming Integrity Promotion Officers (IPOs) and newly organized civil society networks.
- **Result 3:** UNDP agreed with the MOE to expand complaints office and its preventive civil society framework to Herat, Jalalabad, and Mazar.

CAO

- **Result 1:** Governance cluster paper on Transparency and Accountability, Outcome matrix for Governance Cluster, Kabul Conference Communiqué mention of Control and Audit Office.
- **Result 2:** Workshops on the role of CAO in fighting administrative corruption, and towards development of strategy (two) conducted.

- **Result 3:** Two Training programmes on fraud and corruption detection conducted where 50 officials including 23 from internal audit departments and four female officials participated.
- **Result 4:** Concept note and TOR for the Audit Coordination Committee developed.
- **Result 5:** Strategy and capacity development plan for the CAO developed and to be finalized in early 2011.

Civil Society Organisations and Public Advocacy

- **Result 1.** Concept notes and action plans developed in consultation with MOE, MOF and MOI to establish CSOs networks and civil society transparency boards in the mentioned ministries. Introductory workshops for CSOs and government counterparts were organized.
- **Result 2.** Developed training materials and delivered trainings to a total of 65 members of civil society, representing 40 of civil society organizations on their role in the fight against corruption. The trainings were organized as part of developing networks involving CSOs in the fight against corruption in the MOF, MOE, MOI, MEC, and Herat Provincial Government.
- **Result 3.** Training material developed to train provincial council members on their role in the fight against corruption using processes such as social audit and public accountability and transparency. The project has delivered two trainings for Herat provincial council members.
- **Result 4.** Posters with anti-corruption messages were produced for distribution to general public to raise awareness on issues and negative consequences of corruption.
- **Result 5.** The ACT booklet was developed in English, Dari and Pashto languages for the project containing important information about the project and was distributed widely.
- **Result 6:** UNDP developed channels to link for the first time the Complaints Office (of MOE, MOF and MOI) to the preventive framework provided by the forthcoming Integrity Promotion Officers (IPOs) and newly organized civil society networks.

Context

The Accountability and Transparency (ACT) project has been designed to support the Government of Afghanistan and Afghan civil society in developing the necessary capacities to fight corruption. The revised ACT project, signed by the Government of Afghanistan and UNDP in April 2009, is to support the implementation of the National Anti-Corruption Strategy (NACS) and the capacity development of the High Office of Oversight (HOO), support to the strengthening of internal integrity frameworks / mechanisms in key government institutions – the Control and Audit Office (CAO), Ministry of Education (MOE), Ministry of Finance (MOF) and the Ministry of Interior (MOI), support the active engagement of civil society in the fight against corruption, and supporting efforts to increase awareness and understanding amongst civil servants and the public in Afghanistan of their role in the fight against corruption. The ACT project takes the Afghanistan National Development Strategy (ANDS), the NACS and the United Nations Convention Against Corruption (UNCAC) as its starting point, with the ANDS addressing anti-corruption as a crosscutting issue. The project components have been developed in order to support the Government of Afghanistan in meeting the priorities and requirements set out in these key strategies and conventions. The ACT project will contribute to Outcome 2 (Government capacity to deliver services to the poor and vulnerable is enhanced) and Outcome 3 (The institutions of democratic governance are integrated components of the nation state) of CPAP. The project commenced in January 2007 and will run until March 2012.

The London Conference in January 2010 and the Kabul Conference in July both outlined focused activities for the anti corruption efforts in Afghanistan, through the High Office of Oversight, Anti Corruption Tribunal, Major Crimes Task Force etc. The conference was followed up with a Presidential Farman (decree) that outlined specific powers and activities for the HOO. The Kabul Conference in July 2010 further strengthened the commitment of the Government of Afghanistan towards anti corruption and addressed the “how to” aspects of implementing specific anticorruption measures. Specific time bound activities were proposed on a six month, twelve month and one to three year time frames. Another major approach of the Government of Afghanistan was the invitation to Afghan and other eminent experts to participate in independent Ad Hoc Monitoring and Evaluation Mission. The President has subsequently issued a decree constituting the Monitoring and Evaluation Committee (MEC) in December 2010. UNDP is called upon to provide support in setting up the MEC and its technical secretariat as a separate component of the project with separate funding. These recent developments necessitate another realignment of activities, to ensure that the project builds on its lessons learnt and responds to new realities on the ground.

II Results and Impact

The ACT Project has shown a significant increase in output delivery and performance of activities. By taking into account ACT's 2010 Annual Work Plan (AWP) as benchmark, the Project has increased its activity performance process from 5 percent to 73 percent of the 2010 total number of AWP activities.

In addition to a Project Document review, the ACT project also developed a Strategy Plan and Capacity Development Plan that is compatible with a project document review.

Output 1: Improved Institutional and Policy Environment Created to Support the Implementation of the National Anti-Corruption Strategy

Output 1.1: High Office of Oversight enabled to fulfill its mandate

To build up capacity of departments in HOO, during the 1st quarter of 2010, a Letter of Agreement (LOA) was signed with HOO supporting recruitment of 35 positions and procurement of equipments which will support 9 departments/sections of the HOO. This modality enables HOO to ensure a long term strategy to fulfill its human resource needs, as these positions are to be ultimately part of the Government *tashkeel*¹.

The capacities of different departments in the HOO were enhanced through the staff recruited through letter of agreement which strengthened its recruitment and staff management capacity.

Pursuant to placement of a technical specialist on strategy and planning at the end of 1st quarter and a senior advisor to HOO's management during the 2nd quarter, under the guidance of the chief technical adviser and project manager, ACT's technical team supporting HOO was substantially enhanced.

ACT team contributed to preparation for Kabul Conference which was held on 20 July 2010, built on previous international conferences (including in Paris and London) where Government and international commitments and programmes for Afghanistan were laid out. Kabul Conference, however, was an important step towards full Afghan leadership and responsibility and the Government presented several Afghan-led plans for improving development, governance and security. ACT assisted HOO in preparations for Kabul Conference under the Governance Cluster and its anti-corruption working group, most notably in devising the Transparency and Accountability Programme, and continued its support throughout the Kabul process which followed the conference.

The project team provided advice to the senior management of the HOO through interactions aimed at developing institutional capacity. This support was aimed at improving the management, technical and administrative capacity of the HOO. Additionally, the Senior Adviser proposed a communication strategy for HOO. It was recommended to implement the Strategy in phases keeping in view the constraints of security and paucity of resources. The working system of the Complaints and Information Gathering Directorate of HOO was reviewed and recommendations made to improve the system.

¹ *Tashkeel*- Organisation chart

Furthermore, ACT Project presented a module on strategy and planning during a 3-day workshop attended by around 50 staff members of HOO. The project used the occasion of visit by an Anti-Corruption Advisory Mission from UNDP's Headquarters and Asia-Pacific Region to organize a half-day workshop for HOO management focusing on challenges for newly-established anti-corruption agencies and experiences from other countries in the region. This mission's report provided inputs, suggestions, and priorities to be addressed by the ACT Project.

After a preliminary assessment conducted together with HOO staff, a strategic framework was proposed to HOO. HOO has since adopted a Strategic Plan for 2011-2013. A joint UNDP-HOO working technical group will discuss the framework to reach an agreement on UNDP's support to HOO's strategy and specific steps ahead and ensure that an agreed upon "HOO-owned" framework can be implemented.

The project also supported coordination amongst key actors in the area of anti-corruption to ensure that the support provided to HOO is effective and that coordination amongst donors is increased to minimize overlap and duplication. This support has contributed to raising the profile of HOO and its technical, management, and administrative capacity.

The London Conference and a Presidential decree (*Ferman*) and an Executive Order (*Hukum*) as follow up of the conference accorded new responsibilities to the High Office of Oversight in carrying out its mandate in taking forward the National Anti Corruption Strategy. The project provided advice on implementation of the *Ferman* and the *Hukum*. The *Hukum* requires all government ministries/agencies to set three anti-corruption priorities to be consolidated by HOO. In this context, the ACT project supported the HOO in organizing a one-day conference on implementation of the *Hukum* which brought together representatives from different government ministries/agencies to ensure clarity and coordination in setting three anti-corruption priorities by different agencies.

The project continued a dialogue with various stakeholders and has initiated preparations to extend its activities in light of the Presidential decree and the Kabul Conference. Among others, as part of the Government's commitments in London and Kabul Conferences, a Joint Monitoring and Evaluation Committee (MEC) is to be established to provide policy advice and monitor and evaluate Government's progress against anti-corruption benchmarks. MEC was to be set up with a permanent secretariat, to be fully operational within three months after Kabul Conference. ACT was requested to assist in setting up the technical secretariat, and the proposed ACT Project Documents envisages a new component focusing on providing support to MEC technical secretariat. The organogram of MEC technical secretariat and terms of reference of staff of the secretariat were drafted by the project.

The project assisted with the extension of lease agreements for HOO office premises and finalized another lease agreement for office space for HOO along with installation of internet facilities. The HOO website contract was also extended ensuring that the internet presence of the HOO is maintained. The project also delivered certain IT equipments including printers, copiers, desktop and laptop computers to HOO.

Output 1.2: Comprehensive corruption monitoring system established

During the 1st quarter of 2010 the ACT Project signed a Letter of Agreement (LOA) with UNODC to jointly support the strengthening of research capacity within the HOO. Together with UNODC, the project is going to commence a survey on public perception and experiences of corruption in 2011. This survey will ensure that activities under this output are initiated providing the basis for the establishment of a corruption monitoring system. The project will also provide support to the HOO in the establishment of its Corruption Research facility (survey unit) by providing national and international experts. This will also draw upon the previous work done in the project for establishment of the Corruption Monitoring System. Once established, the survey unit will contribute to the corruption monitoring system.

Under the Letter of Agreement (LOA), a quantitative research expert responsible for capacity building will be based in the HOO, supported with training and substantive supervision from UNODC's research division. The HOO, with support from the research expert, will work with UNDP and UNODC in the implementation of five research activities. These activities are: 1) detailed corruption-focused sector surveys in the following sectors: police, justice, education, and local government, for the purpose of providing more detailed analysis of where corruption occurs within these sectors than has been provided by previous research, as well as practical recommendations on how these government bodies can reduce corruption; and 2) a general population survey on experiences of corruption that will permit the HOO for the first time to track trends. These research activities along with the strengthened capacity of the HOO in the area of research will form the basis for the establishment of a corruption monitoring system.

A suitable implementing partner that will carry out the data collection was identified and engaged through a transparent bidding process conducted by UNODC. The selected research partner, Eureka Research/Evaluation, signed the contract, developed a research concept and began the process of developing specialized data collection tools. National research officers based at the HOO and UNODC are hired and a mission by a senior UNODC research expert based in UNODC HQ was conducted in preparation for the surveys to be conducted in 2011.

