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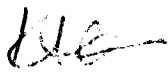
NATIONS

UNOCHA

Office of the UN Resident / Humanitarian Co-ordinator for Afghanistan

FACSIMILE

Ref.: 1200/03

To:	Jean Claude Rogivue Chief COD/RBAP, UNDP NY	Date:	21 March 2002				
		Fax No:	001-212 906 5898/5825				
Copy:	<p>Ms. Melaia Vatucawaqa Programme Manager COD/RBAP, UNDP, New York</p> <p>Mr. Dale Leach Financial Advisor RBAP, UNDP New York</p> <p>Ms. Julia Taft Assistant Administrator & Director, BCPR, UNDP New York</p> <p>Mr. Walter Gore DOF/Treasury UNDP, New York</p> <p>Mr. Bengt Messing DRR (O), UNDP Afghanistan</p> <p>Mr. Wuria Karadaghy SPC, UNDP Afghanistan</p> <p>Mr. Qurban Ali Head of Finance, UNDP Afghanistan</p> <p>Mr. M. Qahir Haidari Programme Management Analyst/ Head of PSU, UNDP Afghanistan</p>	Fax:	001-212 906 5898/5825				
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				V-SAT Islamabad			
		From:	Knut Ostby Senior Deputy Resident Representative, UNDP Afghanistan	Signed:			
		Subject:	AFG/02/002/01/A/34-Initial Budget and Document	File No:	Drafted by:	Pages:	
		002	MQH	13			

We are pleased to enclose herewith, for your information and records, a signed copy of the above-mentioned document.

With best regards,

Temporary Address:

UNDP/UNOCHA, H. 292, Street 55, F-10/4, Islamabad, Pakistan: Tel: 92 51 211451, Fax: 92 51 211450



United Nations Development Programme

Programme of the Interim Administration of Afghanistan

Recovery and Employment Afghanistan Programme (REAP)

Project Number: **AFG/02/002/A/01/**
 Project Title: **Recovery & Employment Afghanistan Programme (REAP)**
 Project Site: **Kabul districts and suburbs**
 Estimated start date: **15 February 2002**
 Estimated end date: **15 August 2002**
 Project Execution: **Direct Execution (DEX)**
 Implementing Institutions: **Kabul Municipality, Ministries of Rural Development,
 Labour and Social Affairs, and Public Works**
 Estimated budget: **US\$3 million approved contribution from Govt. of Japan,**
 Sector: **Infrastructure & Employment**

Brief Description: the programme seeks to provide immediate support to the Municipality of Kabul and to the Ministries of Rural Development, Public Works and Labour and Social Affairs in their undertakings to repair water and sanitation, infrastructure, roads, schools, government offices, health centers, sports facilities and community centers. Approximately 20,000 unemployed Afghans will immediately benefit from this undertaking. The involvement of Japanese NGOs who have been active in Afghanistan is foreseen. The actual duration for implementation of the programme is six months, starting from 15 February, ending 15 of August 2002, while in accordance with the regulations of the Government of Japan, full financial disbursement will be completed with the Japanese financial year.

<u>Ashraf Ghani</u>	<u>Ashraf Ghani</u>	<u>Feb. 15 '02</u>
On behalf of the Interim Administration of Afghanistan	Signature	Date
<u>M. A. SACKETT</u>	<u>[Signature]</u>	<u>15-2-02</u>
On behalf of UNDP		

BACKGROUND INFORMATION

Section 5.1.3 (page 11 of Chapter 5) of the UNDP Programming Manual acknowledges “that it may not be possible to complete the standard project document due to a lack of information, the need to respond quickly, or other reasons dictated by the circumstances.” This project document does not have the benefit of analysis normally required. It is driven primarily by the need to respond quickly so as to reinforce the peace process that is being cultivated with the help of the Special Representative of the Secretary General (SRSG), and which led to the establishment of the Interim Administration of Afghanistan on 22 December 2001. UNDP and the UN Group are ready to support the Interim Administration in its attempts to demonstrate to its people that they are committed to delivering necessary basic goods and services right away. The short duration of the project (six months) also complies with Section 5.1.3. of the Manual.

1. The Critical Socio-Economic Situation

Almost two decades of war have driven millions abroad, killed and maimed hundreds of thousands more, and devastated most of Afghanistan’s social and economic fabric. A recent analysis of socio-economic indicators¹ have shown that ‘with an average life expectancy of about 40 years, a staggering mortality rate of 25.7 percent for children under five years old, and an illiteracy rate of 64 percent, Afghanistan ranks among the most destitute, war-weary countries in the world in terms of human development’. Seventy percent of the Afghan population is estimated to be under-nourished, and only 13 percent have access to improved water sources.

