



ANNUAL PROJECT REPORT 2008

United Nations Development Programme Afghanistan

Re-integration Support Project for Ex-combatants (RSPE)

01-02-2007 – 31-03-2009

(With three months no-cost extension)

Project ID: 00052259
Duration: 26 months(01-02-2007 to 31-03-2009)
Component (MYFF): Service Line 1.3 Local Poverty Initiative
Total Budget: US\$ 3,498,671
Unfunded:
Implementing Partners/Responsible parties: ILO

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Executive summary

The project reached cruise speed since September 2007 as reported in Annual Report of 2007 and continued during the reporting year of 2008 year too. Total 11 ESC centres have been serving already the most densely populated areas of the country, except the south west. These centres will continue to be operated by a project office managed by ILO, in close cooperation with the Ministry of Labour, Social affairs, Martyrs and Disabled until scheduled completion of the project on 31 March 2009. The total number of staff on 31 December 2008 is 171. 1/3 is female and half of the total staff is civil servant from MoLSAMD seconded to the project.

The overall delivery of employment services continued in the right direction with the registration of more than 60,000 (20445 in 2008) jobseekers which now has been inputted in the comprehensive national database. The overall number of female jobseekers is 17% but with important regional differences which still persists. 58% of the jobseekers received effective support: more than half of them were placed for training, almost 2/3 were placed to the job

Though since the beginning of the project the ESCs have been focusing on the support of ex-combatants but concrete and more focused activities were carried out in the year 2008. First the Vocational/Technical Training of 400 Ex-combatants launched in Ghazni under the ESC Ghazni towards the sustainable reintegration and livelihood. In other provinces such as Jalalabad, Kandahar, Mazar , Heart, Kunduz and Pulekhumri, Technical/Vocational and on the job training of 1660 ex-combatants and their families started from July and some in September 2008 which will be completed by end February 2009.

In 2008 the financial delivery rate is 76%. The overall operational costs are significant higher than initially budgeted, though it did not have negative effect to the investment on the job training of the MoLSAMD Staff and training of ex-combatants. Thus the overall budgetary situation is still in balance.

The project has been extended with no cost increase to complete the on-going training of ex-combatants in several provinces and the smooth hand over of the ESC activities to Manpower and Employment Services Department (MESD) under MoLSAMD within the assigned building in Cinema Pamir in Kabul.

The results of both the year 2007 and 2008 are proving the high potential of the Employment Service Centres to deliver on time and at reasonable cost the targeted outcomes of project expecting the successful takeover of the ESC Activities by MESD when the project will come to an end on 31 March 2009.

I. Context

This project draws from the conclusions and recommendations of the BCPR mission, builds on the experiences and lessons learnt from the 'Reintegration' component of the former DDR programme aiming to contribute ANDS benchmark and outcome of the United Nations Development Assistance Framework (UNDAF) by focusing on the following dual objectives:

- (i) Provide reintegration support services to ex-combatants and their family members and facilitate their access to sustainable livelihood opportunities under the GoA, UN, private sector and other donor funded programmes and projects.
- (ii) Ensure the sustainability of the reintegration efforts by strengthening and supporting institutional organizational capacity building of Ministry of Social, Martyrs and Disabled Affairs (MoLSAMD) to own, sustain and lead the reintegration efforts and services beyond the project period.

During the reporting period, the expected results of Reintegration Support Project for Ex-Combatants (RSPE) through Employment Services Centres (ESC) are pursued in line with ANDS objective/benchmark(s) to create and increase the employment opportunities for youth and ex-combatants (demobilized soldiers) and their families. The project is intended to support the realization of the overall UNDAF outcome by creating the skills and economic opportunities through community led initiative, public private partnership, accession to the employment services and skill development in close partnerships with other UN Agencies, Ministries, Govt executed projects such as National Skill Development Programme (NSDP), I/NGOs particularly working in the field of skill and entrepreneurship development. Project resources have been applied towards the achievement of CPAP outcome of strengthened economic opportunities and CPAP output(s) of Vulnerable groups(ex-combatants ,returnees, disabled, women) empowered through improved access to social and economic opportunities such as employment services, local poverty initiatives, private sector development, alternative livelihoods and empowerment of women. This is demonstrated by progress towards the following intended (project) outputs:

- (i) Ex-combatants empowered through better access to reintegration support opportunities
- (ii) MoLSAMD staff able to support reintegration and employment services centres through increased institutional capacity

Development Challenges

The risks associated with the implementation of the RSPE relate to security; lack of trained human resources within the MoLSAMD and delays in recruitment of national and international staff.

