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Quarterly Project Report – 3rd Quarter, 2008



DDA Members in Wakhan province of Badakhshan province at a recent training session facilitated by the Capacity Building Unit of Community Empowerment.

Project ID: 11020 (NEX), 11012 (DEX)
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Component (MYFF):
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Total Received Budget: 164.7m
Unfunded: USD 16.7m
Implementing Partners/Responsible parties: MRRD, NABDP/UNDP

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I. Implementation progress

Community Empowerment

Output 1 (AWP): Comprehensive rural development plans, based on participatory community development processes and economic regeneration assessments and strategies.

(1.1) Establish and capacity build District Development Assemblies (DDAs), based on CDCs and other Community representatives

One DDA was established in the third quarter of 2008, in Kushki Rubat Sangi district of Herat province. This DDA was established as part of the Disarmament of Illegal Armed Groups (DIAG) process, under which districts which hand in 75% of their weapons are rewarded with development projects. The DDA is mixed gender, with 16 male and 15 female members. Women play an active role in the establishment of such mixed DDAs and their contribution ensures that their priorities are taken into account in the formulation of District Development Plans (DDPs).

During the 3rd quarter of 2008, the pace of DDA establishment has slowed somewhat to allow a period of consolidation of existing DDAs. A major part of this consolidation is capacity building of DDAs. In the past quarter, the training teams of the Community Empowerment Capacity Building Unit (CBU) carried out training for a total of 38 DDAs in Balkh, Nangarhar, Faryab, Badakhshan, Kandahar, Nimroz, Helmand, Kunar, Uruzgan and Ghor provinces.

These DDAs were trained on Module 1, which covers governance, conflict resolution and gender equity, Module 2 features participatory project implementation and management, and Module 3 deals with financial management. In addition, three sub-committees comprising of finance, procurement and project management, were established in each of the DDAs who had been given capacity building training. Additional specialized training will be developed based on DDA needs. Following the approval of a grant for community disaster preparedness from BCPR, a training module on disaster management has been prepared for at-risk communities and piloted in Imam Saheb district of Kunduz province, resulting in a Disaster Management Plan being formed and a Disaster Management Commission being established for the district.

Following the instructions of the Deputy Minister for Programmes, the Institutional Development unit will now focus on building the capacity of DDAs, rather than central MRRD departments.

(1.2) Establish working relations between and among DDAs, district authorities to facilitate identification of common needs and priorities; and

(1.3) Establish working relations between and among DDAs (representing communities) and PDCs (representing line ministries of the government)

Initially, DDA cross-learning exercises were envisioned in the AWP as an avenue for knowledge-building and advocating for the needs of communities at the Provincial Development Council (PDC) level, in partnership with the Ministry of Economy (MoE). However, in January 2008, MRRD decided that the PDCs would no longer be supported, as each sectoral member of the PDC is supported by their respective ministry.

(1.4) Community participation in identification of economic development priorities (DDP)

One District Development Plan (DDP) was formulated in the third quarter of the year by the newly-established DDA in Herat province. In addition, the Community Empowerment unit edited, translated and finalized a further 47 DDPs from Samangan, Ghor, Dai Kundi, Khost and Kapisa provinces, all of which have now been uploaded to the NABDP website, through which the DDPs are made accessible to the general public.

(1.6) Updating of DDPs where funding for project implementation is available.

All finalized DDPs are re-checked before publishing to ensure that they are engendered according to the DDA/DDP Operational Guidelines by the DDP Publishing Team.

Output 2: Rural development policies developed and adopted by the Government and other relevant stakeholders, providing frameworks for viable interventions for economic regeneration, poverty reduction and improving livelihoods.

(2.4) Development of participatory planning manual

The NABDP “Operational Guidelines for Implementation of NABDP Projects” have been completely updated and engendered and the document has been approved by the NABDP Programme Manager and MRRD Deputy Minister for Programmes.

(2.5) Updated/engenderized DDA/P Operational Guidelines and development of data base management information system

The updating and engendering of the DDA/P Operational Guidelines has been completed by the NABDP Gender Advisor and are now in use. The Community Empowerment team maintains a DDA/DDP database which is continually updated and developed.

Implementation Unit

Output 3: Strengthened management and implementation capacity of MRRD and relevant partner institutions to address rural development and economic regeneration needs and priorities.

(3.3) Review Programme Cycle Management (PCM) with participation of key departments and programmes involved, to establish a clear process and assumption of accountability

The Implementation Unit has completed the “Operational Guidelines for Implementation of NABDP projects”, which applies Programme Cycle Management principles to NABDP operations. The document, which clearly lays out roles, responsibilities and accountability for the whole project cycle, has been approved by the Programme Manager and Deputy Minister for Programmes, MRRD.

(3.5) Support the establishment of appropriate coordination and consultation structures at national and provincial levels

At the provincial and regional levels, NABDP has tasked the Provincial Rural Development Advisors (PRDAs) and Regional Managers to represent the programme in Provincial Development Council (PDC) meetings. Within these meetings, the ministry representatives, namely the provincial directors, set the priorities under the leadership of provincial governors. Regular coordination was carried out with other relevant programmes as the National Solidarity Programme (NSP), Provincial Reconstruction Team (PRT) programmes, Disarmament of Illegal Armed Groups (DIAG), Education Quality Improvement Programme (EQUIP), Basic Package of Health Services (BPHS), and others at both the central and provincial levels. The cooperation between NABDP, National Rural Access Programme (NRAP) and Water, Sanitation and Irrigation Programme (WATSIP) under the new Counter-Narcotics Trust Fund (CNTF) Labor-Based Rural Development (LBRD) project is a further example of effective coordination.

(3.6) Support the establishment and development of Technical Support Units to support PRRDs and project implementation

All six Technical Support Units (TSUs), in Kabul, Mazar-i-Sharif, Jalalabad, Kunduz, Paktia and Kandahar, were established by the end of 2007. NABDP continues to support the development of TSUs through technical and project management training and by the provision of engineering and computer equipment. TSUs have proved invaluable in providing survey and design support to

PRRDs, which often do not have the necessary level of staffing and technical capabilities to implement projects without assistance.

Output 4: High-quality and sustainable community-led rural development and economic regeneration investments that reduce poverty and improve livelihoods

(4.1) prepare proposals for viable community-based economic regeneration and rural development projects in accordance with the priorities in the regional economic regeneration strategies and the comprehensive rural development plans

The 'Kandahar Approach' of community-based project selection, design and implementation has been extended to other provinces across the south and east to allow rapid development in areas thought previously too insecure to work in. Currently, 96 projects are underway in Kandahar, and 329 have already been completed, while in Helmand province, 1482 projects have been requested through the DDAs, of which 58 have been completed, 92 are ongoing and 6 are about to begin. Similarly, 28 projects have been completed and 66 projects are currently underway in Uruzgan.