Output 1.3: Strategic regional and international partnerships developed

The project continued its support to ensure that relevant government officials are exposed to international experiences and lessons learned during 2010. The ACT Project has sponsored participation of the HOO management in international events on anticorruption including the Regional Community of Practice Meeting on Anti-Corruption (1-3 February 2010) in Bangkok, Thailand, the Fraud Investigation and Prevention workshop in Singapore on 16-18 March 2010 and the meeting of the Anti-Corruption Network for Eastern Europe and Central on 29-31 March 2010 in Paris, France, and the Global Forum on Asset Recovery in Paris France from 6-9 June 2010. These trainings and meetings provide a forum for delegates to exchange experiences and best practices on the issues of fraud and anti-corruption. The participants have better understanding of policy and programme implementation on fighting corruption.

Summary matrix of activities under each output

Activity Result	Description of results/achievement	% of progress rate/delivery
1.1 Output 1.1: High Office of Oversight enabled to fulfil its mandate	LOA with HOO concluded Equipment delivered to HOO Note on Strategic Framework provided Proposal on MEC prepared	n/a
1.2 Output 1.2: Comprehensive corruption monitoring system established	LOA with UNODC concluded Preliminary activities to conduct surveys carried out	n/a

Output 2: Enhanced Accountability, Transparency and Integrity in Key Government Institutions

Output 2.1: Vulnerability to Corruption Assessments (VCA) completed and recommendations integrated in on-going technical assistance in four government institutions

Indicator: Number of action plans developed, adopted and implemented based on VCAs conducted.

Ministry of Finance

In the second half of 2010 the Ministry of Finance agreed to conduct the VCA within its key departments. This work will be carried out in 2011. At the Ministry of Interior, discussions on the VCA approach have been ongoing during 2010, and two VCAs have been planned for 2011. While the VCAs were not carried out in 2010, lots of energy and efforts by the UNDP ACT project staff were put into sensitising the institutions into accepting and agreeing on the concept of VCAs. Consequently, the methodology used at the Ministry of Education was shared and agreed with other stakeholders at MOF and MOI, and a similar terms of reference (ToR) as well as similar methodology will be applied during the first half of 2011 for conducting VCAs in MOF and MOI.

Ministry of Education

The project actually conducted a VCA and a MOE derived Action Plan after the creation of a UNDP-ACT sponsored Inter-Institutional Working Group (IIWG) composed of all ACT-related ministries with the purpose of coordinating specific anticorruption measures emanating from the VCA. An international consultant was hired for conducting VCA at MOE to review the procedure and processes in the ministry who arranged the workshop at MOE to the participants from MOE, MOI, MOF, CAO and HOO to explore the ideas on anti-corruption and best practices by integrating the views of corruption cases. Based on the findings of VCAs, action plans to reduce vulnerabilities to corruption within the respective ministry will be developed in close consultation with the senior management of the ministry.

Target 2011: 7 action plans developed, adopted and implemented by end of 2010

Activity Result	Description of results/achievement	% of progress rate/delivery
2.1.1 Conduct VCAs in Ministry of Education (x2), Ministry of Interior (x2) a municipality (x1) and CAO (x1)	<p>Agreement on carrying out a VCA in the Ministry of Finance was reached with the Minister of Finance. The departments to be analysed in the VCA will be selected jointly with MOF management. The terms of reference and selection of the consultant will take place in early 2011.</p> <p>At the Ministry of Interior, discussions on the VCA approach have been ongoing during 2010, and two VCAs have been planned for 2011.</p> <p>A VCA in MOE has been conducted and the report is to be finalized in by March 2011.</p>	<p>MOF: 30%</p> <p>MOI: 5% (discussions are ongoing)</p> <p>MOE: More than 60 % progress has been made – VCA report has to be finalized</p>
2.1.2 Develop action plans for implementation of the VCA recommendations	Workshop and discussions being held on the development of action plans in MOE.	<p>0% (VCAs for MOF and MOI not initiated)</p> <p>For MOE: 20 % - initiated to develop action plans</p>

Output 2.2: Complaints and investigation capacity established/developed in four government institutions.

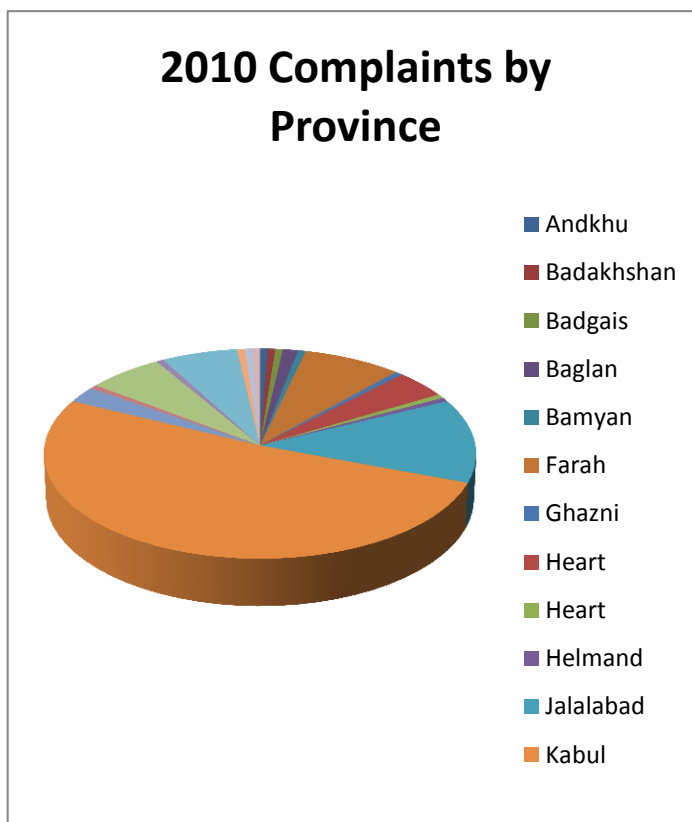
Indicators: Percentage of complaints referred within the ministry / office investigated and completed at year-end.

Ministry of Finance

Since the establishment of the Ministry of Finance complaints office in 2008, the office has been active in ensuring that complaints were being received and handled by ministry civil servants. While a database is in the making, data on number of complaints is available. In 2010 163 complaints were received and 100% of all cases were investigated by the Fraud Investigation Unit at the MOF. Data on outcome of the investigation will be available once the database is established by 2011.

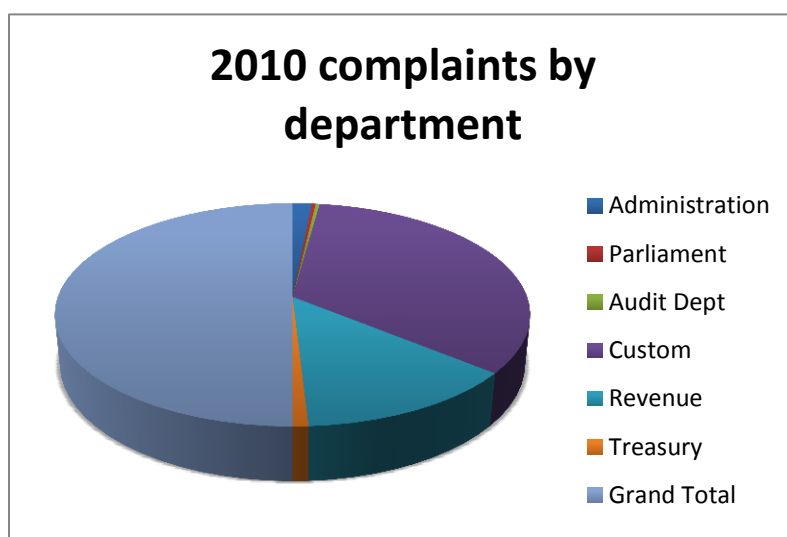
Table 1 and figure 1 shows the complaints per province and as can be seen, the vast majority of the complaints are filed in Kabul (52%)

Province	Total	in %
Andkhu	1	1%
Badakhshan	1	1%
Badgais	1	1%
Baglan	2	1%
Bamyan	1	1%
Farah	13	8%
Ghazni	1	1%
Heart	7	4%
Heart	1	1%
Helmand	1	1%
Jalalabad	21	13%
Kabul	84	52%
Kandahar	4	2%
Khost	1	1%
Kunduz	10	6%
Logar	1	1%
Mazar Shrif	10	6%
Nemroz	1	1%
Parwan	1	1%
Zabul	1	1%
Grand Total	163	100%



When looking at complaints per department, it is clear that the custom department accounts for by far the largest share of complaints. 67% of the complaints dealt with were in this department. As a consequence, the UNDP have discussed with Ministry of Finance who agrees that a proactive approach towards fraud and corruption in this department is needed.

Department	Total	in %
Administration	5	3%
Parliament	1	1%
Audit Dept	1	1%
Custom	110	67%
Revenue	43	26%
Treasury	3	2%
Grand Total	163	100%



Ministry of Education

A memorandum of understanding was signed between the UNDP and MOE on providing the MOE support on setting up the complaints and investigation mechanism. The organizational chart was

prepared for the complaints office. A new complaints handling procedure was developed by UNDP and high level MOE officials in a way that ensured MOE's ownership. This new procedure was presented at workshops with the MoE staff from the Internal Inspection Directorate, complaints office, and safety and security directorate, including chief of staff, and the head of the mentioned departments. The complaints offices are being established in each deputy ministry based in Kabul where the offices are being identified. The project has agreed with the ministry to establish complaints offices in major cities like Herat, Mazar-e-Sharif, and Jalalabad, apart from Kabul.

Target 2011: 80 percent of all cases referred investigated and completed by end of 2011

Activity Result	Description of results/achievement	% of progress rate/delivery
2.2.1 Carry out review of complaints and investigation mechanisms at the central and sub-national level in Ministry of Education, Ministry of Finance and Ministry of Interior	<p>MOF: A joint assessment of the training needs of the Fraud Investigation Unit (FIU) of the internal audit department was conducted. Based on the assessment of the FIU training needs, a report outlining the main capacity building needs was prepared. TOR of the services required drafted.</p> <p>MOE: A complaint handling procedure was developed and shared for integrating the comments from the relevant departments at ministry of education.</p>	<p>90%</p> <p>50% progress ongoing by establishing and developing the complaints office.</p>
2.2.2 Develop recommendations / action plan for strengthening the structure and organization of complaints and investigation mechanisms	<p>MOF: A new internal procedure for handling the complaints in the Ministry of Finance was developed. The procedure was shared with the Minister of Finance, prosecutors and the Director General of Internal Audit department for comments. At a meeting with the Minister of Finance, the procedure and a flow chart were discussed and the Minister ensured full support for the fight against corruption.</p> <p>MOE: The complaints handling procedure was agreed to through a workshop by the participants and senior management of the ministry. The organizational structure for the complaints offices was developed. Regional locations were identified for establishing complaints offices.</p>	<p>90%</p> <p>50% ongoing progress</p>
2.2.3 Provide capacity	MOF:	MOF: 90%

place in the beginning of 2011 and hence the civil servants can be trained and be given awareness raising on ethics and integrity as well as practical procedures on complaints handling.

