

« FICHE CONTRADICTOIRE »

Evaluation of EU's Cooperation with Afghanistan (2007 – 2016)

Recommendations ¹	Response of EU services	Follow-up (one year later)
<p>1) Ensure that a balanced and mutually reinforcing mix of aid modalities and pathways is maintained.</p> <p>Continue to use different modalities (budget support and projects) and delivery pathways (on-budget and off-budget, trust-funds/delegated cooperation, and direct contracting) in a balanced and mutually reinforcing manner, with consideration to the strengths and weaknesses of each. This should be done with a view towards a) strengthening the Government service delivery and good governance, b) enhancing the functionality of civil society and the private sector, c) delivering tangible and sustainable improvements of the lives of all poor Afghan men, women, boys, and girls, and d) promoting the integration of cross-cutting concerns, including gender, environment, and resilience into economic development.</p>	<p>Accepted</p> <p>The EU will continue utilizing a mix of aid modalities and delivery channels to enhance aid effectiveness in an extraordinarily complex and dynamic context. This has been reflected in the Annual Action Programmes for 2016 to 2018, and will be continued for the remainder of the current programming cycle.</p> <p>The EU is committed to providing assistance to Afghanistan increasingly through country systems and on budget, thus strengthening national ownership over policies and their implementation and increasing the alignment to the government's medium- to long-term development agenda. Complementary to direct budgetary assistance, other implementation modalities continue to be used, taking into account their respective comparative advantages.</p> <p>For example, the Annual Action Plan 2017 included an action on 'Incentivising Justice Sector Reform' which combines on budget incentive funding with technical assistance to the Attorney General Office (AGO) and a grant scheme for civil society organizations in support of access to justice. Similarly, the 'Support to Public</p>	

¹ For details on the possible actions proposed by the evaluation team to implement these recommendations, please consult section 6 of the evaluation report.

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	<p>Finance Management (PFM) Reform' program combines on-budget contributions with the provision of technical assistance to the Ministry of Finance (MoF) and the Supreme Audit Organisation (SAO).</p> <p>Also under the AAP 2018, a coherent mix of implementation modalities has been applied. Under the new State and Resilience Building Contract (SRBC) which continues the State Building Contract decided in 2016, budget support will be complemented by short-, medium- and long-term technical assistance, support for women's economic empowerment and for the national statistics system. The programme 'Supporting Elections in Afghanistan' combines an efficient contribution to a coordinated multi-donor trust fund (managed by UNDP) with direct grants to civil society organizations. The continued 'Support to Police Reform in Afghanistan' programme combines on-budget support to the operating costs of the police force with policy advice to senior management in the police force and the Ministry of the Interior (MoI). Under the SEHATMANDI programme, on-budget assistance for the provision of government health services is combined with technical assistance to the Ministry of Public Health (MoPH) and grants for specific activities in the fields of nutrition, disability and mental health.</p> <p>Actions proposed under the AAP 2019 for the promotion of Afghan agri-business will target the private sector as an agent for sustainable economic development and employment generation, in addition to measures building on government programmes for the provision of basic services at community level, often through local NGOs,</p>	

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	on basis of the ‘Citizens’ Charter’ programme.	
<p>2) Implement clear strategies for strengthening civil society’s transparency-related role and continue to support NGO service delivery, following the EU CSO Roadmap</p> <p>In line with the EU’s stated commitments, strengthen the accountability and transparency-related role of civil society while also facilitating better state-civil society relations, as per the strategies outlined in the CSO Roadmap. Additionally, and as a temporary measure, continue supporting in the short- to medium-term NGO delivery of services where Government cannot adequately reach, in combination with a gradual transfer of service delivery responsibilities to the Government and the private sector.</p>	<p>Accepted</p> <p>The EU Delegation has updated the EU Roadmap on the Engagement with Civil Society in Afghanistan in 2017, with a focus on continued support to NGOs as part of the oversight system, to improve civil society’s capacity to monitor state institutions and activities and to foster transparency.</p> <p>It is important to note that cooperation with civil society is not only covered by thematic programmes and instruments but also as a regular part of MIP-funded activities, e.g. the new programmes mentioned in response to recommendation 1. The EU will continue to work with civil society organisations in three key areas: (1) monitoring, awareness raising and citizens’ involvement (e.g. support to elections, monitoring of public finance management); (2) advocacy (e.g. access to justice, specific support for women and children, marginalised groups); and (3) the provision of services (e.g. health) in hard-to-reach areas, complementary to government services and with the aim of strengthening government services in intermediate perspective.</p> <p>The main approach for identifying new activities will be through Calls for Proposals. In order to also reach NGOs at grassroots level, certain sub-granting schemes are envisaged.</p> <p>The EIDHR country-based support scheme 2017 already aims at supporting Human Rights Defenders and the implementation of the EU+ Human Rights Defenders</p>	