Though the Priority Reform and Restructuring (PRR) Program has been initiated but yet to be completed in a meaningful way. Hence, MoLSAMD is still struggling towards the institutional, managerial, and administrative restructuring. Another factor with respect to project implementation is the difficulty in identifying Ministry staff with sufficient capacity, such that they do not require extensive education and training, to join the project. Consequently, when MoLSAMD staffs are seconded to work at the ESCs, several months of training are required for those staff to work as vocational counsellors with any degree of competency.

Moreover, at the national level, much work is required to build the coordination and management capacity of the MoLSAMD including the Manpower and Employment Services Department personnel who has got the mandate to provide employment services to all Afghan, with respect to the ability to eventually assume ownership of the ESC network.

Key Partners, Stakeholders and the Beneficiaries:

The RSPE project will have a close partnership with the Ministry of labour Social Affairs, Martyrs and Disabled (MoLSAMD) including the Manpower and Employment Services Department, and collaboration with other line ministries D & R Commission, UK(Donor),FRG(Partial Donor),and UNAMA where as the expected beneficiaries will be all Afghans specifically vulnerable groups such as ex-combatants, returnees, disabled and women.

II. Performance review

1. Overall progress towards the CPAP outcome and output(s)

Over a period of nearly one year (2008) project registered 20445 interested job seekers including 4,471 ex-combatants in 10 ESC Centres. The number of female jobseekers registering with the ESCs was 17.19% of total registrations which is an increase of more than

6% with a good sign of gender awareness. Persons with disabilities represented 2.56% of total registrations, ex-combatants 10%, internally displaced persons 1.84% and refugees 20.55%. Out of the total no of 6,377 registered ex-combatants from the beginning of the project 1125 were placed to the job which provided them employment and livelihood opportunities enabling them to support around 3200 family members for daily needs. Projects also placed 2027 jobseekers into the jobs during the reporting period. Besides that project placed 6,853 into the different type's skills development training which includes the technical and vocational training of the ex combatants and their family members and who will eventually be qualified job seekers in the local labour market. Other activities besides the employment and reintegration services to the interested job seekers and ex-combatants and their families, a total of 2040 interested job seekers got the Job Application Training and 498 got the Basic English Language Training out of which 6.82% were female job seekers. Such training has opened opportunity for the trainees to enter into the labour market.

2. Capacity development.

As part of the capacity development, altogether 85 (31 Female and 54 Male) MoLSAMD staff at the central and provincial level has been undergoing on the job training since March 2007 which was continued during the year 2008 also with more focus to enable MoLSAMD staff reintegration and employment services centres. Besides this important aspect of capacity building of the MoLSAMD staff, Institutional and capacity development advisor during his 6 weeks assignment prepared the 5 year strategic plan to build the overall capacity of Manpower and Employment Services Department with the extensive and effective participation of MoLSAMD Staff. Project also did collaborate MoLSAMD regarding the formulation of overall strategy and objective of the MoLSAMD including the National Employment Strategy which was unveiled in July/August 2008. The other activities such as revision of their reference materials (e.g. sheets used when visiting employers and training providers); regular meetings with MoLSAMD at the central level, along with their full involvement in the inception workshop and management bodies (i.e. PMC and PB).

3. Impact on direct and indirect beneficiaries.

Project placed 3,052 jobseekers into the jobs which include 800 ex-combatants over a period of 12 months which greatly improved their daily life from economically inactiveness to economically active lives and have been able to support their families for daily needs, a significant impact on indirect beneficiaries. It is worth mentioning that the placed jobseekers/ex-combatants will seldom be out of active economic activities and chances of them going back to the earlier stages will be very deem. Thus the project did have an impact though little, towards GoA's effort on maintaining peace and stability in the country. Efforts were also initiated for trained ex-combatants to establish their own small business to improve their economic condition.