Activities in 2010 have included a series of workshops for government collaborating partners and Civil Society Organizations active within anticorruption both to sensitize the CSOs and the government institutions and ensure that CSOs plan an active role in the fight against corruption – as they do in many other developing countries. The workshops were successful and with both the civil society and the government ‘speaking the same language’, activities in 2011 will proceed and an additional complaints channel via the CSOs will be established. At the same time the CSOs – through the Integrity Promotion Office – will monitor the complaints mechanism and ensure greater transparency of government actions.

Ministry of Education

A concept note for the re-launch of the IPO in the MOE was prepared. Suggestions were made and agreed upon by the MOE to involve a network of the civil society actors to serve as a secondary channel for receiving and forwarding the complaints. In addition they will play an oversight role over the process of complaints handling.

In order to develop the necessary capacity for developing and implementing the internal integrity initiatives, the ACT project is establishing the integrity promotion office in the ministry of education. Integrity Promotion Officers (IPOs) will be closely working with senior management to develop anti-corruption plans, to incorporate the findings of vulnerability to corruption assessments, to oversee the complaints mechanism and related investigations.

Target 2011: 90 percent civil servants aware of ministry / office internal integrity mechanisms and understand and apply the Code of Conduct and Conflict of Interest policies by end of 2011

Activity Result	Description of results/achievement	% of progress rate/delivery
2.3.1 Establish IPOs in Ministry of Education, Ministry of Finance and Ministry of Interior	MOF: In late 2010 agreement was reached with the Ministry of Finance on the establishment of an Integrity Promotion Office (IPO). It is designed to assist in providing training to its employees and providing policy advice to senior management on how to deal with fraud, ethics and corruption. As an example, the IPO office could assist in establishing whistle blower policies, internal Ministry of Finance anti corruption policies and action plans, training seminars on ethics, conducting analyses on departmental vulnerabilities to corruption. In short, IPO staff is at the disposal of MOF senior management in all matters dealing with fraud, anti corruption and ethics.	MOF: 20% (staff to be hired)

	<p>MOE:</p> <p>An agreement was reached with the MOE to establish integrity promotion office (IPO) to provide trainings to government employees on public ethics, conflicts of interest, code of conducts, to play an oversight role on the complaints mechanism and to produce anti corruption policies for MOE.</p>	5% ongoing
2.3.2 Through IPOs, support the ministries / office in developing anti-corruption action plans taking into account the National Anti-Corruption Strategy, the VCAs, and the sector surveys	At the Ministry of Finance, a whistle blower policy was drafted and shared with the Ministry of Finance. Full implementation of the policy is ongoing and will be coordinated by the Integrity Promotion Office.	80%
2.3.3 Develop capacity of IPOs to support the efforts of the HOO in the respective ministries / office	Staff for the IPO office was not hired in 2010, so instead complaints staff from the UNDP undertook IPO related activities.	
2.3.4 Provide training to civil servants in the ministries / office at the central and sub-national level on anti-corruption, ethics and conflict of interest	<p>To train the civil society network and IPOs on handling of the complaints, the Complaints Office staff was engaged in re-developing complaints procedures considering the new concerns recently raised by the prosecutors in the MoF.</p> <p>5 training sessions / workshops were conducted for the civil society network and IPO on handling of complaints. [3 in the MoE, MoF, Mol (1 each) and 2 in Herat (sub-national level)]</p>	
2.3.5 Carry out information campaigns at the central and sub-national level for the general population and civil servants in the ministries / offices on ongoing efforts to prevent corruption	<p>In 2010 the component was busy in revision of the complaints handling procedures and mechanism. In early 2011 the campaign will be re-launched based on the revised procedures.</p> <p>A detailed work plan was developed and information campaigns will be carried out in Kabul and at sub-national level in the beginning of 2011.</p>	
2.3.6 Ensure that IPOs are integrated into the permanent structure of the ministries / office	The activity is an ongoing effort but integration is foreseen in 2011. Discussions with the Chief of staff from the Ministry of Finance already indicate a willingness to adopt the IPO approach into existing structures.	

Output 2.4: Capacity of the Control and Audit Office to ensure financial accountability in government institutions strengthened

Indicator 1: Percentage of cases referred to CAO by HOO reviewed and completed at year end

As part of the effort to create an awareness in the auditors of the CAO and key Government institutions, and discussing the role of the CAO with respect to fraud and corruption, a 3 day seminar on 'Role of Control and Audit Office in reducing administrative corruption' was conducted in March, supported by UNDP/ACT. The seminar consisted of presentations from the senior officials of the CAO on their audit findings related to issues of fraud and corruption; presentations by the international experts from Special Inspector General for Afghanistan Reconstruction(SIGAR), World Bank, PKF, and UNDP, including the International technical specialist and the Complaints manager from ACT; round table discussions on five important topics regarding role of CAO in combating fraud and corruption which included officials of relevant ministries/ offices of the GoIRA; and presentations by the team leads for the discussion groups. The seminar closed with adoption of a 14 point report on outcomes of the seminar which was forwarded to the President's Office. The seminar brought together representatives of the World Bank, SIGAR, UNODC, USAID, donors, government organisations like the HOO, and Attorney General. During the seminar, the CAO disseminated the translated (to English) report on the audit conducted in the first six months of year 1388 for the benefit of the donors and other stakeholders for the first time.

To create an appropriate enabling environment, the Control and Audit Office was supported in its participation in the Governance Cluster for the Kabul Conference in June-July 2010. It was ensured that for the first time, the mention of Control and Audit office was included in the conference documents as time bound commitment of the Afghan Government and the donors to have an Audit Law enacted providing Independence to the CAO and strengthening the CAO. The CAO was assisted in developing the outcome matrix for the Governance cluster and subsequently after the Kabul Conference on development of the Action Plans.

In this backdrop, a strategy for CAO on Fraud and corruption was developed. A capacity development plan for the capacity development requirements in the CAO has been prepared with focus on the needs at the Enabling Environment level, Organisational level and the Individual level has been developed based on the strategy on fraud and corruption proposed to the CAO. The Capacity development plan has been discussed with the Deputy Auditor General and is under final stages of discussions with the senior management for acceptance. Two workshops were also held related to the development of strategy for CAO on fraud and corruption with 19 and 21 senior officials of the CAO participating, including all Directors and the Deputy Auditor General.

In line with the commitment in the Kabul Conference towards strengthening the capacity of Control and Audit Office as well as the ACT project document, two training programs on fraud and corruption detection were conducted during July 2010 and October 2010. The training programmes were attended by 24 participants including 10 from internal Audit departments of various ministries in the first training and 26 participants in the second training including 13 from Internal Audit Departments and four female participants. Thus over all 50 trainees were trained on fraud and corruption detection.

Capacity Development support in specific audit procedures is to be extended in 2011 after agreement on the capacity development plan.

The Audit Outreach activities could not be taken up as the enabling conditions in form of the audit law with enabling provisions has not been enacted. However, a concept note and a TOR for setting up of Audit Coordination Committees with the auditee organisations for follow up on audit observations as well as audit planning and facilitation of conduct of audit has been submitted to the CAO. Roll out is expected after the strategy is finalized and accepted by the CAO.

Target 2011: Review four audit procedures and carry out capacity development in the reviewed procedures.

Activity Result	Description of results/achievement	% of progress rate/delivery
2.4.1.1: Carry out review of existing financial and auditing procedures to assess effectiveness in deterring and detecting fraud and corruption	<p>Supported CAO in its participation in the Governance Cluster for the Kabul Conference in June-July 2010. Ensured that for the first time, the mention of Control and Audit office was included in the conference documents as time bound commitment of the Afghan Government and the donors to have an Audit Law enacted providing Independence to the CAO and strengthening the CAO. The CAO assisted in developing the outcome matrix for the Governance cluster and after the Kabul Conference on development of the Action Plans.</p> <p>The strategy for CAO on fraud and corruption was developed. To be finalized with the Auditor General in beginning of 2011.</p> <p>A proposal for providing support to the Public Accounts Committee (to be set up as per commitments in the Kabul Conference) in the new National Assembly has been suggested to be included in the new project being designed by UNDP for support to the National Assembly.</p> <p>Following acceptance of the Capacity Development Plan, review of four audit procedures planned in 2011.</p>	10%
2.4.1.2: Carry out needs assessment of relevant CAO staff in view of the findings of the review	Activity planned in 2011 in four audit procedures after its review.	0%
2.4.1.3: Develop capacity development plan and training materials based on	A capacity development plan for the capacity development requirements in the CAO prepared with focus on the needs at the Enabling Environment level, Organisational level and the Individual level based on the strategy on fraud and	95%

needs assessment	corruption proposed to the CAO. The capacity development plan discussed with the Deputy Auditor General and is under final stages of discussions with the senior management for acceptance.	
2.4.1.4: Provide capacity development support and on-the-job mentoring to relevant CAO staff to implement relevant financial and auditing procedures	<p>Two training programs on fraud and corruption detection were conducted by UNDP during July 2010 and October 2010. 50 trainees with 23 from the internal audit departments of the Ministries and four female officials participated in the training programmes.</p> <p>A workshop on fraud and corruption detection was conducted in the CAO to develop a strategy for fraud and corruption detection for the CAO on 29th September 2010. 19 Senior officials including all Directors and the Deputy Auditor General of CAO participated in the workshop. Another workshop, attended to by 21 senior officials of the CAO including all Directors and the Dy AG, to discuss the Strategy Response matrix and the strategy for fraud and corruption for CAO was conducted on 25th November 2010. The strategy response matrix is under final stages of discussion with the senior management.</p> <p>Capacity Development support in specific audit procedures to be extended in 2011 after agreement on the capacity development plan.</p> <p>As part of the effort to create an awareness among the auditors of the CAO and key Government institutions, and discussing the role of the CAO with respect to fraud and corruption, a 3 day seminar on 'Role of Control and Audit Office in reducing administrative corruption' was conducted in March 2010, supported by UNDP/ACT.</p> <p>To further create awareness in the wide spectrum of auditors of CAO as well as all stakeholders, an article on Fraud and Corruption Detection by Supreme Audit Institutions was submitted to be included in the Audit magazine to be published by the CAO. It is proposed to continue use of this medium to create awareness as well as knowledge sharing with a wider audience.</p>	10%
2.4.1.5: Facilitate participation in relevant trainings and exchange visits to develop the capacity of relevant CAO staff	<p>One participant was sponsored to a training on Corporate Fraud, Investigations and Prevention in Singapore in March. Two participants were sponsored for a training on Risk Based Internal Auditing at Singapore during November 2010.</p> <p>This activity will be further taken up after the capacity development plan is accepted and adopted by the Control and Audit Office. For 2011 two exchange training</p>	10%

	programmes are planned.	
<p>2.4.2.1: Conduct study on transparency / accessibility of the CAO</p> <p>2.4.2.2: Carry out needs assessment of relevant CAO staff in view of strengthening capacity for outreach / public relations</p> <p>2.4.2.3: Develop capacity development plan and training materials based on needs assessment</p> <p>2.4.2.4: Provide capacity development support and on-the-job mentoring to relevant CAO staff</p> <p>2.4.2.5: Information campaign developed in collaboration with CAO and disseminated</p>	<p>No activity could be taken up as the enabling audit law has not been enacted. It is expected that the audit law with adequate enabling provisions is going to be enacted in 2011 after which specific activities for audit outreach could be taken up.</p> <p>However, to further the audit outreach at the operational level with the government counterparts, a concept note on creating audit coordination committees with auditee counterparts and institutions like the Attorney General's Office and High Office of Oversight, along with model Terms of Reference of the committees, was prepared and shared with the CAO. It has been discussed and accepted by officials of CAO. It will be rolled out once the Strategy and the capacity development plans are accepted by the CAO.</p>	5%

Output 3: Enhanced Capacity of Civil Society and Media to Effectively Contribute to the Fight Against Corruption

Indicators: : Number of CSOs, youth and media organizations selected for funding through ACT Grants Facility (ACT-GF); Number of CSOs and media organizations receiving funding through ACT-GF achieving targets as per grant agreement.