In the 3rd quarter of 2008, the Implementation Unit has focused heavily on designing and surveying projects for the Japanese-funded Border Provinces Stabilization project, with 195 projects selected for implementation in Kandahar, Ghazni, Kunar, Nangarhar, Paktia, Nimruz and Badakhshan, several of which have reached the contracting stage. Nationally, 520 infrastructure projects have been completed so far in Phase II and 345 are currently ongoing.

The activities of the Implementation Unit have been supported and facilitated by the Quality Control unit, which has prepared design guidelines, technical manuals and specifications for a variety of different projects, as well as reviewing project designs and providing training for MRRD staff.

(4.2) Undertake consultation/negotiation with the private sector, the government and the international community to promote investment and mobilize resources for projects

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(4.5) Undertake consultation/negotiation with the government and international community to mobilise resources for the projects

Regular interactions occurred with the donors and supporters of NABDP, including CIDA, USAID, DFID, Japan, Belgium, Norway, the Netherlands and UNDP through reports and negotiations. All of our donors have indicated their willingness to continue their support through the next phase of NABDP, which is currently under design, and initial discussions with regards to more funding have taken place with representatives of the Dutch and Japanese Governments. Furthermore, Energy for Rural Development in Afghanistan (ERDA) is in discussions on funding for micro hydro projects from the Asian Development Bank (ADB) following discussions in the Inter-Ministerial Committee in Hydropower.

(4.3) Establish partnerships/MOUs with UNHCR, ANBP, UNICEF and relevant Ministries/Departments for the implementation of Reintegration, DIAG and Alternative Livelihoods activities.

The NABDP DIAG unit regularly consults with the overall DIAG Joint Secretariat. It also cooperates with Afghanistan New Beginnings Programme (ANBP) to provide development projects in districts which have disarmed, and has provided assistance to the Ministry of Interior in setting up an in-house DIAG unit. In the area of alternative livelihoods, the NABDP Counter-Narcotics Trust Fund (CNTF) unit implements projects in cooperation with the Ministry of Counter Narcotics and with funding from CNTF. The second phase of the CIDA-funded Integrated Alternative Livelihoods Project – Kandahar (IALP-K) project, designed in cooperation with the Ministry of Agriculture, Irrigation and Livestock and the Ministry of Education, has been approved by the donor and preparations for project implementation are underway.

(4.6) Coordinate, determine and execute implementation arrangements among all relevant partners and stakeholders including economic regeneration, rural energy, DIAG and other comprehensive rural development projects

Within MRRD, NABDP cooperates with other programmes such as NSP, NRAP and WATSIP, and increasingly with the Afghanistan Rural Enterprise Development Programme (AREDP). At the national level, NABDP also works with Ministries such as Counter-Narcotics, Public Works, Economy and Agriculture, Irrigation and Livestock. At the regional and provincial levels, regular meetings take place with PRTs, provincial government departments and governors to establish priorities and coordinate development activities.

In the last quarter NABDP has been cooperating particularly closely with NRAP and WATSIP to jointly develop and implement the CNTF Labour-Based Rural Development (LBRD), a \$19 million, 18-month programme to provide infrastructure projects and short-term employment in provinces which have shown reduced poppy production in the last year.

Economic Regeneration

Output 2: Rural development policies developed and adopted by the Government and other relevant stakeholders, providing frameworks for viable interventions for economic regeneration, poverty reduction and improving livelihoods.

(2.1) Support Afghan Institute for Rural Development (AIRD) to secure additional funds

NABDP is not currently engaged in fund-raising activities for AIRD, as MRRD has taken over this role. However, NABDP still cooperates with and supports AIRD activities through joint workshops and support to the development of the MRRD Capacity Development document.

(2.2) Ongoing monitoring and analysis of preparation and implementation of comprehensive rural development and rural enterprise development plans and regional economic regeneration strategies

Based on previously-developed business plans, contracts for supporting the development of five rural Small and Medium Enterprises (SMEs) have so far been signed. The Cooperation Center for Afghanistan (CCA) will work on potato storage in Bamyan, Hand in Hand (HIH) on almond and melon production in Balkh, and Sanayee Development Organization (SDO) on carpet cutting in Balkh and saffron production in Herat. For all projects, inception reports and work plans have now been completed and entrepreneurs identified. A business development grant has already been provided to the HIH melon SME in Balkh, and further grants will be provided to the other SMEs once their preparations are complete. Following extensive negotiations, two further contracts are currently being prepared for the International Rescue Committee (IRC) to support cashmere and silk SMEs in Herat. Another SME support contract, with Ghazni Rural Support Programme (GRSP), is still under discussion.

As part of the Stabilization of Border Provinces Project, the Economic Regeneration (ER) component, in cooperation with Afghanistan Rural Enterprise Development Programme, has been surveying the seven targeted provinces to identify potential rural SMEs. Thirteen Provincial Business Development Specialists (P-BDS) have been recruited to work in these provinces and have just completed a one-month training course in business strategies, financial planning, customer relations and sectoral analysis from the American University of Afghanistan in Kabul. On arrival at their duty stations in the provinces, the P-BDS staff will identify the need for technical and financial interventions, and provide grants to the most promising SMEs and assist them with planning and promoting business development.

(2.3) Policy feedback and ongoing review of national level Afghan Rural Enterprise Development Programme (AREDP) and policy framework

The Economic Regeneration unit has been working closely on AREDP's strategy and approach through stakeholder meetings involving donors, relevant government Ministries and NGOs active in the field of SME development. Having approved AREDP's concept paper, the World Bank has requested a full programme document and operations manual, which are being developed. ER has also provided support to AREDP's negotiations with other bi-lateral donors.

The Economic Regeneration Unit is collaborating with AREDP to support Small and Medium Enterprises (SMEs) as part of the Border Provinces project, which entails using Business Development Specialists (BDS) to identify and support promising SME business plans through grants and technical input and trainings. The AREDP will also receive input from the ongoing SME support pilot projects in Balkh, Bamyan and Herat. The lessons learnt from these pilot projects will provide useful input developing future strategies for AREDP's support to SMEs in Afghanistan.

Output 4: High-quality and sustainable community-led rural development and economic regeneration investments that reduce poverty and improve livelihoods.

(4.1) prepare proposals for viable community-based economic regeneration and rural development projects in accordance with the priorities in the regional economic regeneration strategies and the comprehensive rural development plans

The MRRD Balkh Sheep Bank Livelihood improvement project has been in operation for the last two years. The project was initially supported by Belgium and implemented by MRRD and Mae Fae Lung (MFL) Foundation of Thailand. An MoU was prepared between MRRD/NABDP and MFL Foundation on the Balkh Sheep Bank project, which aims to generate income for poor and landless rural residents through providing them with sheep, the offspring of which are returned to the Sheep Bank as a form of payment for veterinary fees. A full proposal has been prepared by the MFL Foundation to continue and expand the Programme to value added income generating activities (IGA) and SME enterprises. The proposal is currently being considered by MRRD/NABDP ER and will be submitted to donors for funding.