Implementation strategy review

1. Participatory/consultative processes

Outreach activities were undertaken by the ESC staff, with visits made to employers and vocational training providers in an effort to obtain the cooperation of these labour market actors with respect to maximizing the livelihood opportunities for ex-combatants and their families. Liaison activities also encompassed government entities (e.g. provincial departments of the Ministry of Women's Affairs), UN Agencies and NGOs.

The Labour Market Information component of this output involved the provincial site officers (PSO) providing updates as to the situation in their provinces, both anecdotal and as recorded

through ESC statistics. A report on Labour Market Information was completed during the year 2008 compiling all the statistics available at the central and provincial level after close consultation with National Skill Development Programme (NSDP) and Labour Market Information Unit of MoLSAMD.

Project were monitored during the year 2008 by the Project Site Officers (PSOs) at the provincial level; by visits to the ESCs in Kabul; by the provision of monthly reports from each ESC, and through discussions at the monthly PSOs meetings in Kabul. Also the project management team (CTA) together with MoLSAMD staff did monitoring visit of ongoing activities in Pulekhumri, Mazar and Jowzjan.

2. Quality of partnerships

Continuous and extensive consultations with the ministries and other stakeholders through regular meetings, regular visit by the outreach team of ESCs, Project Management Committee Meetings, and Project Board Meetings, partnerships between different stakeholders, UN agencies, and MoLSAMD executed project such as NSDP has been very effective and productive since the launching of the project and in the year 2008 also. This process has yielded cooperation and synergy between different activities to complement/supplement each other's activities towards the qualitative and effective partnerships specially to prepare the background aspect of the handing over of the ESC and reintegration activities to Manpower and Employment services Department.

3. National ownership

As envisaged in the project document all project activities are being implemented under the flagship of MoLSAMD. Not only during the reporting period but from the beginning of ESC activities, MoLSAMD has been involved and participated in all aspects including project designing, project implementation, and project monitoring and policy development on Employment Services, preparation of 5 year strategic plan of Manpower and Employment Services Department to extend the full range of employment services to all provinces which demonstrates the National ownership of the project. Such National ownership feeling will greatly help the exit strategies of the project to take over the whole RSPE/ESC activities by MoLSAMD.

4. Sustainability

As explained above the main objective of the RSPE/ESC project was to strengthen the management capability of the MoLSAMD and Manpower and Employment Services at the central and provincial level. ESC Project since 2004 and RSPE/ESC Project since April 2007 have been providing extensive on the job training to MoLSAMD Staff embedded to ESC Centres, involving them to the important decision making and planning process, allowing them to run the centres(in Kabul) with minimum supervision and guidance. The very purpose of all these aspects is definitely to ensure the sustainability.

Management effectiveness review

1. Quality of monitoring

Project activities were monitored during the year 2007 by the Project Site Officers (PSOs) at the provincial level; by visits to the ESCs in Kabul; by the provision of monthly reports from each ESC, and through discussions at the monthly PSOs meetings in Kabul. Besides that CTA together with project staff did go on monitoring missions to Provincial ESC offices in Pulekhumri, Mazar and Jowzjan. As reported in the quarterly progress reports deteriorating security situation and subsequent security restrictions have an impact on qualitative

monitoring. However, wherever and whenever possible the staff travelling by air, rather than by road, when moving between the provinces did carry out the monitoring activities.

2. Timely delivery of outputs

The overall output of the project is on track; especially the registration and referrals towards training are above expectations. The ex-combatants programs in Gazni completed in August 2008, in accordance to the wishes of the donor and other partners involved, including UNAMA, PRT and local government. The other provinces training of ex-combatants started during 3rd quarter of 2008 and will be completed by the end of February 2009. As envisaged in the Annual Work plan of 2008, Vocational and technical training of the ex-combatants as part of the reintegration support could not be completed within the reporting period in some of the provinces. This matter was discussed during the Project board meeting in November and project board meeting did endorse the no cost extension of the project until 31 March 2009 to complete such ongoing reintegration activities. This will easily guarantee the realization of re-integration program before the end of March 2009.

3. Resources allocation

During the reporting period a total amount of US\$ 1,823,666 (provisional) was spent out of which 49% was of development costs where as the operational costs was 51% The reason of high operational costs was due to the day to day operational costs of ESC Centres (11), establishment of project management unit (PMU) within MoLSAMD, Establishment of Central Employment Services Centre in Kabul, purchases of data processing equipment, furniture and the generators. However, considering the total no. referral services including job placement and training referral and on the job training of 1050 work months of MoLSAMD staff embedded to ESC's during the reporting period, the development costs in real term is satisfactory and economical too.

