



QUARTERLY PROJECT PROGRESS REPORT Second Quarter, 2007

**United Nations Development Programme
Afghanistan
Support to Center of Government
April 01, 2007 – June 30, 2007**



MARMARIN (OAA) Building repair works recently completed under Facility Domain of SCoG project – June 20, 2007

Project ID:	00046407
Duration:	3 years
Component (MYFF):	2.7. Public Administration Reform and Anti Corruption
Total Budget:	16,275,000
Unfunded:	3.88 million
Implementing Partners/Responsible parties:	UNDP in collaboration with Chief of Staff (CoS) and Office of Administrative Affairs (OAA) of the President and The Asia Foundation (TAF)

TABLE OF CONTENTS

I. PROJECT IMPLEMENTATION CHALLENGES.....2

1. UPDATED PROJECT RISKS AND ACTIONS2

2. UPDATED PROJECT ISSUES AND ACTIONS2

II. IMPLEMENTATION PROGRESS3

III. FINANCIAL STATUS AND UTILISATION7

1. FINANCIAL STATUS7

2. FINANCIAL UTILIZATION.....7

I. PROJECT IMPLEMENTATION CHALLENGES

1. UPDATED PROJECT RISKS¹ AND ACTIONS

Unavailability of Center of Government Staff

The Office of Administrative Affairs (OAA) has requested that the SCoG project temporarily suspend most of its activities at the OAA for the next 4-6 weeks because of the OAA's heavy commitment to supporting preparations for the Peace Jirga which is now scheduled for early August. Support for the Peace Jirga is a top priority for the OAA as directed by the President. Approximately 40% of the OAA staff is now working off site at the Peace Jirga secretariat and the remaining 60% is doing 100% of the remaining ongoing work at the OAA. The concern is that with that many staff absent or picking up extra work, the benefits of the project's planned capacity building activities over the next 4-6 weeks would be lost.

The Chief of Staff (CoS) office is also starting to support the Peace Jirga process and may not be fully available to participate in SCoG capacity building activities.

Our plan is to continue where possible with some limited activities at the OAA and CoS office over the next 4-6 weeks until the conclusion of the Peace Jirga when the project can resume its full pace.

This is one of the risks inherent in working with any "Center of Government" that we discussed at the first Steering Committee meeting on August 1st, 2006, i.e. "the Office of the President will not have enough time to devote to the project due to the pressure of changing priorities."

Changes in Key Personnel at the Chief of Staff Office

There continues to be changes in key personnel at the Chief of Staff (CoS) office that disrupts the continuity of project activities. The latest is the resignation of the Deputy Chief of Staff for Administration who had been involved with the SCoG project since its design and inception. He was a key project counterpart who understood the project objectives well.

It is the nature of any "Center of Government" institution that there may be frequent changes in key personnel, especially in the office that directly supports the President. Our mitigation plan is to broaden the number of project counterparts in the CoS as far as possible so that the personnel changes will have less of an impact on the project.

2. UPDATED PROJECT ISSUES² AND ACTIONS

Project Funding Gap

The two Government Sponsors of the SCoG project, Dr. Farooq Wardak of the OAA and Mr. Omer Daudzai the Chief of Staff, have submitted a letter to the project's donors DFID and USAID requesting that the project's funding gap be closed. Mr. Daudzai and Mr. Wardak stated in their letter to the donors that:

¹ A risk is an external circumstance, condition or event that could potentially jeopardize the completion of a project component (output or activity) with an agreed timeline and/or at the required level of quality. A risk results from the *probability* multiplied by *impact* of a *threat*.

² An issue is something that can be solved by managerial actions. An issue could be a request for change, or a general issue such as a question or statement or concern.

"While the project has made good progress, there is still a significant funding gap between the project's original target budget of more than \$17 million, and its current budget of \$10.6. This funding gap will drastically affect the outcome of the project and the future functioning of the Center of Government institutions which this project is meant to strengthen. The closure of this funding gap will allow for the implementation of the essential components in the Facilities, Information Technology, and Training domains."

The request was presented and discussed at the project Steering Committee meeting on May 28th is under consideration by the donors.

II. IMPLEMENTATION PROGRESS

Progress on all 6 domains (corresponding outputs below) of the project is well underway. Despite the issues and risks that have had direct impact on the pace of the project, the intended outputs for the reporting period are significantly achieved. The significant deliverables by each domain are listed below:

Output 1: OAA/CoS building rehabilitated

Annual target deliverables:

The OAA building renovated; the new CoS building designed.