Agriculture forms the largest sector of the economy and is the source of livelihood for over 85% of the population. The major food crops produced include corn, rice, barley, wheat, vegetables, fruits and nuts. In Afghanistan, industry is also based on agriculture, and pastoral raw materials, the major crops being cotton, tobacco, madder, castor beans, and sugar beet. Afghanistan, at one time, was a land rich in natural resources (minerals and precious stone deposits), as well as natural gas and untapped petroleum stores.

Years of neglect, lack of maintenance, three years of extreme drought and the recent crisis have shattered the economy of Afghanistan. This year’s drought wiped out two-thirds of the wheat crop in the north of the country and three-quarters of the livestock, causing 500,000 people to abandon their homes in search of food. The country has witnessed diminishing income levels, declining food security, reduced access to urgently needed services and over-exploitation of natural resources.

¹ UNDP Human Development Report Office (08.10.01)

Unemployment in Afghanistan has also increased as a result of the recent conflict. In addition, of particular concern, are the employment prospects for the refugees returning from Pakistan and Iran, as well as opportunities for Internally Displaced Populations, which are estimated, to number around 1,000,000 across Afghanistan. An estimated 250,000 additional people left Afghanistan over the last three months. This represents a massive loss as well as a potential serious threat to peace, reconciliation and social stability.

2. The Problem to Be Addressed

The recent conflict and the years of neglect in Afghanistan have damaged not only the socio-economic environment, but also physical infrastructure on which many people's livelihood depends. Public utilities, mainly in rural areas, have largely been destroyed including irrigation systems, water storage units such as wells, sewage systems and drains, bridges, roads and public spaces etc. Damage to communication and transportation infrastructure has affected productive capabilities of local communities and industries as well as posing serious threats to the health of inhabitants of Afghanistan. In addition it has been estimated that about 1 million houses have been destroyed mostly in rural Afghanistan.

Although the vast majority (80 per cent) of the Afghan population lives in rural areas, the rate of urbanization is among the highest in Asia, putting enormous pressure on weak urban infrastructures. Considering the vast scale of damage, much work needs to be done to reconstruct the small-scale public works in Afghanistan. At the same time, according to UNHCR, more than 3.5 million Afghans have fled from the conflict to neighboring countries since 1979. The mobilization of the returnees and their integration into communities is of priority concern and requires effective handling, to avoid escalation of likely social tensions.

PROJECT JUSTIFICATION

The project will support the Afghan Interim Authority and its peace initiatives through:

- 1) The immediate engagement of approximately 20,000 Afghans in employment-intensive work programmes during the course of project implementation within the next six months. Targeted sub-projects will be those, which encourage returnee mobilization, support other vulnerable groups, especially women and children, support business development and short term employment projects such as road, repair, building renovation, war rubble removal, water and sanitation etc. Wages will be paid directly to the laborers, to ensure direct impact on the vulnerable groups;

- 2) Rapid responses at this time will help dissipate some of the social tensions that are prevalent as a nation re-emerges from a state of conflict;
- 3) Apart from facilitating short-term labour-intensive small-scale public works projects, the immediate repair and rehabilitation of key public infrastructure is critical to support the entire reconstruction efforts and the delivery of other necessary basic goods and services to the community. The overall contribution toward the effort on economic revitalization is significant;
- 4) The Municipality in close cooperation with community representatives is involved in the identification of urgent needs in the areas of interventions foreseen for the project. They are directly involved in project implementation;
- 5) REAP can be used as a tool for flexible quick impact programmes in diverse situations and is well placed to establish the link between emergency projects and quick impact economic/recovery regeneration;
- 6) The project will establish partnership with and support the various Ministries of the Interim Administration of Afghanistan, especially the Ministries of Public Works, Rural Development, Labour and Social Affairs and with the Kabul Municipality;
- 7) The project is time-bound – extending for a maximum of 6 months only.

2. Target Beneficiaries

The sizable vulnerable unemployed population with particular emphasis on returnees as well as women, displaced persons, etc. will be the target groups for the provision of short-term employment through the sub-projects.

The overall beneficiary groups for this program include:

- Rural and Urban communities
- AIA and National institutions
- Returnees and IDPs
- War affected groups
- Women's Associations/ CBOs/ Shuras

The target districts for this programme includes Kabul district and the suburbs of Kabul. The structure of REAP will ensure maximum coverage and quick impact into priority areas in Kabul districts and suburbs. Approximately 20,000 unemployed people will benefit from the initial employment opportunities to be generated through the project.