Project Cost Vs Operational Cost 2008

Sn	Account Description	Expenditures (\$US)	Delivery
1	Personnel	481,050	82%
2	Training for XCs(most vulnerable)	643,396	77%
3	Capacity Building	249,247	49%
4	Equipment	53,488	78%
5	Misc(Rental and premise Maint+Op	395,615	99%

4. Cost-effective use of inputs

As explained above under the resources allocation, 25% of the operational cost was incurred to establish the PMU within MoLSAMD, improvement of working condition and facilities at the ESC Centres which is lower as compared to the expenditure 2007. Therefore, more project financial resources were utilized for development activities where as the operational and staff cost were kept within the accepted level.

III. Project results summary

The project draws from the conclusions and recommendations of the BCPR mission, builds on the experiences and lessons learnt from the 'Reintegration' component of the former DDR programme aiming to contribute ANDS benchmark by focusing on the following dual objectives:

- (i) Provide reintegration support services to ex-combatants and their family members and facilitate their access to livelihood opportunities under the GoA, UN, private sector and other donor funded programmes and projects.
- (ii) Support Institutional organizational capacity building of Ministry of Social, Martyrs and Disabled Affairs (MoLSAMD) to own and lead the reintegration efforts (beyond the project duration)

Based on the above major two objectives, the following output was expected to be achieved during the reporting period

Output 1.3: Ex-combatants empowered through better access to reintegration support opportunities:

Output 1.3.1: Reintegration support and livelihood training opportunities identified and assessed, and ex-combatants and their family members (especially women) referred to employment with private sector employers and other employment options based on labour market information.

The associated activities, as prescribed in the Annual Work Plan, for the year 2008, included the registering of ex-combatants (6,377) and their families at the ESCs, along with the provision of vocational counselling and the referral to vocational training and employment opportunities¹ in Ghazni, Jalabad, Kandahar, Mazar, Herat, Kunduz and Pulekhumri.

In order for the ESC staff to be able to provide quality services to this target group, on-the-job training was provided, supplemented by written guides.

Output 1.2: Links to training institutions and local support network expanded and local labour market information provided and made available for distribution:

Outreach activities were extensively undertaken by the ESC staff, in an effort to maximise the cooperation and collaboration with labour market actors(employers organizations and business houses) thereby increasing the livelihood opportunities for ex-combatants and their families. More and more liaison activities were also continued in the reporting period with government entities (e.g. provincial departments of the Ministry of Women's Affairs), provincial UN Agencies and NGOs.

The Labour Market Information component of this output involved the provincial site officers (PSO) providing updates as to the situation in their provinces, both anecdotal and as recorded through ESC statistics. A report on Labour Market Information was completed during the year 2008 compiling all the statistics available at the central and provincial level after close consultation with National Skill Development Programme (NSDP) and Labour Market Information Unit of MoLSAMD. The report has already been shared with concerned partners and will be disseminated last quarter of the next year 2009. Such Consultations with various units of the MoLSAMD and the sharing of the vital information on labour market information

the collaboration between NSDP programme and LMI Unit within MoLSAMD, further strengthened in the year 2008.

Output 2: MoLSAMD staff able to support reintegration and employment service centres through increased institutional capacity.

Output 2.3: MoLSAMD staff enabled to advocate for ex-combatants and their families, as well as jobseekers generally, through reintegration / employment support services within the line ministry (MoLSAMD).

Activities relevant to this milestone, and more broadly to Output 2, included on the job training of 85(31 Female and 54 Male) MoLSAMD staff in 2008; revision of their reference materials (e.g. sheets used when visiting employers and training providers); regular meetings with MoLSAMD at the central and provincial level, along with their full involvement in the inception workshop, and management bodies (i.e. PMC and PB). Staff seminar organized (in June 2008) to train all staff specially seconded staff of the MoLSAMD on advocacy and raising public awareness at the local provincial level so that they could carry out such advocacy and awareness raising activities towards the ongoing reintegration activities of the prime target group of Ex-combatants and their family members. Besides that participants were trained how to use the newly developed database, use of Job Application Training Manual at the field level. Thus these regular consultation activities helped further to strengthen the institutional capacity of the MoLSAMD staff

A further delineated activity for Output 2.3.1 is the creation of a Management Information System for the MoLSAMD could not be done during the reporting period since the activity was related to the ongoing formulation of overall strategic objective of the MoLSAMD and the National Employment Strategy. Besides that formulation of 5 year strategic plan of Manpower and Employment Services Department based on overall strategic objective of the MoLSAMD and the National Employment Strategy which was in the process during last quarter also did not allow to creation of Management Information system as the preliminary activities has to be completed first.