(4.2) Undertake consultation/negotiation with the private sector, the government and the international community to promote investment and mobilize resources for projects

SMEs, each requiring a maximum total investment of \$100,000 in Balkh, Bamyan, and Herat, are being established by the private sector. These SMEs will be financed based on the co-financing principle. Entrepreneurs have been identified who will commit for an initial contribution, part of which will be arranged through banks in the form of credit. Further seed money will be available as grants, up to a maximum of 50% of the investment funds, from NABDP. The funding from donors will be used as seed money for the technical support, training and machinery, and business plans implementation by local private entrepreneurs in all three provinces. The first grant has already been provided to the melon SME in Balkh, and the other grants will be provided as soon as project preparations are complete.

Institutional Development

Output 3: Strengthened management and implementation capacity of MRRD and relevant partner institutions to address rural development and economic regeneration needs and priorities.

(3.2) Support the Office of the Deputy Minister for Programmes incorporating the Planning and Provincial Liaison Departments as a foundation/ structure for monitoring, coordination and planning &

(3.4) Support the office of the Deputy Minister for Programmes to take responsibility for programmes management, developing appropriate policies, planning, budgeting and conducting regular reviews/reporting

Following a request from the Deputy Minister for Programmes, the ID unit has changed focus from supporting central MRRD departments to capacity development at the provincial and district level, particularly for DDAs. As a result, the unit no longer provides planning and policy support to the Deputy Minister's Office or central MRRD departments.

(3.3) Review Programme Cycle Management (PCM) with participation of key departments and programmes involved, to establish a clear process and assumption of accountability

The ID unit has completed its review of the PCM process of several of the Ministry's Departments, including HR, Rural Infrastructure Technical Service (RITS), Community-Led Development Department (CLDD), and the Rural Livelihoods & Energy Department (RLED).

(3.5) Support the establishment of appropriate coordination and consultation structures at national and provincial levels

Regional Managers and PRDAs continue to represent NABDP in PDCs and maintain good working relationships with other development actors. The ID unit is currently engaged in an institutional analysis of the provincial development delivery mechanisms, with a particular focus on the role of DDAs. Field trips to Kunduz and Badakhshan have been undertaken to collect data and relevant information on the subject matter. In addition, ID staff participated in local governance workshops with IDLG.

(3.7) Improve the efficiency of key departments/programmes through providing managers and other key staff with appropriate supervisory and people management skills and tools

Under the Stabilization of Border Provinces project, three new Provincial Institutional Development Advisors have been recruited for Kunar, Badakhshan and Paktya provinces, where they will provide capacity building training for the local PRRD and DDAs. The process of recruiting advisors for the other four targeted provinces is ongoing.

Following a request from Northern Region (Faryab, Saripul, Jawzjan and Balkh) PRRDs, a workshop on establishing an M&E framework for MRRD projects is under preparation. The ID unit has also cooperated with Community Empowerment and the Monitoring and Results Reporting Unit on producing a training module on monitoring for DDAs.

(3.8) Support establishing an effective and accessible Management Information System (MIS) for collating, maintaining and managing up-to-date information on key aspects and activities of MRRD's organization & programmes

NABDP's new Monitoring and Results Reporting Unit has taken over responsibility for MIS, in cooperation with the Implementation Unit. A new MIS staff member has been recruited in conjunction with the MRRD MIS department to act as a focal point for all NABDP information gathering, management and archiving of NABDP documents.

(3.9) Support establishing PDCs and provide technical assistance and training to enable partners to effectively engage in comprehensive rural development planning and coordination of implementation

Although a decision was made by NABDP management last year to end NABDP's direct support to PDCs following the ANDS Sub-National Consultation, the ID unit has continued to work with AIMS on the Afghanistan Assets and Profile Management System, which acts as a PDC database. The database is hosted by the Ministry of Economy, and is also supported by IDLG and ASGP. The database has now been completed, but the Ministry of Economy lacks funding for a nationwide roll-out, and the search for a donor is ongoing.

(3.10) Review and strengthen the Capacity Development Department to assume responsibility for maintaining and building on the level of capabilities/capacities established

Although the focus of the ID unit's work has changed, the unit has continued to contribute to the MRRD capacity building policy document, and members of the Capacity Building Department also accompany ID staff to PRRD trainings to observe instructional techniques and allow practical 'on-the-job' training.

(3.11) Provide for professional development and physical resources as needs are identified

Although funding is currently unavailable for the provision of physical resources, the provision of professional development courses is continuing. The Capacity Building Committee has so far approved 27 applications from NABDP staff for financial support to a range of trainings, workshops and long-term further education courses both in Afghanistan and abroad.

DIAG

Output 1: Comprehensive rural development plans, based on participatory community development processes and economic regeneration assessments and strategies.

(1.5) Determine rural development priorities for implementation including those targeting poppy farmers, disbanded illegal armed groups and returnees

In addition to the five projects already completed, the DIAG component is currently implementing or preparing 51 projects in 51 districts. Six have just been announced, 13 are currently under construction, and 12 are being estimated, surveyed or designed. The projects include schools, clinics, roads, gabion walls, social and cultural centers and wells.

The projects which are still pending have been delayed due to the need to re-identify projects which had been selected but were over the \$300,000 funding limit.

Status	Up to date progress					
	29 Sep	30 Aug	30 Jun	19 May	31 Mar	29 Feb
Completed	5	3	2	2	1	1
Construction	13	14	7	7	7	8
Signed	0	1	0	0	0	0
Announced	6	0	10	10	0	1
Announced soon (in procurement)	2	4	1	0	8	5
Estimation	6	6	2	1	2	-
Design	4	4	6	5	5	4
Survey	0	4	4	4	4	3
Survey planned	2	1	0	2	3	8
Identified	10	2	1	2	0	2
Pending due to operation	0	2	3	3	3	1
Pending due to other reasons	3	5	7	7	4	0
Total	51	46	43	43	37	33

CNTE

Output 1: Comprehensive rural development plans, based on participatory community development processes and economic regeneration assessments and strategies.

- (1.6) Determine rural development priorities for implementation including those targeting poppy farmers, disbanded illegal armed groups and returnees

Under the ongoing CNTF funding, one project – a protection wall in Anardara district of Farah province – has been completed. Five projects, comprising two bridges, one well complex, and two roads, are currently ongoing. Due to issues with security and design revisions, five projects have been temporarily suspended.

The new CNTF Labour-Based Rural Development project has allocated NABDP \$10 million for the rapid implementation of labour-intensive projects in 10 provinces which have displayed reduced poppy growth in the previous year. All extra staff for the project have now been recruited and 178 projects selected in Nimruz, Farah, Badghis, Herat, Kunduz, Faryab, Jawzjan, Badakhshan, Samangan and Balkh. The projects are currently in the design and survey stage, and several are already ready for contracting.

WatSan (Belgium)

Output 4: High-quality and sustainable community-led rural development and economic regeneration investments that reduce poverty and improve livelihoods

Work on the final 36 wells in Ghor provinces was completed in August 2008, and they are currently in the process of being handed over to the community. Similarly, all wells in Daykundi province are now complete and only handover and final payments to the contractor are remaining.