PROJECT OBJECTIVES:

- A) To provide temporary employment to war affected population.
- B) To engage the communities in the rehabilitation of basic infrastructure and environment and to increase their role in the same.
- C) To support the Kabul Municipal Authority and the Ministries of Rural Development, Labour and Social Affairs, and Public Works in their undertakings to restore public infrastructure; and to develop their capacity for programme implementation and management.

PUBLIC WORK SELECTION CRITERIA

1. Priority will be given to labor intensive public works sub-projects, which must contain a labor component of at least 60% of the total sub-project cost and 40% for the materials and tools component
2. Sub-projects total budget should not exceed US\$50,000
3. An approximate net salary of \$2/ day, including lunch will be paid to workers employed under the sub-projects.
4. Sub-project should be implemented within 4 to 12 weeks.
5. Those from vulnerable groups have the priority to be employed. Workers should be selected among the most vulnerable groups; vulnerable unskilled groups. The selection procedure of the workers should be transparent and selected workers should genuinely unemployed.
6. Material and tools will be purchased locally (pick axes, shovels, wheelbarrows, rubber boots, PVC pipes, paintings, brushes, cement, sand, gravel, bricks, blocks, window and door frames, window glasses, gypsum, nails, hammers etc)
7. In cooperation and coordination with de-mining authorities/ organizations (Mine Action Plan), project sites should be cleared in advance from possible mines.

PRIORITY SUB-PROJECTS:

REAP is designed to meet the urgent needs for immediate recovery and rehabilitation of the following four sub-projects:

1. SUB-PROJECT: Removal and recycling of rubbles and war debris

The programme through the Municipality will identify small-scale projects in urban areas. The project entails to remove and recycle rubble and war debris in particular demolished houses, public buildings, bridges etc., by using labour intensive methods. Rubble could be recycled for road repair, rehabilitation of public green parks, protection walls and other small-scale infrastructure improvement.

Approximately 60% of project costs will be allocated for the payment of the workers salary and approximately 40% for purchasing locally materials and tools. Each sub project will cost at approximately \$50,000. It is envisaged that there will be approximately 26 sub-project in total. The average duration of each is about two months. A total of approximately 8,000 unemployed people will benefit from this project. Key activities include:

- Consultations with the National Institutions have been initiated on the need to clean up Kabul City and other affected districts in Kabul and suburbs.
- Immediate mobilization of the local labour force at various levels: rural and urban as well as IDP's and returnees;
- Collection and recycling of rubble and war debris, for use in either for other project activities or community utilization;
- Ensure effective supervision of works undertaken at the various project sites, for consistency of results, and according organization of payment of laborers;
- Ensure timely satisfactory completion of tasks and adequate reporting to donors

2. SUB-PROJECT: Road repair

Road repair (gravel road/ macadam road) in the suburbs of Kabul using labour intensive methods. Rubble from war debris would be re-used to repair the damaged parts of the road. A particular intention would be paid for those roads which linking the suburbs to urban Kabul. Rehabilitation of drain channels along the road should also be included in the project design. This project will also improve the linkage with rural areas around Kabul district. Key activities include:

- Some work has already been initiated and to be continued on identifying key parts of the road network which are in urgent need of emergency repair;
- Ensure that the most urgent repairs are carried out as soon as possible, and before the spring rains sets in around March 2002;
- Ensure that appropriate technology is applied, and qualitative standards maintained such that repaired surfaces can withstand the rainy season to follow in a few months;
- Organize in different localities the timely mobilization of labour, including community labour at various levels – village, district, and municipal etc. IDPs and returnees are also included;
- Organize the timely procurement of raw materials to supply all the work sites simultaneously;
- Provide effective supervision for laborers to ensure that desired results/standards are maintained and which will also facilitate payment of remuneration to laborers and accountability of work in progress to the Government of Japan and UNDP;
- Support the start of the academic year in March 2002 by ensuring that road access to schools within the vicinity of project sites are made possible. where needed

Approximately 60% is allocated for the payment of the workers salary and approximately 40% is allocated for purchasing locally the materials and tools. Approximately US\$50,000 is allocated per sub-project. There are 11 sub-projects envisaged in total, the average project duration of sub-project being two months. Approximately 3,000 unemployed people will benefit from this project.