The other activity for output 2 as envisaged in the RRF and Annual Plan is the Development of Decent Work and Sustainable Livelihood Strategy which also could be not be done during the reporting period due to the delay in formulation of overall strategic objective of MoLSAMD and the National Employment Strategy which were the prerequisites to the said Decent Work and Sustainable Livelihood Strategy. As a result the activity have been deferred to remaining last 2 months of the year 2009.

As mentioned above Institutional and Capacity Development Advisor did carry out the assessment of the operations and human resources of the Manpower and Employment Services Department². Consequently the 5 year strategic plan was formulated to strengthen the policy and coordination role of the MoLSAMD as well the MESD Through regular meetings, the MoLSAMD and MESD were involved in matters pertaining to project implementation.

1. Organize first and second project board meeting

According to UNDP project implementation guidelines ILO organized first project board meeting on 21 June at Ministry of Social affairs conference room. Members from UNDP, ILO, MoLSAMD, MAIL, MoWA and MRRD participated in the meeting. Participants of meeting agreed upon the contents of project implementation strategy; work plan for 2007 and 2008; ToR for Project Management setup developed and approved by first project

² The Manpower and Employment Services Department is the department within the MoLSAMD to which the ESCs are associated in the Ministry's structure.

board meeting on 21 June 2007. Second project board meeting was held on 15 December 2007 and the board endorsed the revised Annual Work plan for 2008 prepared by project management taking into account of the activities which could not be achieved during the reporting period. Third project board meeting was held on 15 November 2008 and the board endorsed the no cost extension/budget revision of the project until 31 March 2009 to complete the ongoing activities beyond the year end 2008.

IV. Implementation challenges

Project risks and actions

The risks associated with the implementation of the RSPE/ESC continued to be related to security in the country and the urgent need for the reform of the MoLSAMD including MESD.

Insecure environments in several of the provinces in which the RSPE operates (i.e. where Employment Services Centres are located), hampers the ability of the ESC staff to provide training and employment related services to ex-combatants and their families. This is because jobseekers are not able to freely move around in their provinces, thereby limiting the number of clients who seek the help of the ESCs and as well as the movement of project staff considerably affecting on the implementation of the RSPE.

However, matters of security were being dealt with by ensuring the safety of premises and personnel; staff travelling by air, rather than by road, when moving between provinces, and by promoting the ESCs as government entities (which they are), rather than being impositions of the international community; so that the security and the other related impact on project implementation could be kept absolute minimum.

Due to increased tension, travelling in and around Ghazni became very difficult. Therefore the activities of that centre are on a reduced level for the time being and the site manager has been called back to the project management office in Kabul.

It should also be noted that working with ex combatants and especially with some of the ex commanders is creating higher levels of risk for the staff, certainly when some of their expectations are not to be met.

Probably the main challenge for the project is the continuations and expansion of the ESC activities using funds of the core budget of the MoLSAMD. A comprehensive proposal has been drafted by the project management office and is now channelled through the different government agencies involved. The project proposal will – hopefully – be accepted and incorporated in the forthcoming budget. The planned reform of the MoLSAMD, prepared with the support of ILO, is a prerequisite for an efficient hand over of the Employment Service Centres. The actual funds are only covering ESC activities until the end of 2008, so there is only 3 months left to create space – legal and financially - within the MoLSAMD to host, keep operational and further expand the ESC network. Taking into account that the new budget year 1388 (2009) for the Afghan government is starting on 31st March. ,

Project issues and actions

RSPE/PMU has been dealing with the two major project issues since the inception workshop and has taken the action which is stated below:

- Though the project received first lot of Ex-combatants data from ANBP and the project attempted to verify the whereabouts of the ex-combatants and their families. But because

of the time gap between the collection of data and initiation of the RSPE project, the whereabouts of Ex-combatants and their families could not be traced despite the significant efforts of the ESCs based in the 10 provinces with 11 centres. To overcome the stated bottlenecks the project started collecting information and asking excombatants and their family to come to ESCs and register using existing formal and informal network of ESCs. During the reporting period, the project was able to attract and provide counselling services to nearly 2,400 Ex-combatants and their families. 400 of them are undergoing different vocational training already and around 2100 will have vocational training starting from July 2008 towards their job placement and sustainable livelihood.