Hard Component of the project:

S.No	Location		Planned Activities			Up to date Completed Activities			Project Status
	Province	District	Wells	Pipe Scheme	Stand Posts	Wells	Pipe Scheme	Stand Posts	
1	Daykundi	Neli, Sharistan, Sang Takht Bandar	72	0	0	72	0	0	Completed
2		Khidar and Geti	44	0	0	100	0	0	Completed
4	Ghor	Lal Sarjantal	100	0	0	60	0	0	Agreed with WatSan to cancel the contract
5		Chighchiran, Murghab and Qurullah	111	0	0	111	0	0	Completed, awaiting handover
6		Pasaband-Dolaina, Chighchiran, Qara allahyar	90	0	0	90	0	0	Completed

Soft Component of the Project

WatSan (USAID)

S. No	Project Location		Planned Activities		Completed Activities		Project Status
	Province	District	Latrines	Hygiene Education (Person)	Latrines	Hygiene Education	
1	Daykundi	Neli, Sharistan, Sang Takht Bandar, Khidar and Geti	363	63,525	Contract Canceled with the Contractor		
2	Ghor	Lal wa Sarjangan, Chighchiran, Murghab, Qurullah, Pasaband-Dolaina, Chighchiran, Qara allahyar	375	65,625	375	65,625	100

Output 4: High-quality and sustainable community-led rural development and economic regeneration investments that reduce poverty and improve livelihoods

Eight of 165 well projects contracted have yet to be completed. Unexpectedly hard rock strata in the Nejrab district of Kapisa province led to the cancellation of the three remained wells, which proved impossible to dig. In Maidan Wardak, the remaining wells are 68% complete and following an ultimatum from the MRRD dispute committee, an improvement in the speed of project implementation by the contractor has been noted.

Progress Achieved against Outputs/ Deliverables:

No	Project Location		Planned Activities of the Project				Well Status		Progress (%)
	Province	District	Wells	Pipe Scheme	Water Reservoir	Stand Post	Complete	Ongoing	
1	Maidan-Wardak	Maid-Shar	8				8	0	100%
2	Maidan-Wardak	Maid-Shar	16				11	5	68%
2	Kabul	Zere Kotal		1	1	36	36	0	100%
4	Kabul	Khorasan		1	1	30	30	0	100%
	Kabul	Istalif		1	1	10	10	0	100%
5	Dai - Kundi	Nili	9				9	0	100%

6	Maidan-Wardak	Maid-Shar		1		149	150	0	100%
7	Logar	M.Agha	18				18	0	100%
8	Logar	Pul Alam	32				32	0	100%
9	Logar	Baraki Barak	37				37	0	100%
10	Kapisa	Kohistan (II)	24				22	2	91%
11	Kapisa	Kohistan (I)	9				8	1	88%
12	Kapisa	Nejrab	12				9	3	75%

Energy For Rural Development in Afghanistan (ERDA)

Output 2: Rural development policies developed and adopted by the Government and other relevant stakeholders, providing frameworks for viable interventions for economic regeneration, poverty reduction and improving livelihoods.

(2.6) Clarify policies and strategies on rural energy development (Energy for Rural Development in Afghanistan (ERDA))

ERDA is a new sub-component of NABDP which aims to demonstrate an innovative approach to development of rural energy in Afghanistan, as well as contributing to the development of rural energy policy and helping build up capacity at different levels. The first ERDA micro hydro project (MHP) has begun construction in Zarshang district of Bamyan province, following the signing of a tripartite agreement between MRRD, the DDA and CDC. Four more such contracts have been signed for MHPs in four districts of Badakhshan and construction will begin soon. Eight more potential MHP sites have been surveyed in Badakhshan, Bamyan, Panjshir, Nangarhar and Ghor provinces. In addition, a preliminary survey has also been undertaken for biogas plants in Nangarhar province.

ERDA has also prepared a format for a Detailed Project Report for MHPs, as well as a Micro Hydro Operation and Management Manual, Implementation Guidelines and a Micro Hydropower Development Policy for MRRD. ERDA continues to support MRRD's Rural Enterprise and Energy Department (REED) to plan for the development of rural energy in Afghanistan, including the development of a plan and budget for rural energy activities in 1388 (2009).

II. Project implementation challenges

Updated project risks and actions

Community Empowerment

Security is becoming such a problem, particularly in southern provinces such as Kandahar and Uruzgan, that the central and provincial trainers of the Capacity Building Unit (CBU) are having difficulty carrying out their work. DDAs are travelling to provincial centers to be trained to minimize the risk to our staff.

Implementation Support

Severe insecurity in Ghazni province has meant that the survey and design of projects outside Ghazni city is not possible at the moment, and that only projects in the immediate vicinity of the provincial center can be implemented. If the situation improves, then Ghazni PRRD staff will attempt to expand their operations.

In Kunar and Nangahar, the survey of several projects in insecure districts was only possible due to the provision of security by local DDAs.

Economic Regeneration

In order to minimise the risk to the Provincial Business Development Specialists and the SME staff that they will be working with, rented vehicles will be used in the field rather than government-plated cars in Kandahar, Ghazni, Paktia, Nimruz and Kunar.

Institutional Development

The component encountered no significant risks during the reporting period.

DIAG

Nine projects identified by the Joint Secretariat in 2007 are still delayed, the majority of which are above the approved funding limit. Four of these projects are expected to be announced by the end of October, but the remainder will have to be re-identified. In future, PRRD staff will accompany the Joint Secretariat on project identification field missions to ensure that the funding limits are adhered to.

CNTE

The Balablok retaining wall project in Farah province, which had been delayed for security reasons, has now been completed.

Watsan (Belgium)

The component experienced no major risks in this quarter.

Watsan (USAID)

The component experienced no major risks in this quarter.

ERDA

During a visit to Nangarhar province to undertake a preliminary assessment of the feasibility of biogas projects, the ERDA team was only able to travel to Momandara district due to security issues. The overall security situation in the province means that a completion of a detailed project study would be extremely difficult.

Updated project issues and actions

Community Empowerment

Despite several meetings, Community Empowerment's Participatory Planning Unit (PPU) and Da Afghanistan Bank were unable to reach an agreement on a MoU on opening bank accounts for DDAs. NABDP and MRRD senior management have become involved in discussions to solve the matter.

The DDPs of 23 districts of Nangarhar province, which had been processed by Community Empowerment's facilitating partner BRAC, were not completed to an acceptable standard. BRAC were given an extension of the submission deadline to revise the DDPs.

Implementation Support

The low capacity of contractors is a continuing problem for effective project work. Construction of the Dahan-e Ghulamak village school in Ghor has been cancelled due to the contractor being unable to carry out the work effectively, and several other projects – including Lizhdi bridge in Takhar and Kiran school in Daikundi – are currently suspended. Greater contract and design oversight from the Quality Control unit and improved monitoring by the Monitoring and Results Reporting Unit (MRRU) will reduce the number of such problems in future.