Based on the re-aligned project document approach, the project is aiming to provide grants to CSOs through the CSOs networks. In 2010 the project did not provide grants to CSOs through the ACT Grants Facility. In 2011, grants will be provided to those CSOs working with the MEC through the civil society board and the CSOs networks in the MOF, MOE, and MOI in order to support the initiatives of those CSOs. The ACT Grants Facility strategy has been revised which will set the next steps to be taken to provide technical and financial support to the CSOs participating in the MEC, MOE, MOF, and MOI CSOs networks.

Target 2010:

Activity Result	Description of results/achievement	% of progress rate/delivery
<p>3.1.1.1: Conduct annual awareness raising workshop to ensure wide awareness amongst CSOs, youth and media organizations of the ACT grants facility.</p> <p>3.1.1.2 Conduct annual capacity development workshop to support grants applicants to strengthen proposals.</p> <p>3.1.1.3: Select 3-4 CSOs, youth and media organizations per year to receive grants through the ACT Grants Facility.</p> <p>3.1.1.4: Conduct annual evaluation lessons learned workshop to assess level of success and impact of activities carried out by grants recipients.</p> <p>3.1.2.1: Conduct needs assessment for CSOs, youth and media organizations involved in / getting involved in the fight against corruption.</p> <p>3.1.2.2: Develop capacity development plan for selected CSOs, youth and media organizations.</p> <p>3.1.2.3: Develop training materials aimed at increasing the capacity of selected organizations to increase their involvement in the fight against corruption.</p> <p>3.1.2.4: Conduct training</p>	<p>In 2010, the project moved ahead with implementation of advocacy and communication plan including awareness raising campaign for the general public. The ACT booklet was developed for the project containing important information about the project and was distributed widely. The booklet also translated into Dari and Pashto languages. The first issue of ACT Against Corruption Newsletter was produced and circulated through the project counterparts.</p> <p>However, further steps pending the establishment of the CSOs networks, which are underway in the MOF, MOE, and MOI to raise awareness of general public.</p> <p>A capacity development plan was developed for the CSOs and implementation of the plan has already started.</p> <p>Workshops were organized for CSOs in MOF, MOE, and MOI on involvement of CSOs in overseeing services provided to the public. An agreement was reached with the mentioned institutions to The ultimate aim of the workshops was to enable CSOs to become part of CSOs networks in MOF, MOE and MOI.</p> <p>In total, the project organized 11 workshops for 40 members of CSOs including 15 women who received training on their role in the fight against corruption.</p> <p>Workshops organized for CSOs on 'Operationalizing the Role of Civil Society in the fight against corruption in Afghanistan. Specific trainings for the CSOs were developed and delivered.</p> <p>Consultations were held with CSOs and media organizations on anti-corruption public campaign in general and celebrating</p>	<p>80%</p>

<p>workshops at the central and sub-national level.</p> <p>3.1.2.5: Provide support to grants recipients in the implementation of activities.</p> <p>3.1.3.1: Hold consultations with CSOs, youth and media organizations and government counterparts.</p> <p>3.1.3.2: Develop plan for engagement / collaboration between HOO / the government and CSOs, youth and media organizations in the fight against corruption</p> <p>3.1.3.3: Hold annual civil society conference on anti-corruption in support of the formation of civil society network</p>	<p>international anti-corruption day in particular.</p> <p>Based on re-aligned project document, the project provided support to the CSOs engaged in the operational work of networks. The ACT Grants Facility strategy has been revised which will set the next steps to be taken to provide technical and financial support to the CSOs participating in the MEC, MOE, MOF, and MOI CSOs networks.</p> <p>According to the re-aligned strategy of the project aiming to provide grants to CSOs through the CSOs networks, in 2010 the project did not provide grants to CSOs through the ACT Grants Facility. In 2011, however, the grants will be provided to those CSOs working with the MEC through the civil society board and the CSOs networks in the MOF, MOE, and MOI in order to support the initiatives of those CSOs.</p>	
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Output 4: Training materials and modules developed and integrated into on-going training initiatives (4.1.1.); Advocacy plan developed with materials disseminated nationwide through wide range of media (4.2.1)

Indicators: Percentage of population aware of mechanisms available for reporting cases of corruption; Percentage of civil servants who agree that they understand and apply the Civil Servant Code of Conduct

The Project developed a capacity development plan for the CSOs and started the in the implementation in 2010. Agreements were reached with MOF, MOE and MOI on involvement of CSOs in overseeing services provided to the public. In 2010, the project organized 11 workshops for 40 members of CSOs including 15 women who received training on their role in the fight against corruption. Workshops organized for CSOs on 'Operationalizing the Role of Civil Society in the fight against corruption in Afghanistan in national and sub-national level. Specific trainings for the CSOs were developed and delivered in MOE, MOF, MOI and education and health departments in Heart province.

In 2010, the project moved ahead with implementation of advocacy and communication plan including awareness raising campaign for the general public. The ACT booklet was developed for the project containing important information about the project and was distributed widely. The booklet also translated into Dari and Pashto languages. The first issue of ACT Against Corruption Newsletter was produced and circulated through the project counterparts.

However, further steps pending the establishment of the CSOs networks, which are underway in the MOF, MOE, and MOI to raise awareness of general public.

Consultations were held with CSOs and media organizations on anti-corruption public campaign in general and celebrating international anti-corruption day in particular. International anti-corruption day efforts were coordinated with UNODC, CSOs, HOO, and other partners of the project. Anti-corruption posters were produced and circulated through project partners.

Target 2010: 80 percent of general population survey respondents indicate that they are aware of the mechanism available by end of 2011; 60 percent of civil servant survey respondents indicate they are aware Code of Conduct by end of 2011

<p>4.1.1: Conduct training needs assessment amongst civil servants</p> <p>4.1.2: Develop training modules on ethics and conflict of interest</p> <p>4.1.3: Conduct training or trainers workshops at central and sub-national level</p> <p>4.1.4 Ensure that training modules are mainstreamed in on-going training activities delivered at the central and sub-national level</p>	<p>At the national level, the work on establishing civil society networks for the MEC, MOE, MOF and MOI is underway. Concept note and Action Plan were developed for MOF, MOE and MOI to establish a CSOs Network and also a joint MOF-Civil Society Transparency Board.</p> <p>At the sub-national level, agreement has been reached with Education and Health departments of Herat province to involve Civil Society in overseeing service delivery.</p> <p>The project organized trainings and developed training material for CSOs and Herat Provincial Council Members in Herat on how to oversee Health and Education services at provincial level. Indicators for overseeing and methodology for data gathering and reporting to Provincial Council were developed in the workshops.</p> <p>In 2010, the project organized workshops for CSOs and the public representatives in Herat, and training material were prepared on social audit and social budget audit engaging the CSOs and linking them to the provincial council.</p>	<p>75%</p>
<p>4.2.1: Establish Advocacy Unit in HOO</p> <p>4.2.2: Develop advocacy plan in collaboration with HOO</p> <p>4.2.3: Awareness-raising</p>	<p>International anti-corruption day efforts were coordinated with UNODC, CSOs, HOO, and other partners of the project. Anti-corruption posters were produced and circulated through project partners.</p>	<p>25%</p>

campaign developed in collaboration with HOO and disseminated nationwide		
4.2.4: Hold celebration of International Anti-Corruption Day		

III Implementation Arrangements

High Office of Oversight

The project has proposed the creation of the Inter-Institutional Working Group (IIWG) with the purpose of developing an inter-ministerial coordinating framework including MoE, MoI, MoF, CAO, and HOO as the main coordinating institution in charge of monitoring the implementation of anticorruption measures. The IIWG met in December 2010 for the first time and minutes show that all ministries were in agreement with such framework. HOO will be in charge of taking over this technical-policy coordinating framework that will be meeting monthly with the purpose of generating inter-ministerial action plans and following up on the implementation of preventive and law enforcement anticorruption measures across the Afghan State.

The project has used the modality of Letters of Agreement (LOA) with government entities to support recruitment of staff and procurement of equipment and provide more control over the LOA staff and enhance government’s ownership. The LOA with HOO will be realigned with HOO’s priorities (in accordance to HOO’s 2011-2013 Strategy Plan). Yet, its coordination and supervision needs to be strengthened through monthly reports and follow-ups.

The ACT project developed an annual HOO-ACT action plan that has been delineated in consonance with the 2011-2013 Strategy Plan priorities.

The project will also constitute an Inter-Institutional Working Group to improve coordination and cooperation across project components and partners and explore synergies and harmonize activities carried out by different project partners.

Ministry of Finance

At the Ministry of Finance, the close working relationship with senior management have resulted in good interaction and the ministry has taken a high degree of interest in the ACT project and is willing to collaborate with the UNDP on all project related issues.

Ministry of Education

To implement our activities at MOE and transfer the skills, the ACT project is coordinating all support with senior management on time through bilateral meetings and agreements.

Control and Audit Office

The project has supported the CAO in its participation of Governance cluster in the preparation for Kabul Conference. The Technical Specialist, embedded in CAO, formed a team with a senior CAO official, to participate in the discussions in the Governance Cluster where the team provided inputs to the cluster paper as well as the outcome matrix. After the Kabul Conference, the team was engaged in preparing the action plan. The CAO official has, thereafter, followed on the action plan and subsequent meetings of the Governance Cluster on his own.

Further, while developing the Strategy and capacity development plans, the CAO senior management was involved and to create an ownership and ensure stakeholder involvement, workshops and discussions were held involving all Directors and Senior Management.

The Audit Coordination Committees to be set up will ensure that the operational protocols between the CAO and auditees lead to follow up on the audit observations and facilitation of audits.