- The overall capacity building of the MoLSAMD staff and preparing them to take full ownership and greater involvement in the implementation of the Reintegration/Employment Support Activities (with eventual full leadership in implementation) is a major concern. RSPE/PMU is closely following the ongoing formulation/development of National Employment Strategy and restructuring of the MoLSAMD which is detrimental to the capacity development activities. Since the month of May an ILO consultant - specialist in developing employment strategies - is preparing, in close cooperation with the MoLSAMD, a comprehensive new document covering this crucial item. An Institutional and Capacity Development Advisor has been recruited and will be working with the different stake holders and will come up with an action plan how to strengthen the capacity of the MoLSAMD for the eventual takeover of ESC Activities under the proposed project on Expansion of ESC in 26 provinces likely to be operational by 01 April 2009 in-line with the draft National Employment Strategy. Hence, the part of the said activity for output 2 have been carried forward to 2009(first three months) following the no-cost extension of the project until 31 March 2009. Besides this the MoLSAMD management was involved extensively in the matters pertaining to project implementation.
- As per the initial agreement to implement the Reintegration Support Project for Ex-Combatants through ESC was proposed in early 2007, the project activities are supposed to be completed within two years (24 months). But the agreement was signed between UNDP and MoLSAMD in February 2007 and the Letter of Agreement between UNDP and ILO was signed in April 2007. Hence, the project activities were operational administratively from April 2007 where as the project activities were operational only from May 2007. Eventually the project implementation period was limited to 21 months only. Furthermore, the activities as envisaged in the project document will not be completed by the end of December 2008 and was needed to be no cost increase project extension until 31 March 2009. The project board meeting on 15th November did agree and endorse the no-cost extension of three months until 31 March 2009. No cost extension of the project will provide time and opportunity to complete the ongoing activities and at the same time will be the bridging period between the RSPE activity and the proposed project on Expansion of ESC in 26 provinces submitted by ILO to Afghan Government through MoLSAMD. Extension of the project will also ensure the smooth hand over of the ESC activities to the MoLSAMD. A proposal has been prepared by the ILO for the establishment of the Employment Service Centres in other provinces and to continue the functioning of the existing centres. The Ministry of Economy has approved a proposal drafted by the MoLSAMD. The Ministry of Finance is expected to take a decision before the submission of the National budget to the parliament that could allow the total cost of the functioning and expansion of the Employment Service Centres to be covered by the government budget.

V. Lessons learnt and next steps

Lessons learnt

Offering effective services to jobseekers is only possible when the Employment Service Centres have a well trained, stabilised and committed staff and the basic technical equipment is up and running. Most of the ESC's were set up in 2004 and are only now capable of assisting the quit special and demanding target group of ex-combatants.

Networking is a crucial critical success factor for all ESC's. Especially the project site officer has to become a recognised partner in the local economical and government environment. Especially good relations with the local MOLSAMD have proven to be very effective.

Creating a service attitude for all staff members is a process requiring constant attention and coaching by the project office and site officers. Jobseekers are clients and thanks to the quality of our services we must earn our customers. This is in particular the case for the ex combatants. They are not a burden, but our special clients.

Delivery means first of all putting jobseekers into jobs. Even when the job is temporarily, the newly recruited employee accumulates job experience and it creates self respect. Those aspects are crucial for all job seekers, but of special importance for the youth and ex combatants, who are in many cases becoming long term unemployed. Delivering within short notice is needed and possible; otherwise the project will become another donor funded soap bel. Transferring jobseekers to local training opportunities is a vital part of the insertion process into the labour market.