3. SUB-PROJECT: Water and sanitation

Project sites should be selected in suburbs of Kabul to improve the open ditches and reservoirs on ground water, improve quality of pumping water, rehabilitate drainage, improve irrigation and small check-dam etc. Key activities will include:

- Work has been initiated toward a rapid assessment of emergency repairs for urban and rural water supplies including well rehabilitation, and rehabilitation of sewerage networks, beginning in Kabul, and covering other towns where possible
- Undertake urgent repairs as soon as possible, with the immediately initiation of actions to identify and replenish stocks of spare parts and materials needed for urgent repairs
- Actions have been initiated toward the identification of tradesmen available to both supervise and undertake technical works for the various work sites
- Ensure that in all repair works undertaken, technological/ qualitative standards are maintained
- Ensure that effective supervision is rendered at all work sites, especially where unskilled labour is being used, in various stages of repair works, and organize remuneration of staff accordingly;

PROJECT EXECUTION AND IMPLEMENTATION

The project is intended for Direct Execution (DEX) in collaboration with the Ministry of Public Works, Ministry of Labour and Social Affairs, Ministry of Rural Development, and Kabul Municipality. Support will be provided by the Programme Manager to the implementing partners in the planning and undertaking of rapid assessment of needs- activity of which has already commenced- as well as in the planning and identification of materials/ spare parts and related procurement needed for civil works.

Programme implementation will be supervised by the Programme Implementation Unit – PIU, represented by the Ministry of Rural Development, Ministry of Labour and Social Affairs, Municipality of Kabul, and UNDP. The Programme Manager is to be based at the UNDP office in Kabul and will supervise nine national staff. Project Monitors will also work in the targeted areas to monitor the implementation of sub-projects. The PIU with support as needed from the Programme Manager will supervise, monitor, and evaluate the sub-project implementation of a regular basis and provide financial oversight and control. UNDP staff through the PIU will provide technical assistance, advice, mutual practices and experiences to the implementing partners and local communities.

Based on the conclusions of the rapid assessments now in progress, an Action Plan for each of the four areas covered by the project will be submitted upon the signing of the project document. The Action Plan will be submitted to the Interim Authority and to the UNDP office in Kabul, and to the Mission of Japan in Islamabad/Kabul. This Action Plan will, at the time, also clearly identify the division of labour among the parties concerned, in project implementation.

Local community groups will also actively be involved, especially through the Shuras. There are three Japanese NGOs already based in Kabul that are also envisaged to be involved in the implementation. Their involvement will require no sub-contractual arrangements, nor budgetary support from the project.

REPORTING

The first documents expected to be received immediately after the signing of the programme document are the Action Plans. Thereafter, a progress report is due after three months and a final one at the end of the sixth month. A financial report will also be necessary, to be prepared at the same intervals, and to accompany the progress reports. The programme will be reviewed four months after commencement by representatives of UNDP, AIA, and the Government of Japan.

- Ensure that adequate reporting is provided to the respective Government Ministries and to donors
- Ensure that the community is involved in all decision making processes, including at the implementation phase through labour support

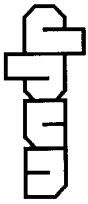
Approximately 60% will be allocated for the payment of the workers salary and 40% for purchasing locally the materials and tools. Each sub project will be allotted USD 50,000. There are 11 sub-project in total, each with duration of two months. In total approximately 3,000 unemployed people will benefit from this project.

4. **SUB-PROJECT: Repair of public infrastructure (government offices, schools, health centers, sports facilities, community center etc.)**

In close cooperation with the municipality of Kabul, some selected public buildings will be identified for small-scale improvement such as wall repair and painting, roof repair, window/door repairs, interior repair etc. Some basic equipment could also be included. Procurement of material and tools should be locally procured. School children could contribute voluntarily by providing them with painting and brushes to draw on the wall of their schools paintings related to peace in Afghanistan. Japanese NGO's will implement this project. Key activities include:

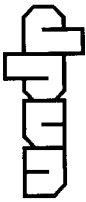
- Some work has been initiated toward the rapid assessment of public buildings that require urgent and immediate repair, so identifying specific targets for project intervention;
- Simultaneously identify tradesmen needed for construction works and its supervision
- Organize the mobilization of local labour for the various work sites. IDPs are included;
- Immediately identify materials required for project implementation and initiate actions to procure and build up stocks of materials and parts needed
- Undertake as much work as possible, before the start of the academic year in March 2002, for sub-projects involving urgent repair of school buildings. For government offices, as required, immediate attention is needed also;
- Ensure that qualitative standards are maintained in all civil repair works, and where possible, ensure completion before the spring rains
- Ensure that effective supervision is provided, especially where unskilled labour are utilized at various stages of repair works and organize remuneration of staff accordingly

Approximately 60% will be allocated for the payment of the workers salary and 40% for purchasing locally the materials and tools. USD 50,000 will be allotted per sub-project. There are 11 sub-projects in total, each with duration of two months. In total approximately 3,000 unemployed people will benefit from this project.