Civil Society Organisations and Public Advocacy

Based on re-aligned project document, the project worked on establishing civil society networks for the MEC, MOE, MOF and MOI in ministerial level and on sub-national level with provincial council members and government service departments in provinces. Concept notes and action plans were developed for MOE, MOF and MOI to establish a CSOs network and have a civil society transparency board which was produced with the consultation of ministries. The project provided support to the CSOs engaged in the operational work of networks. The ACT Grants Facility strategy has been developed that set the next steps to be taken to provide technical and financial support to the CSOs participating in the MEC, MOE, MOF and MOI CSOs network.

IV Challenges/Risks/Issues

High Office of Oversight

Political will

Challenges remain regarding the political will needed to implement real anticorruption measures in Afghanistan. UNDP proposed strategy framework document presented to the HOO in July (2010) introduced an assessment of HOO's current institutional gaps and needs in order to motivate the discussion of a strategic framework, also proposed within the same document. This UNDP document is aimed at starting a technical dialogue towards assisting HOO towards a well-defined role in (i) coordinating anticorruption policies across the Afghan State with the Ministry of Justice, President's Office, and Legislative domains; (ii) coordination of law enforcement efforts with the Attorney General's Office, the Ministry of Interior, and Intelligence agencies (financial intelligence included); (iii) policy review of anticorruption proposals; (iv) public advocacy; and (v) prevention. In this regard, a much more fluent communication effort should be made to address all dimensions of political decision making within the Afghan Government.

Any other

Pernicious incentives may affect the capacity of Afghan civil servants to serve with effectiveness if different tiers of LoA-based compensation and salary scales are perceived to lack merit in their delineation. In this context, a gradual convergence towards a uniform salary scale based on merit and supported by the IACSC needs to be promoted.

Ministry of Interior, Finance

In working with the Ministry of Interior, it has become apparent that with the many donors active at MOI, a high level of planning and coordination will be necessary. To reduce transaction costs on the MOI side, EUPOL has been charged with the responsibility to coordinate efforts, collecting all inputs for anticorruption related activities and ensure that the Ministry is fully informed and in agreement with the activities included in the UNDP ACT project document.

Ministry of Finance

At the Ministry of Finance minor discrepancies on the complaints procedures between UNDP and MOF resulted in a period where complaints were not being processed. This was resolved by handing over the full responsibility of complaints handling to the civil servants at MOF.

Ministry of Education

The weak support of current civil servants in the complaints office can be a challenge for staff under the letter of agreement to improve transparency and combat corruption at Ministry of Education.

Control and Audit Office

During 2011, activities are planned which involve coordination with the auditee organisations as well as cooperation of the auditors on field. Absence of an enabling Audit Law, ensuring independence of CAO may impact the roll out of activities.

Civil Society Organisations and Public Advocacy

Lack of capacity on the part of civil society to implement anti-corruption activities and to take a leading role in overseeing public service delivery has been a challenge. However, the project approach has been focused on developing capacity of CSOs to take their role in the fight against corruption through a network approach.

With an increase in the number of civil society at national and sub-national levels in the fight against corruption, effective coordination among civil society organizations and ministries including MOE, MOF and MOI is a challenge. To this end, the ACT project sought to take a leading role in coordinating the efforts of ministries and CSOs.

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High Office of Oversight

The London Conference, the subsequent Presidential decree, and the July Kabul Conference posed a challenge to re-orient the priorities and activities of the project. In addition, HOO's recent Strategy Plan (produced by HOO in December 2010 at the original July request of ACT) added a need for the ACT project to adjust its resource allocation and institutional priorities. Moreover, a project document review now reflects the first Strategy Plan of the HOO. It remains that flexibility and the ability to adapt and to changing circumstances is critical to the success of the project in a rapidly changing institutional and political environment. Flexibility also includes the need to be responsive to arising needs of government counterparts. To this end the project has allowed for flexibility in project implementation at the same time as assuring that it remains on track towards achieving its stated outputs. With the signing of LOA with the HOO, the critical task of recruitment was entrusted to the HOO which suggests not only capacity on part of the HOO to take up this responsibility but also the flexibility on part of the project to deal with the emerging situations.

Measures conducted at HOO, mainly by UNDP and UNODC were showing great speed of implementation when addressing procurement that may be needed for future anticorruption investigations and/or prevention strategies. Yet, more substantive actions seem to be challenged (e.g. HOO's ability to produce concrete evidentiary material to be channeled to the Attorney General or to the Judicial branch for much needed motivation on specific convictions).

Several provisions related to coordination between different components of the project and government partners involved in implementation need to be addressed and to that end the project has started preparations for establishing an Inter-Institutional Working Group (ACT-IIWG) at the beginning of 2011.

Ministry of Finance

In 2010, the Ministry of Finance took ownership in handling complaints and is now fully in charge of the complaints handling. The UNDP ACT project is now advising and providing capacity building as well as having an oversight function of the processes, thereby gradually ensuring the sustainability of the project.

Ministry of Education

Through a participatory mode, the Complaints mechanism was owned up by the senior management of the MOE. Presentation on the complaints mechanism was made by the officials of ministry during a workshop to explain the mechanism.

Control and Audit Office

The capacity of the official participating in the Governance Cluster meetings was improved with continuous hand holding. In other activities, coordination with the senior management has been helpful in ensuring the delivery of project results.

Civil Society Organisations and Public Advocacy

The civil society in Afghanistan has a weak technical capacity in the area of anti-corruption. In order to enable the civil society to overseeing public services, the project will provide capacity development support to civil society organizations and media.

VI Future Plan

Overall

An Inter-Institutional Working Group to improve coordination and cooperation across project components and partners and to explore synergies and harmonize activities carried out by different project partners will be constituted at the beginning of 2011 and will meet on a regular monthly basis.

High Office of Oversight

It is anticipated that a working technical committee will be established at HOO. Furthermore, in coordination with UNODC work on functional protocols between HOO and other entities will begin. ACT will further assist HOO on follow up on three anti-corruption priorities.

Ministry of Finance

At Ministry of Finance, the project will continue to implement project activities as planned. The Integrity Promotion Office will be established, and undertake trainings in ethics and dilemmas on fraud and corruption for all MOF civil servants, both in Kabul and at sub national level. A database for the handling of complaints will be initiated, and further training of the Fraud Investigation Unit will take place.

Ministry of Interior

At the Ministry of Interior close coordination with EUPOL will take place. The complaints handling mechanism will be formalized and experiences from the Ministry of Finance will be applied to see if activities with some modifications can be replicated.

Ministry of Education

The action plans will be developed based on the findings and recommendations in final report of VCA. The complaints offices will be established in each deputy ministry of education located in Kabul and three other provinces identified (Jalalabad, Mazar, and Herat). The Integrity Promotion Office will be established, and undertake trainings in ethics and dilemmas on fraud and corruption for all MOE civil servants, both in Kabul and at sub national level. A database for the handling of complaints will be initiated, and further training to the employees will take place.

Control and Audit Office

The Strategy and the Capacity Development Plans will be agreed to with the CAO and roll out of activities begun. The audit procedures in four areas will be undertaken during the year with a manual/checklist for audit developed, training imparted to core group of auditors and mentoring on the job for the audit in these areas. The Audit Outreach activities will be undertaken with the enactment of Audit Law with enabling provisions. The roll out of the Audit Coordination committees will be taken up after the finalization of the strategy and capacity development plan.

Civil Society Organisations and Public Advocacy

Four anti- corruption networks (MOE, MOF, MOI and MEC) will be established and will carry out technical assessment for the MEC. These civil society networks will be making recommendations on how the authorities should work closely and provide help to the complaints office in the MOF, MOE and MOI. In addition, CSOs networks at sub-national level would oversee government services at provincial level.

The project will carry out awareness raising campaign to raise understanding of general public about corruption and their role to fight corruption at national and sub-national level through TV and radio spots, posters. In addition the project will increase awareness of members of parliament and provincial councils on consequences of corruption. The project will develop a training module on the role of public representatives in the fight against corruption.

VII Financial Information

Table 1. Total Income and Expenditure

Donor	INCOME			Expenditure			BALANCE	Remarks
	Total Commitment (approx. US\$)	Total Received (approx. US\$)	Total Receivable (approx. US\$)	Total Cumulative Expenditures as of Dec 2009	Current Year 2010 (Cumulative) as of the current Quarter	Total Expenditures	Total Received minus Total Expenditures	
Denmark	1,889,331	1,889,331	-	-	245,580	245,580	1,643,751	
Italy	374,532	374,532	-	371,881		371,881	2,651	
Norway	1,324,480	1,324,480	-	1,278,196		1,278,196	46,283.6	
DFID	9,305,556	4,310,345	4,995,211	1,123,643	3,177,069	4,300,712	9,634	
CIDA	1,416,431	472,143	944,288	-	101,226	101,226	370,917	
UNDP	980,696	980,696	-	980,696	(4,936)	975,760	4,936	
Total	15,291,026	9,351,526	5,939,499	3,754,416	3,518,938	7,273,354	2,078,172	

Note:

i) Expenditure reported for 2010 is provisional.

ii) Income received in currency other than USD is approximated to USD based on UN exchange rate.

Table 2. Expenditure by Major Outputs (2010)

Project Output	Budget (AWP 2010)	Cumulative Expenditure as of the year 2010	Delivery Rate*	Remarks
Output 1: High Office of Oversight enabled to fulfill its mandate.	1,650,050	1,424,666	86%	
<i>GMS</i>	124,197	107,604.43		
Sub-total Output 1.	1,774,247	1,532,270	86%	
Output 2: Vulnerability to Corruption Assessments (VCA) completed and recommendations integrated in on-going technical assistance in Control and Audit Office, Ministry of Education, Ministry of Interior and a municipality	1,287,389	924,522	72%	
<i>GMS</i>	96,090.00	69,587.71		
Sub-total Output 2	1,383,479	994,110	72%	
Output 3: Civil society actors and media increasingly involved in the fight against corruption	255,659	13,647	5%	
<i>GMS</i>	19,243	1,027		
Sub-total Output 3	274,902	14,674	5%	
Output 4: Training materials and modules developed and integrated into on-going training initiatives	64,650	15,200	24%	
<i>GMS</i>				

	4,866	1,144		
Sub-total Output 4	69,516	16,344	24%	
Output 5:Project Team Support	779,490	894,232	115%	
<i>GMS</i>	58,671	67,307.81		
Sub-total Output 5	838,161	961,540	115%	
Grand Total	4,340,306	3,518,938	81%	

Note:

*Delivery Rate = Cumulative 2010 expenditure/2010 AWP budget

Table 3. Expenditure by Donors (2010)

Donor	Project Output	Budget (AWP 2010)	2010 Cumulative Expenditure as of the current Quarter	Delivery Rate*
DFID 00551	Output 1: High Office of Oversight enabled to fulfill its mandate.	1,150,250	1,262,959	110
	Output 2: Vulnerability to Corruption Assessments (VCA) completed and recommendations integrated in on-going technical assistance in Control and Audit Office, Ministry of Education, Ministry of Interior and a municipality	723,698	775,239	107
	Output 3: Civil society actors and media increasingly involved in the fight against corruption	255,659	13,647	5
	Output 4: Training materials and modules developed and integrated into on-going training initiatives	64,650	15,200	24
	Output 5: Project Team Support	779,490	887,629	114