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	<p>Strategy. A call for proposals was launched in 2018.</p> <p>Call for proposals under CSO/LA thematic program will aim at operationalising the recommendations of the newly adopted EU Roadmap for Engagement with Civil Society and strengthen the watchdog role of the civil society. A call for proposal will be launched (and contracts are expected to be signed) in 2019.</p>	
<p>3: Support private sector development</p> <p>Increase the efforts to strengthen the private sector, vis-à-vis: a) delivery of services in the economic sectors (e.g. agriculture, operation and maintenance of water infrastructure), and b) strengthening SMEs and supporting entrepreneurs, with a special emphasis on building exports and job creation, including for women.</p>	<p>Accepted</p> <p>The EU is aware of the importance of enhancing its strategic engagement for SME/private sector development as key driver for growth, as well as the need to further promote women's economic empowerment. This has been addressed during the mid-term review of the Multi-Annual Indicative Programme (MIP) for Afghanistan, with the introduction of a new priority area - Sustainable Growth and Jobs.</p> <p>The EU financed project 'Advancing Afghan Trade (AAT)', implemented by the International Trade Centre (ITC), is ongoing since 2016 and aims at supporting the formulation and implementation of more effective trade policy benefitting also the private sector. The EU is planning to continue its support beyond the initial 3-years duration of the current project. A new action is being prepared under AAP 2019. Another program proposal under the AAP 2019, which would have a direct impact on private sector development, is 'Fostering Agribusiness Development in Afghanistan'.</p> <p>Afghanistan has been recently associated to the Central Asia Invest programme and is also participating in the</p>	

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	<p>regional EU-OECD Eurasia Competitiveness Programme, which conducts peer-reviews to generate policy recommendations for the economic reform agenda.</p> <p>A number of performance indicators for the disbursement of variable tranches in 2019 under the new State Building and Resilience Contract (SRBC) are also expected to have a positive impact in creating a more enabling environment for private sector development. Examples are the incentivisation of reforms of the extractive sector for increasing transparency and domestic revenue mobilization and the creation of decent employment through active labour market policies.</p> <p>To complement the budget support under the new SRBC, EUR 5 million grants will support women’s economic empowerment through entrepreneurship development.</p> <p>The EU Delegation will continue to participate actively in the work of the Private Sector Executive Committee (PriSEC).</p>	
<p>4) Enhance the capacity of the EU Delegation to manage a new type of country programme, with emphasis on strategic dialogue and advocacy</p> <p>Ensure that the Delegation has the required staff capacities and skills available to effectively engage in evidenced-based strategic dialogue with the Government at the overall and sector levels and continue with the current approach to ensuring visibility.</p>	<p>Accepted</p> <p>The evaluation acknowledges that the EU is already proactively engaged in strategic policy dialogue and advocacy in the priority areas defined by the MIP.</p> <p>Linked to the 2016 State Building Contract (SBC), and to be continued also under the 2018 SRBC, a regular policy dialogue format at two levels has been established: the SBC Steering Group, which meets at six-months intervals, and technical level monthly meetings. Thematically, the focus is on public policy, macro-economic issues and PFM, as well as the reforms</p>	

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	<p>supported/incentivised by the variable tranche indicators (i.e. extractive industries, domestic revenue mobilisation, delivery of public services).</p> <p>Since June 2017, the EU Delegation has had limited staff presence in Kabul due to the security situation, and is currently undergoing several adaptive measures in terms of its infrastructure, with an intermediate solution expected to be fully implemented from 2019. Difficulties in attracting experienced staff to a hardship location like Afghanistan remain a structural issue. With these important limitations, the Delegation has reinforced staff capacities with regular trainings - in Kabul, in the Asia region and at HQs - and has also strived to recruit new staff with emphasis on policy analysis and dialogue in the sectors covered by the MIP.</p>	
<p>5) Advocate for a streamlined coordination and dialogue structure</p> <p>Promote a clear understanding of the gaps and challenges in the current coordination and dialogue landscape and promote a simplification with well-planned and fewer fora and mechanisms.</p>	<p>Accepted</p> <p>The evaluation acknowledges the convening power and leading role of the EU in aid coordination mechanisms and dialogue platforms. As in the past, the EU will continue to advocate for a more efficient aid management architecture in Afghanistan, and urge the Government to take action, deliver on commitments, in particular aid effectiveness mechanisms associated to the 2017-2021 Afghanistan National Peace and Development Framework (ANPDF) and the Self-Reliance Through Mutual Accountability Framework (SMAF), which were both presented at the 2016 Brussels Conference on Afghanistan.</p> <p>The aid coordination and dialogue structure in Afghanistan is being reviewed as part of the preparations</p>	

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	for the 2018 Geneva Ministerial Conference on Afghanistan. The EU takes an active part in the process. The objective is the full establishment of High Development Councils for improved inter-ministerial policy coordination and increasing effectiveness and integration of government- and donor-funded activities on basis of improved sectoral technical coordination mechanisms.	
<p>6) Use impact indicators and monitoring strategically as tools for enhancing aid effectiveness</p> <p>Strengthen outcome and impact monitoring at programme level, increase attention paid to analysis of risks to programme beneficiaries, establish strategic performance indicators for budget support and large-scale programmes at the sector level vis-à-vis tackling key bottlenecks and barriers affecting EU programmes, and link these performance indicators to dialogue with, and incentives for, the Government of Afghanistan.</p>	<p>Accepted</p> <p>The EU acknowledges the need of enhancing the focus of new programmes on outcome and impact monitoring and assessment. In that regard, the EU also needs to strengthen its monitoring, documentation and reporting capacity across the whole aid portfolio, as far as the security situation allows.</p> <p>Informed and regular policy dialogue on basis of clear monitoring of progress regarding mutually agreed indicators and targets will remain a key priority, in the context of EU budget support and also joint financing programmes with other development partners like the Afghanistan Reconstruction Trust Fund (ARTF).</p>	