Economic Regeneration

Following discussions to resolve the previously-identified financial issues with the SME support proposals from International Rescue Committee (IRC) and Ghazni Rural Support Programme (GRS), both NGOs produced revised proposals. These proposals have now been approved and contracts are currently being drawn up.

Institutional Development

The ID unit experienced problems in recruiting qualified Provincial Institutional Development Advisors (PIDAs). Two potential PIDAs declined offers of employment for Kandahar and Nangarhar provinces, and no suitable candidates could be found for Ghazni and Nimruz provinces. However, recruiting efforts for these positions are under process.

DIAG

The problem of projects being delayed in the survey and design stages has been addressed through the recruitment of eight new engineers, who have reduced the average time projects spend in these stages by half.

CNTF

Due to the objections of local people, who believed that continued construction of the Chushma Hayat reservoir project in Balkh would block the wells they depend on for water, the project was stopped after consultations with the PRRD and provincial governor. As the project is 50% complete, H.E. MRRD Minister Zia ordered that the contractor be paid for the work already done.

Watsan (USAID)

The contractor for Kapisa encountered unexpectedly hard rock strata while drilling the remaining three of twelve wells, which led to their cancellation. The money will be reallocated to other projects.

ERDA

ERDA has found long-term planning difficult as, apart from some initial set-up costs provided by UNDP, it does not have any funding directly allocated. In the meantime, funding for micro-hydro and biogas projects has been given from the Border Provinces Project, and ADB has granted funding for micro hydro projects in Bamyan and Badakhshan.

Overall Programme Risks and Issues

Security

The generally deteriorating security situation has affected the work of several NABDP components, particularly in the south and east of the country. Security agreements and community contracting with DDAs have allowed NABDP to carry out survey, implementation and monitoring work in areas with severe security problems,

Monitoring and Evaluation

The Mid-term Review Report highlighted weaknesses in monitoring and evaluation, and several donors have expressed similar concerns. In response, the Monitoring and Results Reporting (MRRU) unit of NABDP has recruited and trained three project monitors, who have already participated in field monitoring missions to the Central and Northern regions, as well as Ghazni and Uruzgan provinces.

Furthermore, a senior monitoring engineer is currently being recruited, along with six DDA trainers, who will deliver a newly-developing training module on monitoring to DDAs. NABDP's strategy is to use DDAs for monitoring community-contracted projects in insecure districts, supporting by monitoring engineers from MRRU.

Future Plans

Phase II of NABDP ends in December 2008, and work on the design of Phase III is well underway. NABDP, MRRD and UNDP staff have begun discussions on the future structure and role of the programme, taking into account the recommendations of the Mid-term Review Report as well as

MRRD and UNDP strategic plans. All NABDP component heads have submitted individual plans for Phase III, and a consultant has been recruited and started work on the Phase III document. As securing the support of donors is obviously vital to the future of NABDP, donors are being invited to contribute and comment in bilateral meetings and the upcoming quarterly Steering Committee Meeting.

III. Financial status and utilization

Financial status

Table 1 – Contribution Overview (February 2002 – December 2008)

Donor	Contributions		Contribution Balance
	Committed	Received	
UNDP	3,989,381	4089381	-
UNHCR	4,574,496	4,345,296	229,200
Japan DIAG	15,000,000	15,000,000	-
Belgium	17,904,509	15,714,963	2,189,546
CIDA	25,160,816	25,160,816	-
CIDA ANDS	1,434,000	1,000,000	434,000
CIDA 08 bridging fund	5,112,474	5,112,474	-
Italy	5,767,087	5,767,087	-
Japan	27,284,864	27,284,864	-
Japan 08 Border provinces	15,000,000	15,000,000	-
Holland	7,100,000	3,209,109	3,890,891
Norway	6,280,099	5,344,612	935,487
DFID	10,309,278	5,154,639	5,154,639
UK	1,562,500	1,562,500	-
USA	18,165,309	18,165,309	-
Total	164,744,814	151,911,051	12,833,763

Financial utilization

Table 2
National Area Based Development Programs (NABDP)
Quarterly Expenditure by Activities (1st Jan 08 - 30th Sep 08)

ACTIVITY	AWP_2008	ATLAS Fig			3QTR-2008 not yet Posted in ATLAS	Total Expenditures	BALANCE	DELIVERY (%)
		1QTR (Jan-Mar-08)	2QTR (Apr-Jun-08)	3QTR (Jul-Sep-08)				
ACTIVITY16 Economic Regeneration	1,434,758	8,993	271,558	149,224	114,063	543,838	890,921	38%
ACTIVITY17 Institutional Development	2,727,954	458,980	712,428	845,244	538,147	2,554,799	173,155	94%
ACTIVITY18 Immediately Recovery Projects	16,240,650	-	2,141,890	3,157,251	5,779,498	11,078,639	5,162,011	68%
ACTIVITY19 Programme Management	2,708,157	3,147	804,554	452,519	572,914	1,833,134	875,023	68%
ACTIVITY20 Community Empowerment	3,031,197	-	270,784	408,299	619,761	1,298,844	1,732,353	43%
ACTIVITY21 IALP Programme	4,099,947	-	553,474	1,981,307	142,997	2,677,778	1,422,169	65%
ACTIVITY22 DIAG Programme	1,037,125	-	209,456	56,903	366,731	633,090	404,035	61%
ACTIVITY23 Energy for Rural Dev. of Afg.	400,000	-	25,905	70,391	112,169	208,465	191,535	52%
ACTIVITY5 UNHCR Water Supply	180,899	-	70,633	-	-	70,633	110,266	39%
ACTIVITY7 USAID Water Supply	725,135	-	153,528	132,983	204,655	491,166	233,969	68%
ACTIVITY1 Programme Management DEX	547,400	131,180	142,126	102,347	-	375,653	171,747	69%
GMS	1,889,768	25,199	290,138	432,210	536,100	1,283,648	606,120	68%
Total	35,022,990	627,499	5,646,474	7,788,679	8,987,035	23,049,687	11,973,303	66%

Table 3
National Area Based Development Program (NABDP)
Quarterly Expenditure by Donor (01-Jan-2008 to 30-Sep-2008)

Donor	Activity	AWP 2008	ATLAS Fig			3QTR-2008 not yet Posted in ATLAS	Total Expenditures	Balance	Delivery Rate
			1QTR-2008	2QTR-2008	3QTR-2008				
UNDP	Institutional Development	50,000				18,266	18,266	31,734	
	Immediately Recovery Projects	50,000				47,345	47,345	2,655	
	Community Emp (BCPR-04160)	635,000				152,791	152,791	482,209	
	Energy for Rural Dev. of Afg.	400,000		25,905	70,391	112,169	208,465	191,535	
	Programme Management (DEX)	100,000			41,628	-	41,628	58,372	
Sub Total (UNDP)		1,235,000	-	25,905	112,019	330,571	468,495	766,505	38%
UNHCR	UNHCR Water Supply	180,899		70,633	-	-	70,633	110,266	
	GMS* 5%	9,521	-	3,718	-	-	3,718	5,803	
Sub Total (UNHCR)		190,420	-	74,351	-	-	74,351	116,069	39%
DIAG	DIAG Programme	1,037,125		209,456	56,903	366,731	633,090	404,035	
	GMS* 5%	54,586	-	11,024	2,995	19,302	33,321	21,265	
Sub Total (Japan DIAG)		1,091,711	-	220,480	59,898	386,033	666,410	425,300	61%