GMS		222,644	222,395	100
Grand Total		3,196,391	3,177,069	99
Denmark 00095	Output 1: High Office of Oversight enabled to fulfill its mandate.	499,800	166,643	33.3
	Output 2: Vulnerability to Corruption Assessments (VCA) completed and recommendations integrated in on-going technical assistance in Control and Audit Office, Ministry of Education, Ministry of Interior and a municipality	165,000	55,143	33.4
	Output 3: Civil society actors and media increasingly involved in the fight against corruption	-	-	
	Output 4: Training materials and modules developed and integrated into on-going training initiatives	-	-	
	Output 5: Project Team Support	-	6,603	
GMS		50,414	17,190.61	34.1
Grand Total		715,214	245,580	34.3
CIDA	Output 2: Vulnerability to Corruption Assessments (VCA) completed and recommendations integrated in on-going technical assistance in Control and Audit Office, Ministry of Education, Ministry of Interior and a municipality	398,691	94,140	23.6
GMS		30,009	7,085.81	23.6
Grand Total		428,700	101,226	23.6

UNDP	Output 1: High Office of Oversight enabled to fulfill its mandate.		(4,936)	
Total		4,340,305	3,518,938	81

Note:

*Delivery Rate = Cumulative 2010 expenditure/2010 AWP budget

I. Detailed Reporting on Results and Impact (Reporting on each output)

Output 1: Improved Institutional and Policy Environment Created to Support the Implementation of the National Anti-Corruption Strategy

Activity Result	Baseline information	Performance Target	Description of results/achievement	% of progress rate/delivery
1.1 High Office of Oversight enabled to fulfil its mandate	Baseline 1 (2008): No ministries or government offices have to date developed anticorruption action plans based in national anticorruption strategy Baseline 2 (2008): 1 assessment / review ongoing	Indicator 1: Number of ministries and government offices (e.g. Control and Audit Office, Attorney General's Office) that have developed anti-corruption action plans based on the National Anti-Corruption Strategy and reporting to the High Office of Oversight on implementation progress. Indicator 2: Number of administrative procedures/processes assessed/reviewed by the HOO and recommendations for simplification made to the relevant ministries/ government offices	LOA with HOO concluded Equipment delivered to HOO Note on Strategic Framework provided Proposal on MEC prepared	
1.2 Comprehensive corruption monitoring	Baseline 3 (2008): To date no comprehensive survey of corruption perceptions	Comprehensive corruption monitoring system established by February	LOA with UNODC concluded Preliminary activities to conduct surveys carried out	

system established	and experiences has been carried out	2012		
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Output 2.1: Vulnerability to Corruption Assessments (VCA) completed and recommendations integrated in on-going technical assistance in four government institutions

Indicators: Number of action plans developed, adopted and implemented based on VCAs conducted

Target 2010: 7 action plans developed, adopted and implemented by end of 2010

Activity Result	Baseline information	Performance Target	Description of results/achievement	% of progress rate/delivery
2.1.1 Conduct VCAs in Ministry of Education (x2), Ministry of Interior (x2) a municipality (x1) and CAO (x1)			<p>In the second half of 2010, agreement on carrying out a VCA in the Ministry of Finance was reached with the Minister of Finance. The departments to be analysed in the VCA will be selected jointly with MOF management. The terms of reference and selection of the consultant will take place in early 2011.</p> <p>At the Ministry of Interior, discussions on the VCA approach have been ongoing during 2010, and two VCAs have been planned for 2011.</p> <p>A VCA in MOE has been conducted and the report is to be finalized by March 2011.</p>	<p>MOF: 30% MOI: 5% (discussions are ongoing) MOE: More than 60% progress has been made – VCA report has to be finalized</p>
2.1.2 Develop action plans for implementation of the VCA			Workshop and discussions being held on the development of action	0% (VCAs for MOF and MOI not initiated)

recommendations			plans in MOE.	For MOE: 20 % - initiated to develop action plans
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Output 2.2: Complaints and investigation capacity established/developed in four government institutions

Indicators: Percentage of complaints referred within the ministry / office investigated and completed at year end

Target 2010: 80 percent of all cases referred investigated and completed by end of 2011

Activity Result	Baseline information	Performance Target	Description of results/achievement	% of progress rate/delivery
2.2.1 Carry out review of complaints and investigation mechanisms at the central and sub-national level in Ministry of Education, Ministry of Finance and Ministry of Interior			<p>MOF: To provide capacity development support and on-the-job mentoring to staff of the Ministry of Finance on complaints and investigation mechanisms, a joint assessment of the training needs of the Fraud Investigation Unit (FIU) of the internal audit department was conducted. Based on the assessment of the FIU training needs, a report outlining the main capacity building needs was prepared. Actions were taken to render the requested technical assistance by drafting ToR of the services required.</p> <p>MOE: A complaint handling procedure was developed and shared for</p>	<p>90%</p> <p>50% progress ongoing by</p>

			integrating the comments from the relevant departments at ministry of education.	establishing and developing the complaints office.
2.2.2 Develop recommendations / action plan for strengthening the structure and organization of complaints and investigation mechanisms			<p>MOF: In 2010, a new internal procedure for handling the complaints in the Ministry of Finance was developed. The procedure was shared with the Minister of Finance, prosecutors and the Director General of Internal Audit department for comments. At a meeting with the Minister of Finance, the procedure and a flow chart were discussed and the Minister ensured full support for the fight against corruption.</p> <p>MOE: The complaints handling procedure was agreed through a workshop by the participants and senior management of the ministry. The organizational structure for the complaints offices was developed. Regional locations were identified for establishing complaints offices.</p>	<p>90%</p> <p>50% ongoing progress</p>
2.2.3 Provide capacity			MOF:	MOF: 90%

<p>development support and on-the-job mentoring to the staff of the complaints and investigation mechanisms in the ministries / office at the central and sub-national level</p>			<p>UNDP developed training material and conducted two training workshops for 12 staff members of the Fraud Investigation Unit on fraud investigation techniques. During the two workshops, 80% and 88% of the participants respectively increased their knowledge.</p> <p>The revised complaints handling procedures also meant increased ownership for the ministry. Until October 2010, the UNDP was in the 'driver's seat' and was receiving and registering the complaints. The revised procedure ensured that ministry civil servants now are receiving the complaints through the usual channels thereby ensuring increased ownership of the process.</p> <p>In addition to these activities, the ACT project provided ongoing on-the-job mentoring and advice to staff of the complaints office and the Fraud Investigation Unit.</p> <p>MOE: More than forty ministry staff from internal inspection directorate, safety and security</p>	<p>MOI: 10%</p> <p>20% ongoing progress</p>
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			<p>directorate, and complaints office including the chief of staff and directors were trained in three different workshops on complaints handling.</p>	
2.2.4 Develop complaints management software			<p>During 2010 various versions of the complaints management database at the Ministry of Finance were discussed. When the civil servants assumed responsibility of the complaints handling in October 2010, the MOF management called upon the UNDP to develop an internal note on how such a revised MOF database could look like. This was discussed, and will be implemented in 2011.</p>	10%
2.2.5 Provide necessary IT and communication equipment for handling complaints and investigation in the Ministry of Education, Ministry of Finance, and Ministry of Interior			<p>MOI: At the MOI Mobile anti corruption teams were established with funding from the UNDP</p> <p>MOE: IT equipments necessary for establishing the complaints office are being procured.</p>	<p>100%</p> <p>90% - few more copiers and printers need to be purchased</p>
2.2.6 Establish linkage with the network of civil society actors to serve as complaints recipient and forwarding channel			<p>In October 2010, the ministry invited, together with the UNDP, six civil society organisations (CSOs) for a one-day workshop to discuss how they could assist the</p>	80%

			<p>ministry in reducing fraud and corruption.</p> <p>As an outcome of the workshop, and on a test basis, it was agreed that a number of CSOs primarily the Trade Unions, Chamber of Commerce Representatives and Business Associations would be screened and selected by the Ministry of Finance and UNDP and subsequently be trained in how to receive and forward complaints to the complaints office at the ministry. The ministry and the UNDP will implement this by early 2011 and evaluate the system jointly by mid 2011. Furthermore, policy advice to the Minister of Finance was provided and an agreement was reached on inclusion of other stakeholders, i.e. trade unions, business associations and other CSOs in coordination with the Chamber of Commerce to monitor the complaints processes.</p> <p>MOE:</p> <p>Some civil society organizations were identified to develop a network. A workshop was conducted to explain the role of CSOs in receiving the complaints.</p>	50%
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2.2.7 Train the civil society network and IPOs on handling of the complaints			MOF: See above. MOE: Preliminary workshops were conducted at MOE to the network of CSOs to work in the education sector for fighting corruption.	10%
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Output 2.3: Integrity Promotion Offices (IPO) established in four government institutions

Indicators: Percent of civil servants aware of ministry / office internal integrity mechanisms and understand and apply the Code of Conduct and Conflict of Interest policies

Target 2010: 90 percent civil servants aware of ministry / office internal integrity mechanisms and understand and apply the Code of Conduct and Conflict of Interest policies by end of 2011

Activity Result	Baseline information	Performance Target	Description of results/achievement	% of progress rate/delivery
2.3.1 Establish IPOs in Ministry of Education, Ministry of Finance and Ministry of Interior			MOF: In late 2010 agreement was reached with the Ministry of Finance on the establishment of an Integrity Promotion Office (IPO). It is designed to assist in providing training to its employees and providing policy advice to senior management on how to deal with fraud, ethics and corruption. As an example, the IPO office could assist in establishing whistle blower policies, internal	MOF: 20% (due to shortage of staff)

			<p>Ministry of Finance anti corruption policies and action plans, training seminars on ethics, conducting analyses on departmental vulnerabilities to corruption. In short, IPO staff is at the disposal of MOF senior management in all matters dealing with fraud, anti corruption and ethics.</p> <p>MOE: An agreement was reached with the MOE to establish integrity promotion office (IPO) to provide trainings to government employees on public ethics, conflicts of interest, code of conducts, to play an oversight role on the complaints mechanism and to produce anti corruption policies for MOE.</p>	5% ongoing
2.3.2 Through IPOs, support the ministries / office in			At the Ministry of Finance, a whistle blower policy was drafted and shared with the Ministry	80%

developing anti-corruption action plans taking into account the National Anti-Corruption Strategy, the VCAs, and the sector surveys			of Finance. Full implementation of the policy is ongoing and will be coordinated by the Integrity Promotion Office.	
2.3.3 Develop capacity of IPOs to support the efforts of the HOO in the respective ministries / office			Staff for the IPO office was not hired in 2010, so instead complaints staff from the UNDP undertook IPO related activities.	
2.3.4 Provide training to civil servants in the ministries / office at the central and sub-national level on anti-corruption, ethics and conflict of interest			To train the civil society network and IPOs on handling of the complaints, the Complaints Office staff was engaged in re-developing complaints procedures considering the new concerns recently raised by the prosecutors in the MoF.	
2.3.5 Carry out information campaigns at the central and sub-national				

level for the general population and civil servants in the ministries / offices on on-going efforts to prevent corruption				
2.3.6 Ensure that IPOs are integrated into the permanent structure of the ministries / office			The activity is an ongoing effort but integration is foreseen in 2011. Discussions with the Chief of staff from the Ministry of Finance already indicate a willingness to adopt the IPO approach in existing structures.	

