



Quarterly Project Report [Quarter 2, 2008]

United Nations Development Programme Afghanistan Accountability and Transparency (ACT) Project 01-04-2008 – 30-06-2008



Workshop organized by UNDP ACT Project on legislative requirements of United Nations Convention Against Corruption (UNCAC), Kabul Serena, Kabul.

Project ID: 00053687
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Component (MYFF): Democratic Governance
Total Budget: USD 2,395,593
Unfunded: USD 75,083

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I. Implementation progress

Output 1.1: National legislation revised in view of UNCAC and priority legal reforms identified

The final draft of the report “A Gap Analysis of National Legislation in Afghanistan” was shared with UNODC Afghanistan and the United Nations Office on Drugs and Crime (UNODC) Vienna for comments. The comments received were incorporated by the consultant and the report was translated into Dari and Pashto to allow for wide dissemination amongst national counterparts.

To ensure that the findings of the report have the full buy-in of the Government of Afghanistan a stakeholder consultation workshop was organized in collaboration with the Ministry of Justice and UNODC. The workshop took place on 15-17 June bringing together close to 100 participants from the concerned government institutions (Attorney General’s Office, Ministry of Interior, Ministry of Justice, the National Assembly and the Supreme Court) of Afghanistan and the international community. There was high-level representation from the government including the Acting Attorney General, the Deputy Minister of Justice, members of the National Assembly and a Supreme Court Judge. The Taqin Department of the Ministry of Justice which will have a key role to play in bringing forward the recommendations of the Gap Analysis was also well represented.

The Workshop met its objective of raising awareness within the government of the findings of the Gap Analysis and ensuring that there is buy-in for the necessary next steps. The study was considered to be timely and an important contribution towards supporting Afghanistan in meeting the requirements under the United Nations Convention Against Corruption. Through this the ACT project is contributing directly to the achievement of the Afghanistan Compact Benchmark on bring Afghan legislation in line with the requirements of UNCAC.

An agreement has been reached with UNODC that when UNDP has completed the Gap Analysis, UNODC will support the Ministry of Justice in the implementation of the recommendations made in the report and during the stakeholder consultation. In concluding the workshop it was agreed that follow-up meetings will be necessary in order to move forward in the prioritization of legislation. While the workshop marks the finalization of this output under the ACT project it is only the beginning of a longer process to support the Government of Afghanistan to meet the requirements under UNCAC. These efforts will be coordinated between UNDP and UNODC.

Output 1.2: Options for institutional arrangements to steer and coordinate a national anti-corruption strategy submitted to public debate

The planned workshop on institutional arrangements for combating corruption was not considered priority given the changes in institutional arrangements which have taken place in Q2.

The Ministry of Justice has produced a draft anti-corruption law, following a Presidential Decree to this effect. UNDP, together with UNODC, has, on the request of the Ministry of Justice, provided feedback and inputs in the draft law. The draft law mandates the establishment of a new anti-corruption body and the ACT project has been requested by the government to provide support to the establishment of this new body. The request is for a technical specialist and the project has drafted a TOR for such a position and shared it with the government for further discussions. It should be noted that the functions of the new body is to a large degree in line with the recommendations in the study on institutional arrangements for combating corruption which the ACT project has shared widely with the government.

The project has also, jointly with UNAMA and the US Embassy translated the report by the Inter-Institutional Commission on Corruption which puts forward the recommendation for the establishment of the new anti-corruption body.

Output 1.3: National Integrity System Monitoring - Indicators developed and base-line study conducted to allow monitoring of progress of transparency and accountability in core governance areas

The work to develop a set of indicators to allow for measuring progress in the fight against corruption was initiated. The consultants arrived in Afghanistan in May and together with the project team conducted meetings with a wide range of stakeholder. Prior to the arrival of the consultants the project met with the JCMB which is responsible for developing indicators for the Afghanistan Compact Benchmarks, to ensure that this activity is in line with the priorities of the government. The consultants will submit the draft indicators and methodology in early quarter three. This will be followed by further consultations with stakeholders and a workshop will be organized jointly with the government in late third quarter to review and agree on the proposed indicators.

Output 1.4: Strategic regional and international partnerships developed

The project is facilitating the entry of Afghanistan into Asian Development Bank / Organization for Economic Co-operation and Development (ADB/OECD) Anti-corruption Initiative which currently consists of 28 countries in the Asia-Pacific region. The Secretariat of ADB/OECD Anti-Corruption Initiative for Asia-Pacific is in contact with the Ministry of Foreign Affairs of Afghanistan through ACT Project regarding procedures for becoming a member of the ADB/OECD Anti- Corruption Initiative for Asia-Pacific.

The ACT project sponsored and facilitated the participation as observers of a delegation of the Government of Afghanistan which included representatives from the Ministry of Justice and the Civil Service Commission in the 11th Steering Group meeting of the ADB/OECD Anti-Corruption Initiative. The meeting was held in the Manila, Philippines from 27 to 28 of May.