BELGIUM	Institutional Development	977,592	312,083	231,552	204,248	229,056	976,940	652	
	Immediately Recovery Projects	1,603,600		669,613	187,544	153,928	1,011,085	592,515	
	Programme Management (NEX)	1,005,157		396,122	142,990	101,046	640,158	364,999	
	Community Empowerment	424,449		3,100	38,000	26,960	68,060	356,389	
	Programme Management (DEX)	316,000	131,180	118,288	37,803	-	287,271	28,729	
	GMS* 3%	133,818	13,709	43,877	18,884	15,804	92,274	41,545	
Sub Total (Belgium)		4,460,616	456,972	1,462,551	629,470	526,794	3,075,787	1,384,829	69%
CIDA	Economic Regeneration	144,000		81,509	10,446	19,562	111,517	32,483	
	Institutional Development	826,600	100,299	158,209	328,994	242,965	830,466	(3,866)	
	Immediately Recovery Projects	1,800,000		336,405	159,028	631,135	1,126,568	673,432	
	Programme Management (NEX)	210,200	3,147	16,168	77,491	33,528	130,334	79,866	
	Community Empowerment	212,000				457	457	211,543	
	IALP Programme	2,844,847		254,987	1,684,119	35,766	1,974,872	869,975	
	Energy for Rural Dev. of Afg.	-				-	-	-	
	Programme Management (DEX)	-	-	-		-	-	-	
	GMS* 5% & 7%	390,500	7,786	58,001	131,990	71,705	269,483	121,017	
Sub Total (CIDA)		6,428,147	111,232	905,279	2,392,067	1,035,118	4,443,697	1,984,450	69%
JAPAN	Economic Regeneration	1,214,575		162,097	99,540	94,501	356,138	858,437	
	Institutional Development	279,000	42,014	55,227	(4,307)	40,394	133,328	145,672	

	Immediately Recovery Projects	5,800,000		914,500	1,757,456	1,569,985	4,241,941	1,558,059	
	Programme Management (NEX)	130,000		84,623	3,647	23,945	112,215	17,785	
	Community Empowerment	700,584		68,050	151,291	337,417	556,758	143,826	
	IALP Programme	292,598		46,947	18,595	69,007	134,549	158,049	
	Programme Management (DEX)	-	-	-	-	-	-	-	
	GMS* 5%	489,887	2,682	84,986	129,333	136,292	353,293	136,594	
Sub Total (Japan)		8,906,644	44,696	1,416,429	2,155,555	2,271,541	5,888,222	3,018,422	66%
HOLLAND	Economic Regeneration	-					-	-	
	Institutional Development	-		10,202	(10,202)		-	-	
	Immediately Recovery Projects	1,533,850		63,924	434,356	1,121,685	1,619,965	(86,115)	
	Programme Management (NEX)	312,400			38,145	215,211	253,356	59,044	
	Community Empowerment	115,350				13,291	13,291	102,059	
	Programme Management (DEX)	-	-	-	-	-	-	-	
	GMS* 7%	147,647	-	5,579	34,797	101,627	142,003	5,644	
Sub Total (Holand)		2,109,247	-	79,705	497,096	1,451,814	2,028,615	80,632	96%
NORWAY	Economic Regeneration	12,000		12,000			12,000	-	
	Institutional Development	196,577		173,716	23,899		197,615	(1,038)	
	Immediately Recovery Projects	2,076,800		157,448	564,946	615,006	1,337,400	739,400	
	Programme Management (NEX)	277,200		100,000	117,966	25,593	243,559	33,641	

	Community Empowerment Programme Management (DEX)	537,668		22,636	187,662	20,680	230,978	306,690	
		33,600	-	-	22,916	-	22,916	10,684	
	GMS* 5% & 7%	210,774	-	29,732	58,557	42,209	130,498	80,276	
Sub Total (Norway)		3,344,619	-	495,532	975,946	703,488	2,174,966	1,169,653	65%
DFID	Economic Regeneration	64,183	8,993	15,952	39,238		64,183	0	
	Institutional Development	398,185	4,584	83,523	302,612	7,466	398,185	-	
	Immediately Recovery Projects	3,376,400		-	53,921	1,640,414	1,694,335	1,682,065	
	Programme Management (NEX)	773,200		207,641	72,280	173,591	453,512	319,688	
	Community Empowerment Programme Management (DEX)	180,000		44,539		5,824	50,363	129,637	
		97,800	-	23,839	-	-	23,839	73,961	
	GMS* 7%	368,047	1,022	28,263	35,230	137,538	202,053	165,994	
Sub Total (Dfid)		5,257,815	14,599	403,756	503,281	1,964,833	2,886,469	2,371,346	55%
USA	Community Empowerment	226,146		132,459	31,346	62,341	226,146	-	
	IALP Programme	962,502		251,540	278,593	38,224	568,357	394,145	
	Programme Management (DEX)	-					-	-	
	USAID Water Supply	725,135	-	153,528	132,983	204,655	491,166	233,969	
	GMS* 5% & 3%	84,987	-	24,959	20,425	11,622	57,007	27,981	
Sub Total (USA)		1,998,770	-	562,486	463,347	316,842	1,342,676	656,095	67%
Grand Total		35,022,990	627,499	5,646,474	7,788,679	8,987,035	23,049,687	11,973,303	66%

Annexes

ANNEX I. PROGRESS SUMMARY BY DONOR

DONOR NAME: UNDP

I. Contribution Summary

	Type	Description of Allocation	Commitment (Local Currency)	Received (USD)	2002-2006 Disbursements	2007 Disbursed (USD)	2008 Disbursed (USD)	Balance	Contract End Date
A	Unearmarked	Phase II		1,253,982	-	1,224,432		29,550	Balance Refunded back
		Phase II (2008)		200,000			107,239	92,761	for this year
	Total Unearmarked		-	1,453,982	-	1,224,432	107,239	122,311	
B	Earmarked	Phase II (2008)		1,035,000		-	361,256	673,744	for ERDA
	Total earmarked			1,035,000	-	-	361,256	673,744	
	TOTAL			2,488,982	-	1,224,432	468,495	766,505	

II. Implementation Progress Supported by UNDP during the Reporting Period

A. Earmarked

1. COMPONENT OR RRF(or AWP) OUTPUT:

- Funding has been allocated to support the set-up and overhead costs of ERDA. All staff have now been hired and programme activities are ongoing. ERDA's project costs are funded by other donors.