Progress:

The OAA building renovation has been completed and 90% of the new Chief of Staff Administration building complex design has been completed.

Office of Administrative Affairs (OAA)

The OAA building repair and renovation has been completed:

Chief of Staff (CoS)

The designs for the administration building and the dining halls are completed. Design for the Visitor's center building is at the advance stage (75%).

Output 2: OAA and CoS are equipped with ICT infrastructure

Annual target deliverables:

ICT assessment, deployed systems and network infrastructure; applications strategy, mentor ICT managers and technical staff; designed governance and standards framework.

Progress:

The OAA's secure server infrastructure deployment is completed and the security hardening process is well underway. An ICT assessment has been completed at the CoS office and the relevant infrastructure deployment is underway in this reporting period.

Office of Administrative Affairs (OAA)

- 99% of the desktops have been joined to the secure server infrastructure.

- Server room physical security hardening (shelving & room partitioning etc) is in progress, to be completed in the next quarter.
- IT training and mentoring of ICT managers and staff is continuing. 490 hours of onsite mentoring have been delivered to date.
- AIMS has been engaged to develop the OAA Website and provide initial project coordination and technical advice.
- Equipment has been ordered (server, racks power conditioning equipment, etc.) necessary to secure and stabilize the network.
- Daily ongoing technical and trouble shooting support has been provided.
- Technical support with respect to the Council of Ministers (CoM) building ICT project has been provided. The bidding and the bid evaluation process is underway.

Chief of Staff (CoS)

- Initiated a Wireless connectivity project at the palace to connect four key palace buildings.
- Temporary server room electrical conditioning and server racking works started.
- Permanent server room construction, electrical conditioning and cabling have commenced.
- Presidential website secured and investigated alternative hosting solutions.

Output 3: Critical Administrative work processes are streamlined and transparent

Annual target deliverables:

One core administrative work process redesigned; documented in the form of flow charts; and the refined process implemented.

Progress:

Two key administrative work processes are under redesign and implementation, i.e. procurement and documents management.

Office of Administrative Affairs (OAA)

- Initiated "Transformation of Documents and Relations Project" to improve document management system of OAA including Archive function:
 - Identified 16 "quick impact" improvement recommendations for the document management system at OAA
 - Drafted new work process for the Documents and Relations Directorate
 - Initiated Archive improvement project
 - Started construction of a new archive room
- Provided best practice examples related to Monitoring and Evaluation Directorate.
- Provided report format for managing procurement on a weekly basis.

Chief of Staff (COS)

- Assessed the entire procurement process.
- Initiated "Kitchen/Warehouse Procurement Pilot Project" for requisitioning, inventory management and goods issuing:
 - Engaged local software development company to develop pilot application
 - Designed software development plan
 - Provided quality assurance of first development iteration
- Produced Annual Report for the Deputy Chief of Staff for submission to the President.

- Reviewed the entire document management process for a similar improvement program as the one conducted within the OAA.

Output 4: OAA and CoS staff receive training required to do their jobs

Annual target deliverables:

Training needs assessment; comprehensive training plan; ongoing English language and computer skills classes implemented; calendar of course prepared and being implemented.

Progress:

Training centers in both the OAA and the CoS are operationalized, hosting training sessions for over 250 staff on a daily basis.

Office of Administrative Affairs (OAA) and the Chief of Staff (COS)

- Training needs assessment has been completed.
- 1-year comprehensive training strategy for officers and staff at all levels has been designed for OAA and CoS that will focus on fundamentals, e.g. management, office procedures, leadership.
- Two new training centers have been established, furnished and are operational.
- Over 250 staff are enrolled in daily English language and Computer classes – from Basic to Advanced levels.
- Basic business communication and office management courses have been delivered.
- Implementation of a 6 month schedule of training courses for staff and officers at all levels – 49 course offerings, 15 titles and 154 training days – is set to begin in July.
- Training data base to manage training functions is under development to assist in matching needs to courses and assigning staff to appropriate training courses.
- 'Exposure Visits' (6 in total X 12 staff each visit) by Senior Management staff to Administrative Staff College in Hyderabad, India are scheduled to begin in August.
- 2 officers from CoS and 1 officer from OAA have been selected to attend a high-level Senior Managers Training Program at the National University of Singapore. Discussions are underway to adapt this four week course to suit Afghanistan needs and circumstances.
- Two senior staff from OAA have gone to the Philippines to attend a conference on "Making Government Gender Responsive"

Output 5: Human Resource policies are implemented

Annual target deliverables:

HRM assessment; documented key HR policies and procedures; training for HR officers; key policies and procedures implemented.