Output 2.1: Ethics and integrity initiatives in two pilot ministries

The work to establish an Ethics Unit in the Ministry of Finance was initiated. The Technical Specialist is expected to join the project towards the end of third quarter and will work closely with the Ministry of Finance in developing the TOR for the Ethics Unit and with the establishment and recruitment for the Unit.

The data collection for perceptions survey that is being carried out in collaboration with UNODC in the justice sector has been completed. The analysis of the data has been completed. Due to the need for additional editing of the report the survey will be completed in early quarter three.

The draft of the justice sector Vulnerability to Corruption Assessment (VCA) pre-assessment is being reviewed by the project. The finalization of the pre-assessment is facing some delays as the project is working with the consultant to revise the report. It is expected that the pre-assessment will be finalized in quarter three.

A short-term consultant was recruited to support the Complaints Unit in the Ministry of Finance. The consultant has completed an assessment of the Complaints Unit and its procedures and put forward recommendations for strengthening the Complaints Unit and investigative capacity in the Ministry. The assessment will serve as the basis of future support by the project to the Complaints Unit. The post of complaints manager for the Complaints Unit was announced twice during the quarter but no suitable candidate has been identified. The third announcement of the post has been made and the selection process is on-going.

Output 2.2: Survey on transparency and accountability in aid management

The survey on transparency and accountability in aid management was commenced. Five agencies took part in the study (Canada, DFID, the Netherlands, Norway and UNDP) and meetings were also held with Denmark, GTZ, USAID and the World Bank. A final draft of the study has been shared with the participating agencies for comments and a meeting will be conducted with a wider donor group in early quarter three to discuss the findings and recommendations of the report and agree on way forward.

Output 2.3: UNDP Internal "Integrity Initiative"

The consultant who carried out the aid management study was also tasked to assess the internal integrity of UNDP Country Office in Afghanistan. The consultant had meetings with senior management and national and international staff of UNDP Afghanistan. A draft report has been submitted and shared with senior management for review and discussions on ways forward. The report and the recommendations that are made in it are intended to serve as a starting point for UNDP's Internal "Integrity Initiative".

Output 3.1: Establishment of a "Grants Facility" to build the watchdog capacity of civil society actors and the media

The UNDP ACT project, through a selection committee consisting of representatives from civil society, academia, donors and UNDP Country Office selected five out of thirty proposals for further consideration for the Accountability and Transparency Grants Facility (ACT-GF). The applicant organizations have been requested to submit a detailed proposal for final selection. A workshop will be organized with the applicant organizations to discuss with them how to further improve the proposals. After this the Selection Committee will make the final selection and it is expected that the successful applicants will commence activities in before the end of quarter three.

Output 3.3: Training Modules and anti-corruption guides developed and initial training launched

The ACT project is continuing the dialogue with UNDP's Civil Service Leadership Development (CSLD) project, to integrate an ethics component in the training of senior Afghan civil servants. For this purpose a TOR is being prepared and the project is seeking to identify a consultant or institution to develop the training package.

The ACT project has also entered into a dialogue with the Independent Administration Reform and Civil Service Commission and UNDP's Afghanistan Sub-National Governance Programme to extend the training of civil servants to the sub-national level.

II. Project implementation challenges

Updated project risks and actions

Political will

While a number of steps have been taken by the government, including the launch of the report by the Inter-Institutional Commission on Corruption and the drafting of a new anti-corruption law which includes the establishment of a new anti-corruption body, it is not yet clear to whether these initiatives will translate into concrete action on the part of the government and to what extent the report and the possible new anti-corruption body will have the necessary political and financial support.

In relation to project activities, a concern is whether the analytical work being carried out and the recommendations made will receive the necessary attention and buy-in from government counterparts in order to achieve the desired project outputs.

Action taken: In order to mitigate these risks, the project team is making an effort to work more closely with anti-corruption 'champions' within the government. The project is in close contact with the MOJ and the advisor to the president who is responsible for following up on the recommendations of the Inter-Institutional Report. UNDP has been requested to provide support to the establishment of the new anti-corruption body. The ACT project will consider providing the necessary support to the government in this regard, but consideration will also need to be given to the viability of the new body before a decision is taken on more long-term support. The project continues on the informal anti-corruption network established within the donor community, in order to be in a position to advocate for concrete actions to be taken by the Government of Afghanistan. The project will also call on UNDP and UNAMA senior management in the future if necessary to facilitate dialogue and concrete actions at the highest political level.

Lack of institutional clarity

Although the possible establishment of a new anti-corruption body to coordinate anti-corruption efforts within the government there remains a lack of clarity in terms of the institutional arrangements in place in the government for fighting corruption. The role and continued existence if the General Independent Administration Against Corruption (GIAAC) is unclear, although it is expected that the passing of the new law on anti-corruption will lead to its abolishment. This lack of clarity creates challenges for the project in terms of identifying and building long-term sustainable relationships with government counterparts. It also compromises the project's ability to identify 'champions' within the government, which is essential to mitigating the abovementioned risk.