The quality of the project site officer is directly linked to the efficiency and effectiveness of the ESC's. Without creating complex reporting and bureaucratic procedures, basic indicators are set up to monitor the performance of each centre. A result based remuneration or at least a bonus system for each team is the next step to be taken. Simplifying the existing procedures and increasing decentralised responsibilities is still a remaining challenge for the project office. This project management target will – unfortunately – clash with the actual management culture in the Ministry and will surface on the moment of the handing over of the project. The realisation of the proposed reform of the MOLSAMD, adoption of National Employment Strategy and effective implementation of the 5 year strategic plan of MESD, are therefore crucial for the sustainability of the ESC in the years to come.

Recommendations

The management and institutional capacity of the MoLSAMD staff at the central and provincial level need to be further strengthened by completion of the PRR exercise and the implementation of 5 year Strategic Plan of MoLSAMD and MESD for the integration and continuation of ESC operations within the Ministry and Man Power and Employment Services Department including at the provincial level.

Employment Service Centre at the central level with management, coordination and supervisory role to oversee the successful implementation of the ESC activities at the central and provincial level must be established as envisaged in the 5 year Strategic Plan of both MoLSAMD and MESD.

Client oriented service attitude is the key element of the organization providing employment services to the job seekers. MoLSAMD should give permanent attention for a client oriented service attitude which is lacking at the moment both at the Central and Provincial level.

Management and bureaucratic hurdles and dysfunctional hierarchic thinking is also one of the problem within MoLSAMD which should be at the absolute minimum level for service oriented

organization such as Employment Services Centre. Very little improvement could be expected if the current practice will continue in the days to come.

During the period of implementation of the RSPE project and since the starting of the ESC project, it has been observed that the MoLSAMD and MESD Staff are not that encouraged and enthusiastic to work in the project due to the very low salary and the other benefits. Current practice of paying on the job training allowances in a way topping of the salaries is not an ideal solution and is not sustainable in the long run either. Certainly the PRR exercise once it is completed within the MoLSAMD will address this issue and provide decent salary and benefits to the staff. But considering the slow pace of such reform, prevailing situation and the environment will not encourage and create conducive environment both for the staff and the donors to fund for Governmental programmes and activities in future. Hence, to implement donor funded projects like RSPE Project successfully and sustainable way, MoLSAMD should be able to boost the morale and make its staff dedicated enthusiastic, and dignified through reform in salary structure and provide benefits to fulfil the minimum basic requirement.

VI. Financial status and utilization

Financial status

Table 1: Contribution overview [01.02.2007 to 31.12.2009]³

DONOR NAME	CONTRIBUTIONS		CONTRIBUTION BALANCE
	Committed	Received	
UK	4,000,000	4,000,000	-
TOTAL	4,000,000	4,000,000	-

Table 2: Funding status (31.12.2008)

DONOR NAME	RECEIVED*	EXPENDITURES			PROJECT BALANCE	EARMARKED**	AVAILABLE FUNDING (as of 1 Jan of the next year)	REMARKS
		Period Prior to the Reporting Year	Reporting Year Only***	TOTAL				
UK	824,047	824,047	1,823,666	2,647,713	850,958	850,958	850,958	
TOTAL	824,047	824,047	1,823,666	2,647,713	850,958	850,958	850,958	

*The *Received* column in this table should match the figures in the column (of the same title) in the Resource Overview table.

**The *Earmarked* column should specify if any donors have earmarked their funding to a specific activity or other requirement.

*** The expenditure figure is based on the provisional information provided by ILO HQ.

³ The "resource overview" can be any kind of chart (a pie chart, for example, would be an effective way of demonstrating a funding gap).

Financial utilization

Table 4: Annual expenditure by donor [1 January – 31 December 2008]

DONORS ACTIVITY (as in ATLAS)	BUDGET [2008]	EXPENDITUR ES*	BALANCE	DELIVE RY RATE (%)	REMARK S**
Activity 1:Ex-combatants empowered through better access to reintegration support opportunities	1,197,471	729,466	468,005	60.91	
Activity 2: MoLSAMD Staff able to support reintegration and employment services centres through increased institutional capacity	1,186,647	1,094,200	92,447	92.20	
Subtotal	2,384,118	1,823,666	560,452		560,452*
GMS (7 %,)	179449	137265			
TOTAL	2,563,568	1,960,931			

* this amount will be deliver up to 31 March 2009

**Remarks provided in the last column of this table should pertain to any notable aspects of utilization/delivery % vis-à-vis the relevant donor(s).