DONOR NAME: UNHCR

I. Contribution Summary

	Type	Description of Allocation	Commitment (Local Currency)	Received (USD)	2004-2006 Disbursements	2007 Disbursed (USD)	2008 Disbursed (USD)	Balance	Contract End Date
		Phase 1		4,345,296	3,625,465	-		719,831	Closing balance 2006
B	Earmarked	B/F to 2007		720,346		338,800		381,546	End of June 07
		B/F to 2008		381,546			74,351	307,195	
	Total Earmarked		-	4,345,296	3,625,465	338,800	74,351	307,195	
	TOTAL		-	4,345,296	3,625,465	338,800	74,351	307,195	

DONOR NAME: CIDA General and IALP Kandahar

I. Contribution Summary

	Type	Description of Allocation	Commitment (Local Currency)	Received (USD)	2003-2006 Disbursements	2007 Disbursed (USD)	2008 Disbursed (USD)	Balance	Contract End Date
A	Unearmarked	Phase I		15,327,191	11,998,110	0		3,329,081	Closing balance 2006
		B/F to 2007		4,329,081	-	5,186,641		(857,560)	31st March 08 incl 1m ANDS
		B/F to 2008		4,254,914			2,364,884	1,890,030	including new funds 5.1m (CIDA-08)
	Total Unearmarked		-	21,439,665	11,998,110	5,186,641	2,364,884	1,890,030	
B	Earmarked	Phase II						-	
		IALP Kandahar	C\$ 5,000,000	4,385,964	-	648,024		3,737,940	31-Dec-08

		QIP Kandahar	C\$ 6,100,000	5,447,660	-	2,637,637		2,810,023	31st March 08
		B/F to 2008		6,547,964		-	2,078,813	4,469,151	
	Total Earmarked			9,833,625	-	3,285,661	2,078,813	4,469,151	
	TOTAL		-	31,273,290	11,998,110	8,472,302	4,443,697	6,359,180	

II. Implementation Progress Supported by the CIDA General and IALP-K Fund During the Reporting Period

A. Earmarked

200k Projects

Implementation Progress

- 74 infrastructure projects have been completed and 23 are ongoing.
- Projects are being implemented in Arghandab, Arghistan, Dand, Khakirz, Nish, Shahwalikot, Shorakak, Takhta Pul and Zhani districts of Kandahar.
- The majority of projects are contracted to CDCs for community implementation.

Risks, Issues and Actions

- Security problems have meant that projects in Mianishin and Ghorak districts have been cancelled. The funds allocated for these districts have been moved to other provinces.

6 Infrastructure Projects

Implementation Progress

- The 140m meter bridge in Shawalikot district has been completed. The remaining three bridges in Daman, Arghandab and Dand, and the Khakrez district road project, are between 80-90% complete.

Risks, Issues and Actions

- The Ghorak check dams project was cancelled due to lack of security, and the funds reallocated to the 200k projects.

IALP-K

Implementation Progress

- 64 infrastructure projects have been completed and 43 are currently under way in Maiwand, Daman, Spin Boldak and Marouf.
- All funds have now been allocated to projects.

Risks, Issues and Actions

- **Security problems have occasionally slowed project implementation.**
- **Inter-Ministerial coordination has been problematic due to lack of capacity in other Ministries participating in the project.**
- **The above issues have been addressed in the design of IALP-K Phase 2, the proposal for which has been finalized and accepted by CIDA.**

DONOR NAME: USAID Livelihood

Contribution Summary

	Type	Description of Allocation	Commitment (Local Currency)	Received (USD)	2005-2006 Disbursements	2007 Disbursed (USD)	2008 Disbursed (USD)	Balance	Contract End Date
A	Unearmarked	Phase I		3,165,309	2,843,928	-		321,381	Closing balance 2006
		B/F to 2007		321,381	-	88,482		232,899	30th Sep 2007
		B/F to 2008		232,899	-	-	238,048	(5,149)	
	Total Unearmarked		-	3,165,309	2,843,928	88,482	238,048	232,899	
B	Earmarked	Phase II							
		Kandahar	5,000,000	5,000,000		4,239,117		760,883	30th Oct 2007
		B/F to 2008		760,883			598,271	162,612	
	Total Earmarked		5,000,000	5,000,000	-	4,239,117	598,271	162,612	
	TOTAL		5,000,000	8,165,309	2,843,928	4,327,599	836,319	395,511	

DONOR NAME: USAID WatSan

I. Contribution Summary

	Type	Description of Allocation	Commitment (Local Currency)	Received (USD)	2004-2006 Disbursements	2007 Disbursed (USD)	2008 Disbursed (USD)	Balance	Contract End Date
A	Unearmarked	Phase I		10,000,000	8,118,014	-		1,881,986	Closing balance 2006
		B/F to 2007		1,881,986		1,156,569		725,417	30th Sep 2007
		B/F to 2008		725,417			506,357	219,060	
	Total Unearmarked		-	10,000,000	8,118,014	1,156,569	506,357	219,060	
	TOTAL			10,000,000	8,118,014	1,156,569	506,357	219,060	

DONOR NAME: Norway - Faryab

I. Contribution Summary

	Type	Description of Allocation	Commitment (Local Currency)	Received (USD)	Prior Years Disbursements	2007 Disbursed (USD)	2008 Disbursed (USD)	Balance	Contract End Date
		Phase II		-	-	-		-	
A	Earmarked	Faryab		3,649,697	-	868,018	1,019,549	1,762,130	Jul-08
	Total Earmarked		-	3,649,697	-	868,018	1,019,549	1,762,130	
B	Unearmarked			1,694,915		-	1,155,417	539,498	
	Total Unearmarked		-	1,694,915	-	-	1,155,417	539,498	
	TOTAL		-	5,344,612	-	868,018	2,174,966	2,301,628	

II. Implementation Progress Supported by Norway During the Reporting Period

A. Earmarked

2. COMPONENT OR RRF(or AWP) OUTPUT

Implementation Progress

- Four projects – the digging of 20 wells in Dowlatabad district and the construction of health clinics in Shirin Tagab, Qaisar and Kohistan districts - are completed.
- Eight further high school and clinic projects are ongoing. The schools are between 75% and 97% complete, and should be finished before winter. All school equipment and furniture has been ordered.
- Of the unearmarked projects in Kabul, Wardak, Faryab, Parwan, Jawzjan, Sar-e-pol and Baghlan provinces, one has been completed and 17 are underway.

Risks, Issues and Actions

- The Bilchiragh clinic project encountered problems with water seeping into the foundations after the project was only 10% complete. After being considered by the PRRD, RITS and NABDP's new Quality Control Unit, the project is being recontracted.