Actions taken: The study on institutional arrangements for combating corruption in Afghanistan, prepared by the project, has provided the Government of Afghanistan with a set of recommendations on how these institutional arrangements can be improved and clarified. In order to ensure that these recommendations are taken into serious consideration, the project team, with the support of the country office, is entering into a dialogue with government counterparts as well as seeking support from the international community in advocating for adoption of the recommendations. With the establishment of a new anti-corruption body the project will also explore the possibility of supporting and working closely with the new body.

Security concerns

The security situation continues to pose a risk to project delivery with the project facing increasing difficulties in identifying and recruiting suitable consultants. Security is likely to remain risks to implementation of project activities in the coming months.

Action taken: The project is making an effort to mitigate this risk by having detailed discussions with potential consultants regarding the work and social environment in Afghanistan, and explaining thoroughly about security measures taken by the UN. If the security situation in Afghanistan continues to deteriorate, support from UNDP senior management will be required in order to readjust expectations regarding the timeline for implementation of project activities and delivery.

Updated project issues and actions

Project Duration

In order to respond to the possible need to provide support to the Government of Afghanistan in establishing a new anti-corruption body and to follow up on and up-scale on-going efforts of the ACT project consideration should be given to undertake a comprehensive revision of the project document and extend the duration of the project. This would allow the project to immediately respond to changing circumstances in the field of anti-corruption, allow for initiating collaboration with additional partners, and avoid delays caused by moving from Phase I to Phase II of the ACT project.

Action Taken: The project team has started discussion with national counterparts and donors on the viability of a project extension and comprehensive revision of the project document in order to secure the necessary buy-in from the relevant stakeholders.

Human Resources

The project continues to face challenges in identifying national staff. Despite numerous attempts to fill the positions of Complaints Manager and National Deputy Project Manager they remain vacant. The difficulty of identifying national staff is a particular concern if the scope of the project is to be expanded.

Action Taken: The project has announced the position of Complaints Manager for a third time and has made all efforts to ensure as wide a dissemination of the vacancy announcement as possible. As the project faces particular difficulties in identifying senior national staff, an approach has been taken by which more junior staff are recruited and efforts are made to develop their capacities in the areas of project implementation and anti-corruption. In the meantime efforts will continue to be made to also fill the senior positions within the project.

Project Space and Other necessities:

To allow for an expansion of the staff of the project additional space will be required. Additional office space will also be required to house the soon to be established Ethics Unit.

Action Taken: Through dialogue with the Ministry of Finance additional office space has been secured. The project will start renovation of the new office space in early next quarter.

III. Financial status and utilization

Financial status

Table 1: Contribution overview [01-Jan-2007 –31-Mar-2009]

DONOR NAME	CONTRIBUTIONS		CONTRIBUTION BALANCE
	Committed	Received	
UNDP	616,500	616,500	-
Italy	374,531	374,531	-
Norway	1,329,479	1,329,479	-
TOTAL	2,320,510	2,320,510	-

Financial utilization

Table 2: Quarterly expenditure by activity [1 January – 30 June]

Activity	2008 Budget	Q1 & Q2 Expenditures (Jan -June 2008)	Balance as of 30 June 2008	Delivery Rate %
ACTIVITY01:Legal and Policy Framework	249,450	130,863	118,587	52%
ACTIVITY02: Pilot Project	173,450	(5,041)	178,491	-3%
ACTIVITY03: Awareness and Education	146,500	44,655	101,845	30%
ACTIVITY04: Project Team Support	328,000	62,295	265,705	19%
GMS 7%	67,546	15,301	52,246	23%
Total	964,946	248,073	716,873	26%

Table 3: Quarterly expenditure by donor [1 January – 30 June]

Donor	Activity	2008 Budget	Q1 & Q2 Expenditures (Jan - June 2008)	Balance as of 30 June 2008	Delivery Rate %
UNDP	ACTIVITY01: Legal and Policy Framework		43,046	(43,046)	
	ACTIVITY02: Pilot Project		(10,396)	10,396	
	ACTIVITY03: Awareness and Education		(3,155)	3,155	
	ACTIVITY04: Project Team Support		-	-	
GMS 0%					
UNDP Total			29,494	(29,494)	
Italy	ACTIVITY01: Legal and Policy Framework	126,000	6,774	119,226	21%
	ACTIVITY02: Pilot Project	45,200	5,355	39,845	
	ACTIVITY03: Awareness and Education	26,500	7,457	19,043	
	ACTIVITY04: Project Team Support	166,000	56,844	109,156	
GMS 7%		27,375	5,753	21,622	
Italy Total		391,075	82,184	308,891	
Norway	ACTIVITY01: Legal and Policy Framework	123,450	81,043	42,407	24%
	ACTIVITY02: Pilot Project	128,250	-	128,250	
	ACTIVITY03: Awareness and Education	120,000	40,353	79,647	
	ACTIVITY04: Project Team Support	162,000	5,451	156,549	
GMS 7%		40,171	9,548	30,623	
Norway Total		573,871	136,395	437,476	
Grand Total		964,946	248,073	716,873	26%

Annexes

Annexe 1: ACT Project Annual Work Plan 2008