Output 2.4: Capacity of the Control and Audit Office to ensure financial accountability in government institutions strengthened

Activity Result	Baseline information	Performance Target	Description of results/achievement	% of progress rate/delivery
2.4.1.1: Carry out review of existing financial and auditing procedures to assess effectiveness in deterring and detecting fraud and corruption	Capacity development initiated in 2009; 70 percent of all cases referred reviewed and completed in 2010	Capacity development plan developed	To create an appropriate enabling environment, the Control and Audit Office was supported in its participation in the Governance Cluster for the Kabul Conference in June-July 2010. It was ensured that for the first time, the mention	10%

<p>2.4.1.2: Carry out needs assessment of relevant CAO staff in view of the findings of the review</p> <p>2.4.1.3: Develop capacity development plan and training materials based on needs assessment</p> <p>2.4.1.4: Provide capacity development support and on-the-job mentoring to relevant CAO staff to implement relevant financial and auditing procedures</p> <p>2.4.1.5: Facilitate participation in relevant trainings and exchange visits to develop the capacity of relevant CAO staff</p>			<p>of Control and Audit office was included in the conference documents as time bound commitment of the Afghan Government and the donors to have an Audit Law enacted providing Independence to the CAO and strengthening the CAO. The CAO was assisted in developing the outcome matrix for the Governance cluster and subsequently after the Kabul Conference on development of the Action Plans.</p> <p>The strategy for CAO on fraud and corruption was developed. The strategy has been developed through study of the procedure of handling cases related to fraud and corruption in CAO and through workshops and discussions with the senior officials of the CAO. To be finalized with the Auditor General in beginning of 2011.</p> <p>Advice on Audit Law and other relevant issues have been continuously provided.</p> <p>A proposal for providing support to the Public Accounts Committee (to be set up as per commitments</p>	
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			<p>in the Kabul Conference) in the new National Assembly has been suggested to be included in the new project being designed by UNDP for support to the National Assembly.</p> <p>Following acceptance of the Capacity Development Plan, review of four audit procedures planned in 2011.</p>	
2.4.1.2: Carry out needs assessment of relevant CAO staff in view of the findings of the review	<p>Percentage of cases referred to CAO by HOO reviewed and completed at year end</p> <p>Baseline (2009): No baseline data available – to be collected in 2009</p>		Activity planned in 2011 in four audit procedures after its review.	0%
2.4.1.3: Develop capacity development plan and training materials based on needs assessment			A capacity development plan for the capacity development requirements in the CAO has been prepared with focus on the needs at the Enabling Environment level, Organisational level and the Individual level has been developed based on the strategy on fraud and corruption proposed to the CAO. The Capacity development plan has been discussed with the Deputy Auditor General and is under final stages of discussions with the senior management for acceptance.	95%
2.4.1.4: Provide capacity			In line with the commitment in the	10%

<p>development support and on-the-job mentoring to relevant CAO staff to implement relevant financial and auditing procedures</p>			<p>Kabul Conference towards strengthening the capacity of Control and Audit Office as well as the ACT project document, training programs on fraud and corruption detection was conducted by UNDP during July 2010 and October 2010. The training program was attended by 24 participants including 10 from internal Audit departments of various ministries in the first training and 26 participants in the second training including 13 from Internal Audit Departments and four female participants. Thus over all 50 trainees were trained on fraud and corruption detection.</p> <p>A workshop on fraud and corruption detection was conducted in the CAO to develop a strategy for fraud and corruption detection for the CAO on 29th September 2010. 19 Senior officials including all Directors and the Deputy Auditor General of CAO participated in the workshop. Another workshop, attended to by 21 senior officials of the CAO including all Directors and the Deputy Auditor General, to discuss the Strategy Response matrix and the strategy for fraud</p>	
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			<p>and corruption for CAO was conducted on 25th November 2010. The strategy response matrix is under final stages of discussion with the senior management.</p> <p>Capacity Development support in specific audit procedures to be extended in 2011 after agreement on the capacity development plan.</p> <p>As part of the effort to create an awareness in the auditors of the CAO and key Government institutions, and discussing the role of the CAO with respect to fraud and corruption, a 3 day seminar on 'Role of Control and Audit Office in reducing administrative corruption' was conducted in March 2010, supported by UNDP/ACT.</p> <p>To further create awareness in the wide spectrum of auditors of CAO as well as all stakeholders, an article on Fraud and Corruption Detection by Supreme Audit Institutions was submitted to be included in the Audit magazine to be published by the CAO. It is proposed to continue use of this medium to create awareness as</p>	
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			well as knowledge sharing with a wider audience.	
2.4.1.5: Facilitate participation in relevant trainings and exchange visits to develop the capacity of relevant CAO staff			One participant was sponsored to a training on Corporate Fraud, Investigations and Prevention in Singapore in March. Two participants were sponsored for a training on Risk Based Internal Auditing at Singapore during November 2010. This activity will be further taken up after the capacity development plan is accepted and adopted by the Control and Audit Office. For 2011 two exchange training programmes are planned.	10%
2.4.2.1: Conduct study on transparency / accessibility of the CAO 2.4.2.2: Carry out needs assessment of relevant CAO staff in view of strengthening capacity for outreach / public relations 2.4.2.3: Develop capacity development plan and training materials based on needs assessment 2.4.2.4: Provide capacity			No activity could be taken up as the enabling audit law has not been enacted. It is expected that the audit law with adequate enabling provisions is going to be enacted in 2011 after which specific activities for audit outreach could be taken up. However, to further the audit outreach at the operational level with the government counterparts, a concept note on creating audit coordination committees with auditee counterparts and institutions like the Attorney General's Office and High Office	5%

development support and on-the-job mentoring to relevant CAO staff 2.4.2.5: Information campaign developed in collaboration with CAO and disseminated			of Oversight, along with model Terms of Reference of the committees, was prepared and shared with the CAO. It has been discussed and accepted by officials of CAO. It will be rolled out once the Strategy and the capacity development plans are accepted by the CAO.	
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Output 3: Civil society actors and media increasingly involved in the fight against corruption.

Indicators: Number. Of CSOs, youth and media organizations selected for funding through ACT Grants Facility (ACT-GF)
Number of CSOs and media organizations receiving funding through ACT-GF achieving targets as per grant agreement

Target 2010: 14 CSOs / Media Organizations received grants by end of 2011, 12 out of 14 CSOs / Media Organizations fully achieved targets by February 2012

Activity Result	Baseline information	Performance Target	Description of results/achievement	% of progress rate/delivery
3.1.1.1: Conduct annual awareness raising workshop to ensure wide awareness amongst CSOs, youth and media organizations of the ACT grants facility. 3.1.1.2 Conduct annual capacity development workshop to support grants applicants to	Baseline (2008): 3 CSOs / Media Organizations have received grants. Baseline (2008): All grants recipients on target – activities to be finalized in 2009.	Target: 14 CSOs / Media Organizations received grants by end of 2011 Target: 12 out of 14 CSOs / Media Organizations fully achieved targets by February 2012	According to the re-aligned strategy of the project, the project is aiming to provide grants to CSOs through the CSOs networks; in 2010 the project did not provide grants to CSOs through the ACT Grants Facility. In next year, the grants will be provided to those CSOs working with the MEC through the civil society board and the CSOs networks in the MOF, MOE, and MOI in order to support	80%

<p>strengthen proposals.</p> <p>3.1.1.3: Select 3-4 CSOs, youth and media organizations per year to receive grants through the ACT Grants Facility.</p> <p>3.1.1.4: Conduct annual evaluation lessons learned workshop to assess level of success and impact of activities carried out by grants recipients.</p> <p>3.1.2.1: Conduct needs assessment for CSOs, youth and media organizations involved in / getting involved in the fight against corruption.</p> <p>3.1.2.2: Develop capacity development plan for selected CSOs, youth and media organizations.</p> <p>3.1.2.3: Develop training materials aimed at increasing the capacity of selected organizations to increase their</p>			<p>the initiatives of those CSOs.</p> <p>The ACT Grants Facility strategy has been revised which will set the next steps to be taken to provide technical and financial support to the CSOs participating in the MEC, MOE, MOF, and MOI CSOs networks.</p>	
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<p>involvement in the fight against corruption.</p> <p>3.1.2.4: Conduct training workshops at the central and sub-national level.</p> <p>3.1.2.5: Provide support to grants recipients in the implementation of activities.</p> <p>3.1.3.1: Hold consultations with CSOs, youth and media organizations and government counterparts.</p> <p>3.1.3.2: Develop plan for engagement / collaboration between HOO / the government and CSOs, youth and media organizations in the fight against corruption</p> <p>3.1.3.3: Hold annual civil society conference on anti-corruption in support of the formation of civil society network</p>				
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Output 4.1: Training materials and modules developed and integrated into on-going training initiatives

Indicators: Percentage of population aware of mechanisms available for reporting cases of corruption

Target: 80 percent of general population survey respondents indicate that they are aware of the mechanism available by end of 2011

Activity Result	Baseline information	Performance Target	Description of results/achievement	% of progress rate/delivery
<p>4.1.1: Conduct training needs assessment amongst civil servants</p> <p>4.1.2: Develop training modules on ethics and conflict of interest</p> <p>4.1.3: Conduct training or trainers workshops at central and sub-national level</p> <p>4.1.4 Ensure that training modules are mainstreamed in on-going training activities delivered at the central and sub-national level</p>	<p>Baseline (2007): 18 percent of survey respondents would report anticorruption cases to previous anti-corruption agency, 15 percent would report corruption cases to the judiciary (Integrity Watch Afghanistan)</p>	<p>Target: 80 percent of general population survey respondents indicate that they are aware of the mechanism available by end of 2011</p>	<p>A capacity development plan was developed for the CSOs and implementation of the plan has already started. Workshops were organized for CSOs in MOF, MOE, and MOI on involvement of CSOs in overseeing services provided to the public. At the end, an agreement was reached with the mentioned institutions to establishing civil society networks for the MEC, MOE, MOF and MOI.</p> <p>In total, the project organized 11 workshops for 40 members of CSOs including 15 women who received training on their role in the fight against corruption in 2010. The ultimate aim of the workshops was to enable CSOs to become part of CSOs networks in MOF, MOE and MOI.</p> <p>At the national level, the work on establishing civil society networks for the MEC, MOE, MOF and MOI</p>	<p>75%</p>