DONOR NAME: Japan DIAG

I. Contribution Summary

	Type	Description of Allocation	Commitment (Local Currency)	Received (USD)	Disbursements	2007 Disbursed (USD)	2008 Disbursed (USD)	Balance	Contract End Date
		Phase II		-				-	
B	Earmarked	Takhar & Kapisa	15,000,000	15,000,000	-	498,315	666,410	13,835,275	
	Total Earmarked		15,000,000	15,000,000	-	498,315	666,410	13,835,275	
	TOTAL		15,000,000	15,000,000	-	498,315	666,410	13,835,275	

II. Implementation Progress Supported by Japan DIAG during the Reporting Period**A. Earmarked****3. COMPONENT OR RRF(or AWP) OUTPUT****Implementation Progress**

- Another DIAG DDA has been established in Herat province.
- All current projects were selected in accordance with DDPs.
- Five projects have already been completed and 51 are in various stages of implementation.

Risks, Issues and Actions

- The slow progress of DIAG development projects is now a political issue, with donors and other stakeholders becoming increasingly concerned. The lack of survey and design capacity within RITS was the major factor behind delays. Eight new engineers have been hired for RITS to concentrate exclusively on DIAG projects, and as a result project progress has speeded up dramatically.

DONOR NAME: Japan Comprehensive Rural Development (CRD) and Stabilization of Border Provinces

I. Contribution Summary

	Type	Description of Allocation	Commitment (Local Currency)	Received (USD)	2003-2006 Disbursements	2007 Disbursed (USD)	2008 Disbursed (USD)	Balance	Contract End Date
A	Unearmarked	Phase I		5,454,450	4,040,213	0		1,414,237	Closing balance 2006
		B/F to 2007		1,414,237	-	606,356		807,881	End of Project
		B/F to 2008		807,881	-	-	374,882	432,999	
	Total Unearmarked		-	5,454,450	4,040,213	606,356	374,882	432,999	
B	Earmarked	Phase II			-			-	
		Kandahar, Bamyan, Nangarhar & Balkh		21,830,414	-	6,896,114		14,934,299	31st Dec.2008
		incl Japan Border		29,934,299	-	-	5,513,340	24,420,960	
	Total Earmarked		-	21,830,414	-	6,896,114	5,513,340	24,420,960	
	TOTAL		-	27,284,864	4,040,213	7,502,470	5,888,222	24,853,959	

II. Implementation Progress Supported by Japan during the Reporting Period

A. Earmarked

4. COMPONENT OR RRF(or AWP) OUTPUT

Implementation Progress

- Under CRD funding 43 infrastructure projects have been completed, 35 are in progress, and 6 have been contracted. This funding has also been used for the Economic Regeneration SME support projects in Bamyan, Balkh and Herat, which are now ongoing.
- 191 infrastructure projects have been identified under the Stabilisation of Border Provinces project. Business Development Specialists and Institutional Development Advisors have been recruited and trained to work in each of the seven target provinces.

Risks, Issues and Actions

- Security problems in Ghazni have meant that projects are only currently feasible in the immediate vicinity of the provincial center.

DONOR NAME: Belgium

I. Contribution Summary

	Type	Description of Allocation	Commitment (Local Currency)	Received (USD)	2005-2006 Disbursements	2007 Disbursed (USD)	2008 Disbursed (USD)	Balance	Contract End Date
A	Earmarked	Phase I		11,668,316	3,806,462	-		7,861,854	Closing balance 2006
		B/F to 2007		446,835		-		446,835	
		Phase II						-	
		Nimroz,Uruzgan, Ghoor, Daikundi		7,415,019		5,458,655		(1,119,422)	Nov-07
		B/F to 2008			2,927,225			3,075,787	(148,562)
	Total Earmarked		-	15,714,963	3,806,462	5,458,655	3,075,787	(148,562)	
	TOTAL		-	15,714,963	3,806,462	5,458,655	3,075,787	(148,562)	

*Note: The B/F amount 7,861,854 from 2006 includes both Phase I & II funds and these have been separated appropriately under Phase I 446,835 and 7,415,019 in Phase II.

II. Implementation Progress Supported by Belgium During the Reporting Period**A. Earmarked****5. COMPONENT OR RRF(or AWP) OUTPUT****Implementation Support**

- Of the infrastructure projects funded by Belgium, 20 have been completed, 19 are ongoing, 13 are committed and 10 are signed for.
- Projects include bridges, schools, gabion walls, wells and irrigation systems.

Risks, Issues and Actions

- Low contractor capacity, particularly in Ghor province, has continued to hamper project implementation.

DONOR NAME: Netherlands

I. Contribution Summary

	Type	Description of Allocation	Commitment (Local Currency)	Received (USD)	Prior Years Disbursements	2007 Disbursed (USD)	2008 Disbursed (USD)	Balance	Contract End Date
A	Unearmarked	Phase II		-				-	
	Total Unearmarked		-	-	-	-	-	-	
B	Earmarked	Uruzgan		3,209,109	-	445,007		2,764,102	December 2007
		B/F to 2008		2,764,102		-	2,028,615	735,487	
	Total Earmarked			3,209,109	-	445,007	2,028,615	735,487	
	TOTAL		-	3,209,109	-	445,007	2,028,615	735,487	

II. Implementation Progress Supported by the Netherlands during the Reporting Period**A. Earmarked****6. COMPONENT OR RRF(or AWP) OUTPUT****Implementation Progress**

- 15 infrastructure projects have been completed and 63 more are under construction.
- Projects include roads, schools, bridges and retaining walls.
- All funding has now been allocated to infrastructure projects.

Risks, Issues and Actions

- Poor security at project sites and on the Kandahar-Uruzgan highway was an obstacle to project progress, although DDAs continue to provide security for MRRD staff.
- The low capacity of construction companies is particularly pronounced in Uruzgan. As a result, as many technically simple projects as possible are contracted to CDCs and DDAs for implementation.

DONOR NAME: DFID

I. Contribution Summary

	Type	Description of Allocation	Commitment (Local Currency)	Received (USD)	Prior Years Disbursements	2007 Disbursed (USD)	2008 Disbursed (USD)	Balance	Contract Date	End Date
A	Earmarked	Phase II (2008)		5,154,639	-	-	2,886,469	2,268,170		
	Total Earmarked		-	5,154,639	-	-	2,886,469	2,268,170		
	TOTAL			5,154,639	-	-	2,886,469	2,268,170		

II. Implementation Progress Supported by DFID during the Reporting Period**A. Earmarked****7. COMPONENT OR RRF(or AWP) OUTPUT****Implementation Progress**

- NABDP is concentrating on canal rehabilitation and irrigation infrastructure projects.
- 62 projects are ongoing, 25 have been completed, and another 18 have been contracted.
- The Capacity Building unit is training Helmand DDAs in conflict resolution, project management and gender equity.

Risks, Issues and Actions

- Security is a major risk in Helmand but the 'Kandahar Model' of DDAs/CDCs guaranteeing security for community-implemented projects is operating successfully in the province. However, NABDP has been unable to begin implementing projects in the Kakaji district of Helmand and the money has been reallocated to other districts.
- Effective monitoring is difficult in Helmand, but staff are being hired to train DDAs to perform the monitoring role for community-contracted projects.