Progress:

The recruitment procedure has been strengthened and basic HRM form templates have been adopted.

Office of Administrative Affairs (OAA)

- HRM assessment has been completed.
- HRM policies and procedures have been reviewed and approximately 120 hours of onsite HRM mentoring provided on merit based recruitment procedures and interviewing skills.

- A fundamental HRM training course has been identified and modified.

Chief of Staff (CoS)

- Developed "Leave Request and Approval" form templates.
- Developed "Job Application" form templates.
- Developed over 60 Job Descriptions.

Output 6: Policy and Decision-making processes are more effective

Annual target deliverables:

New CoS organizational support as requested; mapped policy process and recommendations for improvement; recommendations for cabinet process; new cabinet procedures developed and training delivered.

Progress:

The existing policy process has been "mapped" for three pilot ministries and areas for improvement have been identified. A Cabinet agenda submission process has been developed and adopted by the Council of Ministers. A Cabinet Liaison Officer (CLO) program has been implemented and the first CLO conference held.

Office of Administrative Affairs (OAA)

- The current policy process mapping has been completed for the Ministry of Public Health, the Ministry of Economy, and the Ministry of Refugees and Repatriation.
- Policy process improvements have been identified.
- A public policy process presentation and workshops have been conducted to introduce process improvements and international policy process best practices.
- A policy process assessment of the Ministry of Womens Affairs has been conducted.
- A new Cabinet meeting agenda submission process has been designed and adopted by the Cabinet.
- A Cabinet Liaison Officer (CLO) program has been designed and launched that will improve the Cabinet meeting coordination process among the 26 ministries.

Chief of Staff (CoS)

- Assistance to define the new organizational structure for the CoS has continued.
- Mission statements, Terms of Reference, and Job descriptions for the CoS office. Have been prepared

III. FINANCIAL STATUS AND UTILISATION

1. FINANCIAL STATUS

Table 1: Contribution Overview [June 2006 – June 2009]

DONOR NAME	CONTRIBUTIONS		CONTRIBUTIO N BALANCE
	Committed	Received	
USAID*	2,000,000	2,000,000	4,000,000
DFID**	5,720,101	5,130,710	589,391
UNDP	676,000	676,000	-
TOTAL	8,396,101	7,806,710	4,589,391

* The amount \$ 4 million (Contribution Balance) is expected to come in but has the status of a pledge not a binding commitment

** The latest tranche of funds (GBP 1.2m), equivalent to US \$ 2,357,564 was received in March 2007

2. FINANCIAL UTILIZATION

Table 2: Quarterly Expenditure by Activity [January 1st – July 2nd, 2007]

Activity	BUDGET [2007]	QUARTERLY EXPENDITURE	BALANCE	DELIVERY (%)
Activity 1 [PD Formulation]	2,051,159	1,573,300	477,859	77%
Activity 2 [Leading CoG reform]	388,500	177,358	211,142	46%
UNDP GMS (5%)	109,456	79,099	30,357	
Total	2,549,115	1,829,757	719,358	72%

Note: The figures are based on ATLAS financial system (July 02, 2007). The latest tranche of funds (GBP 1.2m) is to be included in the 2007 budget; therefore it is not yet reflected in the table (ATLAS Activity 1).

Table 3: Quarterly Expenditure by Donor [April 1st - July 2nd, 2007]

DONORS	ACTIVITY (as per approved budget)	2007 Budget	Q2 EXPENDITURES 01/04/07 - 30/06/07	BALANCE as of 30/06/07	DELIVERY RATE %
USAID	Activity 1: PD Formulation	33,299	(219,060)	-184,008	
	Activity2: Leading CoG Reform	28,500	8,686	21,314	
GMS 5%		3,253	(10,519)	(7,266)	
Subtotal DONOR I		65,052	(220,893)	(155,841)	-340%
DFID	Activity 1: PD Formulation	2,017,860	1,792,360	225,500	
	GMS 5%	106,203	89,618	16,585	
Subtotal DONOR II		2,124,063	1,881,978	242,085	89%
UNDP	Activity 2: Leading CoG Reform	360,000	168,672	191,328	
Subtotal DONOR III		360,000	168,672	191,328	47%
Total		2,549,115	1,829,757	719,358	72%