			<p>is underway. Concept note and Action Plan were developed for MOF, MOE and MOI to establish a CSOs Network and also a joint MOF-Civil Society Transparency Board.</p> <p>At the sub-national level, agreement has been reached with Education and Health departments of Herat province to involve Civil Society in overseeing service delivery.</p> <p>The project organized trainings and developed training material for CSOs and Herat Provincial Council Members in Herat on how to oversee Health and Education services at provincial level. Indicators for overseeing and methodology for data gathering and reporting to Provincial Council were developed in the workshops.</p>	
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Output 4.2: Advocacy plan developed with materials disseminated nationwide through wide range of media

Indicators: Percentage of civil servants who agree that they understand and apply the Civil Servant Code of Conduct

Target: 60 percent of civil servant survey respondents indicate they are aware Code of Conduct by end of 2011

Activity Result	Baseline information	Performance Target	Description of	% of progress
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			results/achievement	rate/delivery
<p>4.2.1: Establish Advocacy Unit in HOO</p> <p>4.2.2: Develop advocacy plan in collaboration with HOO</p> <p>4.2.3: Awareness-raising campaign developed in collaboration with HOO and disseminated nationwide</p> <p>4.2.4: Hold celebration of International Anti-Corruption Day</p>	<p>Baseline (2008): All grants recipients on target – activities to be finalized in 2009</p>	<p>Target: 60 percent of civil servant survey respondents indicate they are aware Code of Conduct by end of 2011</p>	<p>International anti-corruption day efforts were coordinated with UNODC, CSOs, HOO, and other partners of the project. Anti-corruption posters were produced and circulated through project partners.</p> <p>In 2010, the project moved ahead with implementation of advocacy and communication plan including awareness raising campaign for the general public. The ACT booklet was developed for the project containing important information about the project and was distributed widely. The booklet also translated into Dari and Pashto languages. The first issue of ACT Against Corruption Newsletter was produced and circulated through the project counterparts. However, further steps pending the establishment of the CSOs networks, which are underway in the MOF, MOE, and MOI to raise awareness of general public.</p> <p>Consultations were held with CSOs and media organizations on anti-corruption public campaign in general and celebrating</p>	<p>80%</p>

			international anti-corruption day in particular.	
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Policy and Knowledge Products

Name of Project: Accountability and Transparency
2010

Year:

SN.	Policy/Knowledge Products	Authors	Stakeholders Consultations	Date of Completion	Total Budget or Cost in USD
1	Whistle blower policy for the Ministry of Finance	UNDP/ACT project and MOF staff	MOF	Pending approval of Minister of Finance	0
2	Policy memo for MOF chief of Staff on CSO involvement in complaints handling	UNDP/ACT project and MOF staff	MOF	December 2010	0
3	Policy memo for MOF chief of Staff on the development of a database structure for complaints handling	UNDP/ACT project and MOF staff	MOF	December 2010	0
4	Training material developed for the Fraud Investigation Unit	UNDP/ACT project and MOF staff	MOF	December 2010	0
5	Ministry of Finance complaints handling procedure manual	UNDP/ACT project and MOF staff	Chief of Staff, Director general of Internal Audit, prosecutor's office, FIU staff.	November 2010	0
6	Concept note and Action Plan developed for MOE to establish a CSOs Network and also a joint MOF-Civil Society Transparency Board.	UNDP/ACT Project staff	MOE	20 October	0

7	Training material on service delivery monitoring and complaints receiving and follow up by CSOs	UNDP/ACT Project staff	MOE/CSOs	26 October	0
8	Data gathering checklist and report format for CSOs monitoring of service delivery	UNDP/ACT Project staff		28 October	0
9	Role of civil society in fight corruption – national experiences	UNDP/ACT project staff		30 September 2010	0
10	Booklet	UNDP/ACT Project and civil society component	CO, MOE, MOF, HOO and CAO	July 2010	1000
11	Anti-corruption posters	UNDP/ACT Project and civil society component	UNODC, CO, MOE, MOF	December 2010	2000
12	Capacity Development Strategy for CSO	UNDP/ACT Project and civil society component	CSOs		0
13	ACT-Grants Facility Strategy	UNDP/ACT Project and civil society component	CSOs	December 2010	0
14	Action Plan for CSOs Network	UNDP/ACT Project and civil society component	CSO, MOE, MOF	October 2010	0
15	Concept Notes for CSOs Network	UNDP/ACT Project and civil society component	CSO, MOE and MOF	October 2010	0
16	Governance Cluster Paper for CAO – focusing on Independence of CAO and reporting lines of CAO to Parliament and President through the Audit Law - Commitment in the Kabul Conference	Technical Specialist	TA worked with the officials of CAO to develop the outcome matrix along with the	First week of July 2010	-

	communiqué to enact the Audit Law in 6 months and strengthen and independence of CAO to be ensured – also OUTCOME Matrix for the Governance cluster prepared		Governance cluster paper for CAO		
17	Comments on the Audit Law provided	Technical Specialist	Comments provided on request of DY AG	Comments provided in the month of August-September 2010; Audit Law in process of legislation	-
18	Strategy for Fraud and Corruption	Technical Specialist	Discussed the Strategy Response Matrix with Stakeholders (Two workshops of all Directors and senior officers and with the Dy AG) – Penultimate stage	Developed between September - November 2010. Adoption expected in January 2011	-
19	Capacity development plan for the Enabling environment level, Organisation level and Individual level	Technical Specialist	Discussed with the Dy AG. Final discussion with the Auditor General awaited. Based on the Strategic response matrix, developed on the basis of discussions	Developed in November-December 2010. Adoption expected in January 2011	

			in the workshops.		
20	Concept Note and Terms of reference for the Audit Coordination Committee developed	Technical Specialist	Discussed with the Dy AG and the Director Planning. Obtained comments of Advisor to the Auditor General.	Developed in August 2010. To be rolled out after the adoption of strategy and capacity development plan.	
21	Training material on Fraud and Corruption distributed to the participants.	Technical Specialist	Material delivered	29 July 2010	-
22	An article on Fraud and Corruption Detection by Supreme Audit Institutions was printed in the Audit magazine published by the CAO	Technical Specialist	Printed in Audit Journal	November 2010	

Annex 3

Training and Capacity Building Outputs

Project: Accountability and Transparency

Year: 2010

SN	Training or Capacity Development Outputs/Event	Date and Location	Beneficiary Organizations	Number Trained	Impact	Total Cost or Budget in USD
1	Two training workshops on fraud and corruption at the Ministry of Finance	8th and 9th of December 2010	Fraud Investigation Unit	12	80% and 88% knowledge enhanced.	0
2	Workshop on complaints handling procedure for Internal Inspection Directorate, Safety and Security Directorate and Complaints Office of MOE in order to develop capacity of ministry staff in fight against corruption	18 August 2010	Ministry of Education	40	Understood the professional workflow of the complaints	No direct cost
3	Workshop on Civil Society Network for MOF	27-Oct-2010	CSOs and MOF	6	Above knowledge enhanced 80%	200
4	Workshop on Civil Society Network for MOE	28-Oct-2010	CSOs and MOE	6	Above knowledge enhanced 80%	100
5	Workshop on Civil Society Network for MOI	31- Oct-2010	CSOs and MOI	7	Above knowledge enhanced 80%	0
6	Two workshops on Civil Society	6th Oct and 8th Dec	CSOs and Provincial Council members	40	Above knowledge 80%	0

	Network in Herat				enhanced	
7	7 workshops for civil society members	July, August and September	CSOs	33	Above 80% knowledge enhanced	500
8	3 Day Workshop on role of Control and Audit Office in reducing Administrative corruption	22nd -24th March 2010	CAO also participated by HOO, AGO, MOF, MOI	300 appx	Creation of awareness in Government apparatus on the role of CAO in fraud and corruption prevention and detection	
9	Training on Fraud and Corruption detection	24th July to 29th July 2010 at CAO	CAO and Internal Audit Departments of Mol, MoD, MRRD, Ministry of Transport, Knowledge Academy, Ministry of Public Services	24	Understanding of Fraud and Corruption detection methodology enhanced.	
10	Workshop of all Directors and Dy AG on Fraud and Corruption Detection	29 September, 2010 at CAO	CAO	19	Clarification on role of CAO in fraud and corruption detection given. Laid the foundation for development of	

					Strategy for CAO on fraud and corruption.	
11	Training on fraud and corruption detection	2nd October to 7th October, 2010 at CAO	CAO and Internal Audit Department of Ministries	26 (including four female officials)	Understanding of Fraud and Corruption detection methodology enhanced.	-
12	Workshop on Strategy on Fraud and corruption conducted for all Directors and some senior auditors of CAO	25 November 2010 at CAO	CAO	21	Discussed the Strategy Response Matrix for CAO on Fraud and corruption. The Strategy response matrix finalized and shared with the Auditor General	Nominal for refreshment, water bottles and file folders
13	Two officials sponsored to attend training on Risk Based Auditing in Singapore	22-24 November 2010 at Singapore	CAO	02	Capacity to conduct risk based audit planning enhanced.	USD13503/=
14	Guided the Prevention Associate and Integrity Promotion Associate in development of the Complaints Mechanism for MoE	15-16 August 2010, CAO	ACT/UNDP	02	Capacity of project staff enhanced to develop a complaint system; complaint mechanism	-

					developed.	
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Training/Capacity Building Outputs are trainings, workshops, study tours, on-the Job Training etc. Provide information disaggregated by gender as far as possible.

Annex 4

RISK LOG

Project Title: Accountability and Transparency	Award ID:	Date: 2010
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#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Mngt response	Owner	Submitted, updated by	Last Update	Status
1	<p>Enter a brief description of the risk</p> <p><i>(In Atlas, use the Description field. Note: This field cannot be modified after first data entry)</i></p>	<p>When was the risk first identified</p> <p><i>(In Atlas, select date. Note: date cannot be modified after initial entry)</i></p>	<p>Environmental Financial Operational Organizational Political Regulatory Strategic Other</p> <p>Subcategories for each risk type should be consulted to understand each risk type (see Deliverable Description for more information)</p> <p><i>(In Atlas, select from list)</i></p>	<p>Describe the potential effect on the project if this risk were to occur</p> <p>Enter probability on a scale from 1 (low) to 5 (high) P =</p> <p>Enter impact on a scale from 1 (low) to 5 (high) I =</p> <p><i>(in Atlas, use the Management Response box. Check "critical" if the impact and probability are high)</i></p>	<p>What actions have been taken/will be taken to counter this risk</p> <p><i>(in Atlas, use the Management Response box. This field can be modified at any time. Create separate boxes as necessary using "+", for instance to record updates at different times)</i></p>	<p>Who has been appointed to keep an eye on this risk</p> <p><i>(in Atlas, use the Management Response box)</i></p>	<p>Who submitted the risk</p> <p><i>(In Atlas, automatically recorded)</i></p>	<p>When was the status of the risk last checked</p> <p><i>(In Atlas, automatically recorded)</i></p>	<p>e.g. dead, reducing, increasing, no change</p> <p><i>(in Atlas, use the Management Response box)</i></p>
3									
4									