United Nations Development Programme
 AFG/02/002 - REAP
 Budget " A"
 Main Source of Funds: 01 - UNDP-IPF / TRAC - (Trac 1.1.1 & 1
 Executing Agency: UNDP - UNDP (Direct Execution)

SbIn	Description	Implementing	Funding	Total	2002
010	PERSONNEL				
013	Administrative Support				
013.01	Admin/Finance Assitant (2)	UNDP			
			Net Amount	9,600	9,600
			W/M	12	12
			Total	9,600	9,600
013.02	Field Officer (3)	UNDP			
			Net Amount	14,400	14,400
			W/M	18	18
			Total	14,400	14,400
013.03	Driver (2)	UNDP			
			Net Amount	4,800	4,800
			W/M	12	12
			Total	4,800	4,800
013.04	Project Monitor (26)	UNDP			
			Net Amount	31,200	31,200
			W/M	156	156
			Total	31,200	31,200
013.05	Secretary (1)	UNDP			
			Net Amount	3,000	3,000
			W/M	6	6
			Total	3,000	3,000
013.99	Line Total		Net Amount	63,000	63,000
			W/M	204	204
			Total	63,000	63,000
015	Monitoring and Evaluation				
015.01	Travel cost	UNDP			
			Net Amount	6,000	6,000
			Total	6,000	6,000
015.99	Line Total		Net Amount	6,000	6,000
			Total	6,000	6,000
019	PROJECT PERSONNEL TOTAL		Net Amount	69,000	69,000
			W/M	204	204
			Total	69,000	69,000
020	CONTRACTS				
021	Contract A				
021.01	Sub-Contract workers & Materials	UNDP			
			Net Amount	2,752,000	2,752,000
			Total	2,752,000	2,752,000
021.99	Line Total		Net Amount	2,752,000	2,752,000
			Total	2,752,000	2,752,000
029	SUBCONTRACTS TOTAL		Net Amount	2,752,000	2,752,000
			Total	2,752,000	2,752,000
040	EQUIPMENT				
045	Equipment				
045.01	Vehicles	UNDP			
			Net Amount	36,000	36,000
			Total	36,000	36,000



United Nations Development Programme

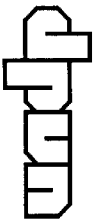
AFG/02/002 - REAP

Budget " A "

Main Source of Funds: 01 - UNDP-IPF / TRAC - (Trac 1.1.1 & 1

Executing Agency: UNDP - UNDP (Direct Execution)

Sbin	Description	Implementing	Funding	Total	2002
045.02	Office Equipment	UNDP		Net Amount	25,000
				Total	25,000
045.03	Operation & Maintenance	UNDP		Net Amount	8,000
				Total	8,000
045.04	Communications & Office Rent	UNDP		Net Amount	6,000
				Total	6,000
045.99	Line Total	-----		Net Amount	75,000
				Total	75,000
049	EQUIPMENT TOTAL	-----		Net Amount	75,000
				Total	75,000
050	MISCELLANEOUS				
053	Sundries				
053.01	Visibility Expenses	UNDP		Net Amount	14,000
				Total	14,000
053.99	Line Total	-----		Net Amount	14,000
				Total	14,000
059	MISCELLANEOUS TOTAL	-----		Net Amount	14,000
				Total	14,000
099	BUDGET TOTAL	-----		Net Amount	2,910,000
				W/M	204
				Total	2,910,000



United Nations Development Programme

AFG/U2/002 - REAP

Budget "A"

Main Source of Funds: 01 - UNDP-IPF / TRAC - (Trac 1.1.1 & 1

Executing Agency: UNDP - UNDP (Direct Execution)

Sbln	Donor	Funding	Total	2002
103	JPN	JPN		
103.01	JPN		2,910,000	2,910,000
		Net Contrib.		
		CO Adm. %		3.09
		CO Adm.	90,000	90,000
		Total	3,000,000	3,000,000
103.99		Net Contrib.	2,910,000	2,910,000
		CO Adm. %		3.09
		CO Adm.	90,000	90,000
		Total	3,000,000	3,000,000
109	C/S Total	-----	2,910,000	2,910,000
		Net Contrib.		
		CO Adm. %		3.09
		CO Adm.	90,000	90,000
		Total	3,000,000	3,000,000
999		Net Contrib.	0	0